

*7th August, 1930.*

**PRESENT:—**

HIS EXCELLENCY THE GOVERNOR (SIR WILLIAM PEEL, K.B.E., C.M.G.)

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

THE ATTORNEY GENERAL (HON. MR. C. G. ALABASTER, K.C., O.B.E.).

THE SECRETARY FOR CHINESE AFFAIRS (HON. MR. A. E. WOOD).

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

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

HON. MR. E. D. C. WOLFE, C.M.G. (Inspector General of Police).

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

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

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

HON. MR. J. OWEN HUGHES.

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

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

HON. MR. J. P. BRAGA.

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

HON. MR. J. J. PATERSON.

HON. MR. PAUL LAUDER.

MR. N. L. SMITH (Deputy Clerk of Councils).

**ABSENT:—**

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

**MINUTES.**

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

**PAPERS.**

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

Regulation under section 3 of the Post Office Ordinance, 1926, on 18th July, 1930.

Regulation under section 37 (2) of the Merchant Shipping Ordinance, 1899, on 28th July, 1930.

Regulations under section 4 of the Tobacco Ordinance, 1916, on 28th July, 1930.

Order under section 3 of the Dogs Ordinance, 1927, on 30th July, 1930.

Rescission of the Order declaring Saigon an infected place.

Resolution under section 170 of the Public Health and Buildings Ordinance, 1903, on 31st July, 1930.

By-laws under section 16 of the Public Health and Buildings Ordinance, 1903, on 31st July, 1930.

**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. 9 of 31st July, 1930, and moved that it be adopted.

THE COLONIAL TREASURER seconded and this was agreed to.

**TELEPHONE AMENDMENT ORDINANCE.**

THE ATTORNEY GENERAL.—Sir, It is not proposed to proceed to-day with the second reading of the Telephone Ordinance.

**HOLIDAYS AMENDMENT ORDINANCE.**

THE ATTORNEY GENERAL moved the second reading of the Bill intituled "An Ordinance to amend the Holidays Ordinance, 1912." He said: This Ordinance will give a new holiday in September and change the date of the October holiday so as to coincide with the Chinese national holiday.

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 reported that the Bill had passed through Committee without amendment and moved the third reading.

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

### **SAILORS HOME AND MISSIONS TO SEAMEN INCORPORATION ORDINANCE.**

HON. MR. C. G. S. MACKIE moved the second reading of the Bill intituled "An Ordinance to provide for the incorporation of the Sailors' Home and Missions to Seamen."

HON. MR. J. OWEN HUGHES 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,

HON. MR. MACKIE reported that the Bill had passed through Committee without amendment and moved the third reading.

HON. MR. J. OWEN HUGHES seconded and the Bill was read a third time and passed.

### **ADJOURNMENT.**

H.E. THE GOVERNOR.—The Council will adjourn until Thursday next, 14th August.

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### **FINANCE COMMITTEE.**

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

Votes totalling \$325,000, contained in Message No. 10 from H.E. The Governor, were considered.

THE CHAIRMAN.—I regret that at the very first meeting following my promise, we did not get the minutes in the hands of honourable members on Monday night, but the week was an unusual one in that it was a holiday on Monday. There are two minutes, which I will deal with in the usual way, by reading the headings, and give members any further information they may desire.

Item No. 98: Miscellaneous Services:—Grant in aid of Institution of University of Hong Kong, \$300,000.

HON. MR. J. P. BRAGA.—Sir, On this vote of \$300,000 as a grant in aid of the University of Hong Kong, I have a statement to make. If it should be longer than you deem it necessary, I crave the indulgence of the Committee, as the tax-payers, whose money we are called upon to vote, have a right to know the full facts of the case. These facts are not revealed in Item 98 contained in the Message before this meeting.

There was a private meeting of the unofficial members of the Legislative Council to consider this financial vote on the 15th July last. No unanimity could be arrived at regarding the very important clause, namely, paragraph (c), relating to the proposed modified scheme of revised salaries for the staff of the Hong Kong University. Clause C, in its original form, when presented for discussion at the private meeting in question, read as follows:—

"The University should produce a modified scheme of revised salaries which would bring the cost of the revision within the surplus left from the grant after balancing the budget."

It will be noted, Sir, that in the original text no provision was made for the salaries of the dollar-paid members of the staff. This very point was debated at some length at the meeting of the Court of the University in December of last year. The question of University salaries came up for discussion in connexion with the Salaries Committee's report dated 30th November, 1929, and submitted for consideration by the Court of the University. I happened to be one of the speakers on that occasion. I emphasised the point that, whereas the inadequate sterling salaries were to be revised on a more generous scale, the dollar-paid staff of the University were not considered, because the latter were excluded from the scope of the Committee's enquiry.

