

*5th February, 1931.*

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**PRESENT:—**

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

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. 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. R. A. C. NORTH).

THE COLONIAL TREASURER (HON. MR. C. MCI. 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. SIR SHOU-SON CHOW, K.T.

HON. MR. J. OWEN HUGHES.

HON. MR. J. P. BRAGA.

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

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

HON. MR. J. J. PATERSON.

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

**ABSENT:—**

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

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

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

**MINUTES.**

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

**NEW MEMBER.**

The Secretary for Chinese Affairs (Hon. Mr. R. A. C. North) took the oath of allegiance and his seat as a member of the Council.

**PAPERS.**

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

Declaration under the Merchant Shipping Ordinance, 1899, Table L, Quarantine Regulations, on 29th January, 1931.

Berne Copyright Convention (French Colonies and Protectorates) Order, 1930.

Berne Copyright Convention (Yugoslavia) Order, 1930.

Copyright (Irish Free State) Order, 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. 1 of 29th January, 1931, and moved that it be adopted.

THE COLONIAL TREASURER seconded and this was agreed to.

**ESTATE DUTY AMENDMENT ORDINANCE, 1931.**

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend the law relating to Estate Duty." He said: Sir, I rise to move the first reading of a Bill to amend the law relating to Estate Duty. The schedule to the Bill gives the new rates per cent. at which Estate Duty is to be payable. In the case of estates between \$1,000 and \$5,000 in value, the new duty is to be half of the old, one per cent., instead of two per cent. Up to \$10,000 it is to remain at two per cent., and up to \$25,000 it is to remain at three per cent., these being the present rates on such estates. After \$25,000 it is to rise to four per cent.; after \$50,000 to five per cent., and thence, by stages of one per cent. at a time, until a maximum of 12 per cent. is to be paid in respect of estates exceeding \$2,000,000.

The present maximum, which has been in force since 1915, is eight per cent., for estates exceeding \$2,500,000. But therein the Colony has been exceptionally fortunate compared  
w i t h o t h e r p l a c e s .

In the Straits Settlements, for many years, it has been 12 per cent. for estates exceeding \$1,500,000. In some Colonies and in the United Kingdom, the maximum reaches 40 per cent., recently increased in the latter to 50 per cent. At the same time the Bill makes many amendments in the Ordinance of 1915, generally bringing it into closer agreement with the legislation of the United Kingdom, not so much, however, with that object in view as with the objects of improving the machinery for collection and of closing the avenues of evasion. It results from the suggestions of many experts, extending over several years—law officers, estate duty commissioners and their assistants, and last, but by no means least, practising solicitors representing the Incorporated Law Society of Hong Kong. It has not been an easy Bill to draft. Local conditions are not the same as those at Home, and there may be two opinions as to some of the clauses of the Bill. If these are pointed out either at or before the debate on the second reading at the next meeting, I, for one, will welcome the reference of such clauses to the Standing Law Committee under Order 27 of the Standing Orders of this Council. I now move the first reading of the Bill.

THE COLONIAL TREASURER 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 object of this Ordinance is to amend the Estate Duty Ordinance, Ordinance No. 16 of 1915, in various ways suggested by the practical working of the Ordinance. Some of the amendments now proposed are intended to bring the Ordinance into closer agreement with the Finance Act, 1894, 57 & 58 Vict. c 30. Others are designed to prevent evasion of estate duty.

