

*2nd July, 1931.*

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**PRESENT:—**

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

THE HON. THE OFFICER COMMANDING THE TROOPS (COLONEL R. B. COUSENS, D.S.O.).

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

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

THE SECRETARY FOR CHINESE AFFAIRS (HON. MR. E. R. HALLIFAX, C.M.G., C.B.E.).

THE COLONIAL TREASURER (HON. MR. E. TAYLOR).

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. DR. W. B. A. MOORE (Director of Medical and Sanitary Services).

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

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

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

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

HON. MR. J. J. PATERSON.

HON. MR. W. H. BELL.

MR. R. A. C. NORTH (Deputy Clerk of Councils).

**ABSENT:—**

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

HON. SIR SHOU-SON CHOW, KT.

HON. MR. J. P. BRAGA.

**MINUTES.**

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

**NEW MEMBERS.**

The Hon. The Officer Commanding The Troops (Colonel R. B. Cousens, D.S.O.) and the Hon. Mr. W. H. Bell took the oaths of allegiance and their seats as Members of the Council.

**PAPERS.**

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

Rule made by the Governor in Council under section 18 of the Prisons Ordinance, 1899, on 7th May, 1931.

Regulation made by the Governor in Council under section 3 of the Post Office Ordinance, 1926, on 11th May, 1931.

Declaration under the Merchant Shipping Ordinance, 1899, Table L, Quarantine Regulations, on 15th May, 1931.

Regulations made by the Governor in Council under section 4 of the Nurses Registration Ordinance, 1931, on 15th May, 1931.

Amendments to the Statutes of the University, under section 14 of the University Ordinance, 1911, published on 22nd May, 1931.

Regulation made by the Governor in Council under section 4 of the Stamp Ordinance, 1921, on 21st May, 1931.

Order made by the Governor in Council under section 3 of the Dogs Ordinance, 1927, on 10th June, 1931.

Regulations made by the Governor in Council under section 2 of the Public Places Regulation Ordinance, 1870, on 10th June, 1931.

Approval by the Governor in Council under section 32 of the Telephone Ordinance, 1925, and para. e (ii) of the schedule to the Telephone Amendment Ordinance, 1930.

Regulations made by the Governor in Council under section 95 of the Liquors Consolidation Ordinance, 1911, on 11th June, 1931.

Rules made by the Governor in Council under section 4 (8) of the Merchant Shipping Ordinance, 1899, on 18th June, 1931.

Regulations made by the Governor in Council under section 15 of the Wild Birds Ordinance, 1922, on 19th June, 1931.

Report on the Finance for the year 1930.

Report on the Assessment for the year 1931-32.

Financial Returns for the year 1930.

Report on the New Territories for the year 1930.

Report on the Police Magistrates' Courts for the year 1930.

Report of the Superintendent of Imports and Exports for the year 1930.

Report of the Director of Education for the year 1930.

#### **AMENDED RULE BY CHIEF JUSTICE.**

THE COLONIAL SECRETARY.—Sir, I bring up a Rule, dated 29th June, made by the Chief Justice under section 32 of the Supreme Court Ordinance, 1873, and move that it be revised and approved.

THE ATTORNEY GENERAL seconded and the motion was agreed to.

#### **CHARGES OF THE YEAR, 1930.**

THE COLONIAL SECRETARY moved the First reading of "A Bill to authorize the Appropriation of a Supplementary Sum of Two million four hundred and eighty-six thousand five hundred and Seventy-seven Dollars and two Cents to defray the Charges of the year 1930." He said:—By Your Excellency's command I rise to move the first reading of a bill to authorise the appropriation of a supplementary sum of \$2,486,577.02 to defray the charges of the year 1930. The details of all items making up this sum have already been fully explained to Honourable Members from time to time and during the course of 1930 received the approval of the Finance Committee and of this Council in the usual way.