Arguing at the meeting on the 15th July, I stated that a scheme of revised salaries, contemplated in the original draft of the item before this meeting, unless amended, by a strict literal interpretation of paragraph (c) of the item, the dollar-paid members of the staff would unconsciously, it may be assumed, be left completely out of consideration. The amendment, which has since been embodied in the phrasing of the contentious paragraph, leaves no room for doubt.

I now come to the essential point which arose in the course of discussion on the occasion of the private meeting on the 15th of July. I would like to draw the attention of this meeting that in the original text the material words "and leave a reasonable margin for eventualities" did not appear in para. (c). I strenuously dissented from the proposal to include those words, and, upon a division, was the only member to vote against such addition. How important the addition of these words will affect the salaries of the University staff will be seen in a brief explanation, bearing in mind that, in paragraph 7 of the Report of the University Committee,  
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Committee specifically state: "For the reasons that will appear when we come to deal with the present scale of salaries paid to members of the University Staff, we are of opinion that they are inadequate."

I now come to a closer criticism of what I may call an extraneous addition which may have the effect of very materially defeating the very purpose for which we are called upon to vote this financial grant this afternoon.

"Eventualities," in the broader interpretation of the term, may include practically anything, from an addition to the number of the University staff itself to, let us say, the cost of replacing the University tower, if, unfortunately, it should be blown down by the next typhoon visiting the Colony.

Moreover, the interpretation of the term "eventualities" would be left in the hands, presumably, of the Finance Committee of the University. I submit, Sir, that the unofficial members of Finance Committee of the Legislative Council form a tribunal higher than the Finance Committee of the University. It is for that very reason, Sir, that this vote of \$300,000 has been submitted to this Council for acceptance or rejection. Either this Committee is committed to a vote for salaries specifically so provided, or it is not. There can, and should not be, any room for equivocation. Speaking for myself, I would like to know to what definite purpose will be applied the money we are called upon to vote. "Eventualities" is much too vague a term and, as I have just pointed out, may mean practically anything under the sun.

I would be loath to associate myself with so large a vote as \$300,000, leaving the freedom of its appropriation that might, with the best intentions in the world, and, possibly also, unconsciously inflict injustice on the deserving members of the University staff. If, for the sake of argument, a number of eventualities should arise, necessitating a call for funds for which the University budget does not specifically provide, I fear, Sir, the revised scheme of salaries would be so whittled down that it might become a sham and a delusion to suppose that the professorial staff as well as the administrative staff salaries—admittedly inadequate—have been improved on a scale commensurate with the services rendered to the Colony in the very important department of liberal education which it provides.

When I happened to be at Shanghai recently on a holiday I picked up the newspaper one morning; it was on the 7th June last. I was struck by an article appearing in the editorial column of the *North China Daily News* that day. That article arose out of the Vice-Chancellor's report, which was given publicity the same week in the newspapers of Shanghai. The Vice-Chancellor's report, I believe, was published in the newspapers of Hong Kong on the 29th May last. One paper displayed it prominently under the caption "Hong Kong Professors in Poverty." I venture to quote from the Vice-Chancellor's

report the following extract relating to the gloom of the financial outlook, which obscures all other considerations as far as the University is concerned. Mr. Hornell wrote:—

"As things have turned out, the adoption in their entirety of the increased salary scales would land the University, if the increased annual subvention be not voted, in an annual deficit of not less than three lakhs, while, even if the subvention be voted this adoption would mean, unless new sources of income be discovered, that the University would be involving itself in annually recurring liabilities which are likely to exceed its annual income by a sum which can not be stated at less than \$2 lakhs."

Now let me turn to the comments of the foremost English newspaper in China. The leading article in the *North China Daily News* starts with an observation in the following terms, which, I am afraid, does not do the Colony too great credit:

"It is surely time that something were done to put Hong Kong University on a sound financial basis, particularly in view of the situation as described in the Vice-Chancellor's report which we published in part on Thursday."

And the editorial ends with this somewhat severe stricture of the doubtful liberality in the Colony which had hitherto enjoyed a reputation for generosity:—

"Another, and even more important point is the complete lack of dignity in the situation. It is not worthy either of those people who made the foundation of the University possible, or those who now have to face the problem of carrying it on, that they should be obliged to live on the hand-to-mouth scale they do at present. It is unworthy of the Colony, unworthy of the Empire, and, where a source of funds is so readily available, every effort should be made to ensure future safety from a recurrence of the unfortunate state of affairs which the Vice-Chancellor's report so clearly sets out."