2. When the principal Ordinance, which came into force on the 1st January, 1916, was enacted, it contained a provision that in the case of persons dying before the commencement of the Ordinance the probate duty formerly payable under the Stamp Ordinance, 1901, should continue to be payable instead of the new estate duty. When the Stamp Ordinance, 1901, was replaced by the Stamp Ordinance, 1921, the above temporary and limited provision was still further limited by a provision that estate duty and not probate duty should be payable in the case of any estate to which representation was applied for after the commencement of the new Stamp Ordinance, whatever the date of the death of the deceased. In the revision of the Ordinances in 1924, the effect of the latter provision was incorporated in section 2 of the Estate Duty Ordinance in such a way, through an oversight, as to make the latter Ordinance applicable only to cases where application for representation is made after the 1st May, 1921. But Estate Duty is a matter which attaches on the death of a person, wholly irrespective of representation being taken out to his estate. Section 2 therefore  
a m e n d s s e c t i o n 2 o f t h e p r i n c i p a l

Ordinance by making the Ordinance applicable to all deaths after 1st January, 1916, and also to deaths before that date if representation has not been applied for before the 2nd May, 1921.

3. Section 3 (1) of this Ordinance amends section 3 (1) of the principal Ordinance by defining the expressions "Account", "Affidavit for the Commissioner" and "Estate" and by substituting revised definitions for the definitions of "Commissioner", "Prescribed" and "Property". In the definition of the term "Commissioner" a reference to the Treasurer is inserted in place of the former reference to the Registrar of the Supreme Court, because the Treasurer was substituted for the Registrar as Commissioner by order of the Governor published in the Gazette of the 11th January, 1924. The definition of the term "Commissioner" is also altered so as to include any Deputy Commissioner of Estate Duty. This is done in order to give such Deputy Commissioner the powers of the Commissioner.

Section 3 (2) amends section 5 of the principal Ordinance, which deals with property passing on death, by adding a paragraph in respect of specialty debts derived from section 39 of the Revenue Act, 1862.

4. Section 6 of the principal Ordinance contains a list of properties in respect of which estate duty is not payable. After the principal Ordinance was passed, though before it came into operation an addition had been made by legislation (Ordinance No. 31 of 1915, s. 7) to the classes of property not chargeable with estate duty, *i.e.*, shares in China companies. Section 4 of this Ordinance now adds that class to the list in section 6 of the principal Ordinance.

5. Section 5 of this Ordinance amends section 8 of the principal Ordinance so as to make it correspond more closely with the language of section 6 (2) and (4) of the Finance Act, 1894, because it is considered desirable to make it clear that duty is to be paid on delivery of the affidavit and account. Section 8 (6) is amended by the deletion of words which were deleted in 1896 from section 6 (6) of the Act.

6. Section 9 (3) of the principal Ordinance is considered to be defective. It provides that "No allowance shall be made for debts due from the deceased to persons resident out of the Colony unless contracted to be paid in the Colony, or charged or property situate within the Colony". In the new sub-section (3) substituted by section 6 of this Ordinance the words "to persons resident out of the Colony" are omitted to avoid deductions on account of debts charged on property situated outside the Colony and which are not liable to Hong Kong estate duty.

7. Paragraph (b) of section 6 of this Ordinance adds four sub-sections to section 9 of the principal Ordinance, *i.e.*, sub-sections (5), (6), (7) and (8).

8. The new sub-section (5) is intended to replace section 13 (4) of the principal Ordinance, where the subject matter of the sub-section is not so relevantly placed. That sub-section, however, will now appear in section 9 of the principal Ordinance in a different form. It was based on section 7 (6) of the Finance Act, 1894, but it was adapted in a form which has proved to be mistaken and which has given rise to difficulty and even to litigation. It will now appear as section 9 (5) of the principal Ordinance in the exact words of the sub-section in the English Act.

9. The new sub-section (6) of section 9 will replace the former section 13 (5) of the principal Ordinance. That sub-section, again, has proved unworkable in practice. The new section 9 (6) is taken *verbatim* from section 7 (7) of the Finance Act, 1894. The wording of the sub-section is awkward and rather artificial, but it has received judicial interpretation in England and the meaning now appears to be clear: see for example, *A. G. v. Coole* (1921) 3 K. B. 607. It has therefore been decided to adhere to the wording of the English sub-section, a practice which is generally desirable.