We are this afternoon, Sir, faced with a solution of the problem referred to in the quotation I have just read. If I can help it, I mean to do my bit—if only a modest little bit, probably of insignificant consequence in the opinion of some—to remove the stigma under which the Colony labours in relation to its University.

Speaking for myself, therefore, I would fain strive to remove the cause for the severe stricture passed by Shanghai. Clause (c) of Item 98 in its present form reveals the Colony in a most undignifying light. It pretends to give with the right hand what is enabled to be taken away by the left. It vitiates, in my humble opinion, the effectiveness of a full measure of relief for the inadequate salaries of the University staff. We should be taking up a hypocritical

attitude, and I have no desire to be associated with such an attitude. I stand for sincerity and unequivocal language.

In conclusion, Sir, I would vote for the sum of \$300,000 asked for in Item 98 of Message No. 7 to the Finance Committee, provided that the words "and leave a reasonable margin for eventualities" be struck out. If I should not be supported in my contention—I have little hope that I shall after the result of the private meeting on the 15th July—I shall at least have satisfaction in the knowledge that I have done what I could to improve the undignifying situation which makes of Hong Kong the butt of criticism which the Colony's own action has invited for itself.

THE CHAIRMAN.—We cannot help but take note of your interesting speech, Mr. Braga, but I gather you have no objection to the vote itself, if this alteration is made in the last five words.

HON. MR. J. P. BRAGA.—Exactly, Sir. I should like these words deleted from item 98.

HON. MR. P. LAUDER.—I have listened to what the Hon. Mr. Braga has had to say and I think the words which Mr. Braga objects to, "leave a reasonable margin for eventualities," lay down a very ordinary and a very proper business precaution and I think the Government would make a mistake if they omitted these words. I think the amount that will be left for eventualities can be safely left to the University authorities.

HON. MR. J. J. PATERSON.—I agree with my honourable friend, Mr. Lauder. I think the matter of the disposal of the money voted can very well be left to the Finance Committee of the University whose job, after all, it is. The fault lies not with us but, I think, with our predecessors who, financially speaking, did not look far enough ahead. But the position as I see it to-day is that we have got this University, we have got to keep it going as best we can, but there is not too much money in this Colony.

HON. MR. BRAGA.—If I am permitted to reply, I would like to say that my understanding of the whole question of the salaries of the University staff, in the first instance, was that the Members of the Court of the University were practically pledged more or less to the vote that appeared, in the first instance, for discussion by the Court of the University, and from which discussion the unofficial members of the Legislative Council, being at the same time members of the Finance Committee of the Council, were, in a sense, precluded from taking part by the remarks made by the honourable senior unofficial member of the Council, the Hon. Sir Henry Pollock, who reserved the right of discussion when the matter was brought up before the Finance Committee of this Council. We have now reached that stage, Sir, but, unfortunately, there was at the time, whether rightly or wrongly, doubt as to the correct interpretation

of the resolutions adopted on that occasion by the Court of the University. So far as I am personally concerned, there exists no doubt in my own mind. I feel that the money was passed, in the first place, to meet increased salaries recommended by the University Salaries' Committee. There was then no question of the balancing of the budget as a whole. This question of balancing the budget came in as an after-thought and as an after-thought we are now called upon to reconsider the sufficiency of the amount to be voted by this Council for both balancing the budget as well as for the increased salaries of the University staff. Here we are, faced with two separate issues. If it were a matter of balancing the budget of the University we should strictly face it as such because the Colony is definitely committed to the carrying on of the University, not only as a Colonial but an Imperial asset, and I quite agree with the Hon. Mr. Paterson that we should have to find funds to meet the cost of maintaining the University with all that it connotes to the prestige of this Colony; but considering the question of salaries as a separate issue, I think this Council should now confine itself to voting adequate provision for the salaries recommended by the University Salaries Committee.

THE CHAIRMAN.—You have not put a resolution yet.

HON. MR. BRAGA.—As a matter of formality I move that the words in paragraph (c) of item 98 "and leave a reasonable margin for eventualities" be struck out.

There was no seconder.

HON. MR. KOTEWALL.—Sir, I would like to explain why I cannot—

THE CHAIRMAN.—It is too late, I think, for that. Do you want to second?

HON. MR. KOTEWALL.—No, Sir.

All members with the exception of the Hon. Mr. Braga voted for the approval of the minute.

HON. MR. BRAGA.—I dissent, Sir.

THE CHAIRMAN.—Do you wish your dissent to be recorded?

HON. MR. BRAGA.—If you will, please.

All the votes were approved.

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