10. The new sub-section (7) of section 9 of the principal Ordinance replaces section 10 (6) of that Ordinance. It is practically a copy of section 7 (8) of the Finance Act, 1894. The new sub-section (8) replaces the former section 10 (7), and is practically a copy of section 7 (9) of the Finance Act, 1894.

11. The above four new sub-sections seem to be most appropriately placed in section 9 of the principal Ordinance which deals with the question of the value of the estate for estate duty purposes generally.

12. Section 7 of this Ordinance repeals section 10 of the principal Ordinance and substitutes a new section. The new section consists partly of the present provisions of the old section, partly of those provisions altered, and partly of new matter.

13. The new section 10 (1) applies the simple procedure of the Crown Remedies Ordinance, 1875, Ordinance No. 6 of 1875, to the recovery of estate duty, interest on estate duty, and any fines, penalties or forfeitures provided by the Ordinance. This procedure is already by the particular provisions of sections 18 (1), 19 (3) and 20 (2), applied to the recovery of penalties, and is by section 13 (2) applied to the recovery of the treble duty payable on a late further affidavit. These particular provisions are being repealed by the present Ordinance.

14. The new section 10 (2) enables a judge in special circumstances to make an order dispensing with personal service of process and to give directions as to substituted service or as to notice of proceedings by posting copies of the process to addresses within or without the jurisdiction of the Court. The sub-section is founded

partly on rule 3 of the Exchequer Rules, 1860, and crystallizes to some extent the old jurisdiction of the Court of Chancery (illustrated by the case of *Hobhouse v. Courtney* 10 L.J.N.S. Ch. 377 and the cases cited therein) which was transferred to the Supreme Court of the Colony by Ordinance No. 3 of 1873. The case of *Western Suburban etc., Society v. Ruckledge*, 1905 II Ch. 472, affords an example of an order for service by posting a letter to an address abroad. The provisions of sections 37 and 38 of the Crown Suits Act, 1865, dealing with revenue cases against persons resident out of the jurisdiction of the Exchequer are not in force in the Colony.

15. The new section 10 (3) gives power to the court to appoint a receiver, or order a sale, in the case of any proceeding for the recovery of estate duty. This sub-section is taken from section 8 (13) of the Finance Act, 1894.

16. The new section 10 (4) replaces the old section 10 (1), and is made to correspond more closely with section 8 (3) of the Finance Act, 1894.

17. The new section 10 (5) replaces the old section 10 (2), except that the proviso exempting *bona fide* purchasers for value without notice is transferred to a separate sub-section by itself, *i.e.*, sub-section (7), and its place is taken by a proviso relieving persons who act merely as agents in the management of property. This new provision is taken from the corresponding sub-section in the Finance Act, 1894, *i.e.*, section 8 (4).

18. The new section 10 (6) replaces the old section 10 (3), which is extended by the deletion of the words "with regard to the premises" and "relating to the estate in respect of which estate duty is leviable on the death of the deceased" and the substitution for the latter of the words "the inspection.....reward" which are taken from section 59 (1) of the Fijian Death and Gift Duties Ordinance No. 10 of 1920. The Commissioner is given power also to require verification on oath of statements made to him by persons summoned before him, and the penalty is transferred to a general sub-section, *i.e.*, sub-section (14).

19. The new section 10 (7) has already been referred to above. It is merely transferred from another part of the section.

20. The new section 10 (8) replaces with slight alteration the old section 8 (5).

21. The old section 10 (4) disappears as it is considered unnecessary.

22. The old sections 10 (6) and 10 (7) have been transferred to a more appropriate place in section 9 of the principal Ordinance by section 6 of this Ordinance.

23. The new section 10 (9) replaces the old section 10 (8) with slight verbal differences. It also provides that if the amount of duty ascertained by the Commissioner exceeds the amount already paid the accountable person shall forthwith pay the balance.

24. The new sub-sections (10), (11) and (12) of section 10 revise and replace the old sub-sections (1) and (2) of section 13 and deal separately with the cases of non-disclosure discovered respectively by the accountable person and by the Commissioner.

25. The new section 10 (13) replaces the old section 10 (9).

26. The new section 10 (14) is a general penalty sub-section applying to the whole section. It is based on section 8 (6) of the Finance Act, 1894, except that it provides for a penalty of \$1,000 or a penalty equal to the amount of duty at the rate set out in the Schedule instead of £100 or a sum equal to double the amount of the duty.

27. Section 12 of the principal Ordinance provides for the payment of estate duty at three times "the customary rate" where an affidavit or account is "for the first time" lodged after a year from the death, or (in the case of a person dying outside the Colony) after a year "from the date of the grant" of administration outside the Colony, unless the person lodging the affidavit or account can prove that "within the said period of one year" he was not aware of the existence of estate of the deceased within the Colony and could not "within such period" with reasonable diligence have ascertained its existence. The section is unsatisfactory.

28. Section 8 of this Ordinance substitutes a new section 12 which contains the following features:—

(a) The treble rate is applied to all late accounts, unless the accountable person can prove that he used all reasonable diligence to ascertain the estate and to deliver an account upon its discovery.

(b) In the case of "resealing" the period of delay allowed is 18 months from death.

(c) The rates in the Schedule are specifically referred to.

(d) It is provided that for the purposes of the section no account is to be deemed to have been delivered until the apparent duty has been paid, unless the Commissioner has allowed payment to be postponed.

29. Section 9 of this Ordinance repeals section 13 of the principal Ordinance. The various sub-sections of that section are being dealt with as follows:—

- (a) Sub-section (1) is replaced by the new section 10 (10).
- (b) Sub-section (2) is replaced by the new sub-sections 10 (11) and 10 (12).
- (c) Sub-section (3) is not being reproduced. Its effect is not very clear, but it seems to be an undesirable limitation both on the right of appeal and on the right of demanding additional duty.
- (d) Sub-section (4) reappears in the new section 9 (5), except that the mistaken provision for ascertaining the value of an interest in expectancy is omitted: see paragraph 8 above.
- (e) Sub-section (3) disappears. That section also has proved to be mistaken. It has no counterpart in the Finance Act, 1894.

The repealed section is replaced by a new one making it obligatory for executors to attend to the registration of the transfer into his own name of unregistered shares belonging to a deceased person. This will help to make it clear from the share register that a transfer from A to D was through C the executor of B the unregistered owner of the shares.

30. Section 10 of this Ordinance amends section 16 of the principal Ordinance by the deletion of the words "by treasury warrant." Refunds are not in fact made by treasury warrant but by cheque.

31. Section 11 of this Ordinance repeals section 18 of the principal Ordinance and substitutes a new section 18 which differs from the old section 18 in the following points:—

- (a) It is provided that the Schedule of property to be annexed to the probate or letters of administration is to be under the hand of the Commissioner.
- (b) The penalty under the present section 18 for dealing with property of the deceased not contained in the above Schedule is only \$500. The new section 18 makes the penalty \$1,000 or three times the single rate duty payable upon the estate dealt with, at the election of the Commissioner. The person in question will, however, be relieved from liability if he can show any lawful authority or reasonable excuse.

32. Section 12 of this Ordinance repeals section 19 of the principal Ordinance and substitutes a new section 19 which differs from the old section 19 in the following points:—

- (a) The new section 19 deals separately with the two distinct cases of intermeddling by a person who is entitled to apply for administration and that of intermeddling by a person who is not entitled to apply for administration. In the case of a person who is not entitled to apply for administration the liability to penalty arises immediately upon intermeddling. In the case of a person who is entitled to apply for administration the liability for penalty arises in two cases, *i.e.*, (1) when the person in question intermeddles within six months after the death and also fails within that period to deliver accounts to the Commissioner, and (2) when the person in question intermeddles after six months after the death without having within that period furnished accounts to the Commissioner.
- (b) It is made clear by reference to the Schedule that the penalty of three times the amount of the duty is to be at three times the single rate of duty and that penalty and duty together shall not exceed four times that rate.
- (c) In dealing with the case of persons entitled to apply for administration the two classes are distinguished of (1) the executor appointed by the will and (2) the person entitled in priority to the administration.
- (d) Sub-section (2) of the present section 19 which allows intermeddling for the purpose of the maintenance of the family of the deceased provided that the Commissioner has been notified of the death, opens the door to evasion. This sub-section is replaced by the new sub-section (4) which gives the Commissioner power to allow intermeddling for the purpose in question or for the purpose of the burial of the deceased and also for the purpose of preparing accounts.
- (e) The new sub-section (5) provides that the recovery of any penalties provided by this section shall be without prejudice to the recovery of the estate duty.
- (f) The new sub-section (6) provides that no account is to be deemed to have been delivered until the apparent duty has been paid, unless the Commissioner has allowed postponement of payment.
- (g) The present section 19 (3) disappears because the question of recovery of penalties is dealt with generally in the new section 10 (1).
- (h) The present section 19 (4) is omitted because the whole point of the section is to prevent intermeddling without furnishing accounts to the Commissioner, and the question

of obtaining probate or administration is irrelevant. The case of persons who are entitled to administer without furnishing accounts is sufficiently dealt with by the reference to lawful authority or reasonable excuse in the new section 19 (1).

33. Section 13 of this Ordinance amends section 20 of the principal Ordinance in two minor points. One is that the word "penalty" is substituted for the word "sum" or "debt" in order to make the general provisions relating to penalties apply clearly to the penalties which are called sums and debts in the present section 20. The other is that sub-section (2), which provides for the recovery of the \$500 penalty is omitted because the matter is dealt with generally in the new section 10 (1).

34. Section 14 of this Ordinance repeals section 22 of the principal Ordinance which gave the Commissioner or the Court power to reduce penalties and substitutes a new section giving the Commissioner discretionary power to reduce penalties and to reduce to single rate any duty at a higher rate chargeable under the Ordinance.

35. Section 15 of this Ordinance inserts five new sections in the principal Ordinance. The new section 24 enacts 2 of 3 sub-sections of a section which was recommended by the Stamp Duties Committee which reported in August, 1929. It has not been thought practicable to enact the other sub-section which appeared in Annexe B of the report in question and which cast on the personal representative the onus of proving a negative. It is intended to make registration *prima facie* evidence of beneficial ownership at death in the case of shares on share registers which are by law required to be kept within the Colony.

36. The new section 25 provides that if estate duty has already been paid in respect of any settled property since the date of the settlement, upon the death of one of the parties to a marriage, no estate duty shall be payable on the death of the other party to the marriage unless such person was at the time of his or her death, or had been at any time during the continuance of the settlement, competent to dispose of such property. This provision is adapted from section 5 (2) of the Finance Act, 1894, as amended by section 14 of the Finance Act, 1914. The special definition in sub-section (2) of the term settlement is inserted because in the principal Ordinance generally that term excludes testamentary dispositions.

37. The new section 26 gives relief in certain cases of quick succession, the duty on the second death being reduced in accordance with a scale which varies according to the period elapsing between the two deaths. This provision is taken from section 15 of the Finance Act, 1914.

38. The new section 27 gives relief in the case of estates which just pass over one of the steps in the scale of estate duties. The effect of the section can best be seen from examples. For example, an estate is valued at \$10,500. At the new rate of 3% (the old rate is the same) the estate duty would be \$315. Under this section, however, duty can be paid at 2% on \$10,000, *i.e.*, \$200, with an addition of \$50, *i.e.*, \$250 in all instead of \$315. Again, an estate is assessed in \$100,500. At the new rate of 6% the estate duty would be \$6,030. Under this section duty can be paid at 5% on \$100,000, *i.e.*, \$5,000, with an addition of \$500, *i.e.*, \$5,500 in all instead of \$6,030. Of course if an estate passes over the step in the scale by more than a small amount it would not pay the estate to claim the relief. This provision is taken from section 13 (1) of the Finance Act, 1914.

39. The new section 28 gives relief in the case of certain interests which do not fall into possession. It provides that in the case of settled property, where the interest of any person fails by reason of the death to become an interest in possession, and subsequent limitations continue to subsist, the property shall not be deemed to pass on his death. This provision is taken from section 5 (3) of the Finance Act, 1894. As in the case of the new section 25, the terms settlement and settled property are specially defined for the purpose of this section. The reason is the same as that given in paragraph 35 above.

40. Section 16 of this Ordinance repeals the Schedules to the principal Ordinance. The First Schedule was repealed by the Law Revision Ordinance, 1924. The Second Schedule is replaced by a new Schedule in which the scale of graduated rates is revised and increased. The repeal of the Second Schedule and the substitution of the new Schedule is made subject to a proviso derived from section 29 of the Finance Act, 1919, relating to the sale of mortgage of interests in expectancy before the commencement of this amending Ordinance. The Third Schedule disappears with the omission of the present section 13 (4). This matter is referred to in paragraphs 8, 9 and 29 above.

#### **REGISTRATION OF NURSES ORDINANCE, 1931.**

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to provide for the Registration of Nurses for the Sick." He said: This Bill is based on the English Act of 1919, and will establish a Nursing Board and a Register of Nurses, which will improve the status of our nurses and, at the same time, protect the public by the assurance that registered nurses have received a recognised training for their important duties.

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

Council went into Committee to consider the Bill clause by clause.

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.

### **WIDOWS AND ORPHANS PENSION AMENDMENT ORDINANCE, 1931.**

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to amend further the Widows' and Orphans' Pension Amendment Ordinance, 1908." He said: The revision of salaries has made it desirable to increase the minimum which renders an officer liable for contribution. The Bill also exempts certain other persons as stated in the memorandum at its foot.

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

Council went into Committee to consider the Bill clause by clause.

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.

### **PUBLIC HEALTH AND BUILDINGS AMENDMENT ORDINANCE, 1931.**

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to amend further the Public Health and Buildings Ordinance, 1903 and an Enactment referring thereto." He said: This Bill repeals two sections of the principal Ordinance and gives us two new sections improving the machinery for the seizure and destruction of tainted, diseased or unwholesome food.

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

Council went into Committee to consider the Bill clause by clause.

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.

### **CENSUS ORDINANCE, 1931.**

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to make provision for taking, from time to time, the Census of the Colony." He said: The object of this Bill is to improve machinery for taking decennial census in which it is hoped everyone will do their best to co-operate with the Superintendent of Census and the enumerators.

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

Council went into Committee to consider the Bill clause by clause.

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.

### **MERCHANT SHIPPING AMENDMENT ORDINANCE, 1931.**

THE ATTORNEY GENERAL moved the third reading of a Bill intituled "An Ordinance to amend the Merchant Shipping Ordinance, 1899." He said: A very full statement of the object and effect of this Bill is contained in the memorandum attached to it which is in the hands of members. It will not be brought into force in the Colony until after it has received the assent of His Majesty the King.

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

Council went into Committee to consider the Bill clause by clause.

Upon Council resuming,

THE ATTORNEY GENERAL reported that the Bill had passed through Committee without amendment and he moved the third reading.

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

**ADJOURNMENT.**

H.E. THE GOVERNOR.—The Council stands adjourned until this day week, February 12th.

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**FINANCE COMMITTEE.**

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

Votes totalling \$3,300 contained in message No. 2 from H.E. the Governor, were considered and approved.

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