The Detailed Statement of Expenditure and the Treasurer's Report on the Finances for 1930, copies of which have to-day been furnished to each member, give the reasons for the excesses. At first sight this sum of \$2,486,577.02 appears to be a large one as it represents the net supplementary appropriation required over each of the heads exceeded, no account being allowed of savings on other heads. The actual increase in the year's expenditure over the sum voted amounted, however, to only \$851,131. If the actual expenditure of the year be compared with revenue, the deficit is \$301,173 only, thus reducing the excess of assets over liabilities from \$9,662,852 on the 1st of January, 1930, to \$9,361,679 on the 31st of December, 1930; in other words, a deficit of \$301,173 on the year's working.

Full details of how these figures are arrived at are given in the Treasurer's Report. I would, however, mention some of the reasons in a general way. First, there is the fall in exchange; the opening rate on the 2nd of January, 1930, was 1/7 9/16 and the closing rate on the 31st of December was 1/1 1/8, the average rate throughout the year being 1/4.3598. This was the principal factor in all business dealings during 1930 and accounts for considerably more than the excess over the original estimates which were based on an exchange of 1/10d. Secondly, there was the adoption of the Salaries Commission Report which I estimate cost, apart from the fall in exchange, approximately \$1,000,000 for dollar and sterling salaries combined. Thirdly, a special grant of \$300,000 to the University and contributions of \$300,000 towards the construction of a vertical seawall at North Point and \$105,000 towards the Kowloon Tong Building Scheme.

A glance at the table of revenue for the year will show how well this was maintained. It is true that tobacco duties and postal rates were increased during the year and a new duty of 15 cents per gallon was levied on motor spirit, but the extra revenue derived from these sources did not account for more than \$350,000. Revenue from direct taxation amounted to \$16,498,580 of which the Assessment Tax contributed \$4,208,277.

In view of the heavy fall in exchange the Government took steps to reduce expenditure wherever possible and naturally turned first to Public Works Extraordinary, the Kowloon-Canton Railway Extraordinary expenditure, and Public Works Recurrent. The under-expenditure on these three heads amounted to \$1,622,257. Perhaps the brightest picture, however, is shown in the Government's efforts under "Other Charges" items where a total saving of \$979,792 was made on the innumerable sub-heads practically throughout the whole of the Estimates, as is shown in the detailed statement of expenditure attached to the Bill.

It will be seen that the Colony finished the year 1930 in a much more favourable position than was anticipated when the estimates for 1931 were introduced in October last. In the Treasurer's memorandum which was laid on the table with the Estimates for 1931, the revised estimate of revenue was \$24,066,000 whereas the actual revenue was \$27,818,473. The revised estimate of expenditure was \$28,303,500 and the actual expenditure was \$28,119,646. The estimated deficit on the year's working was \$4,237,500 and the actual deficit \$301,173. The estimated balance of assets over liabilities was \$5,425,352 while the actual balance has proved to be \$9,361,679.

It may perhaps be thought that the Government was unduly pessimistic in October last. But the position at that time was far from clear and in dealing with public funds it is the duty of the Government to avoid undue optimism lest the Colony be lulled into a false sense of financial security. Had the picture been painted in

less sombre colours it is possible that the result would have been less good. As it was, the seriousness of the position was fully brought home to everyone concerned and the strenuous efforts to collect the full revenue and to save where economies were possible have contributed to achieve a better result than any one at that time thought possible. An unbalanced budget is a very serious matter even when the deficit is as small as it was ultimately found to be in 1930 and cannot but cause grave concern to any responsible Government.

The Government is, however, satisfied that the Colony's financial position is sound. The revenue is showing a satisfactory expansion and at the end of this half year, that is two days ago, the total revenue amounted to approximately \$15,700,000 which is \$1,955,000 more than one half of the total estimate for 1931.

I now formally move the first reading of the Bill intituled "An Ordinance to authorise the appropriation of a supplementary sum of \$2,486,577.02 to defray the charges for the year 1930."

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

#### **SUMMARY OFFENCES AMENDMENT ORDINANCE, 1931.**

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend the Summary Offences Ordinance, 1845." He said:—The object of this Bill is to raise from \$5 to \$25 the fine for begging in the public streets and highways.

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 fine of five dollars for mendicancy in public highways or streets has been found inadequate.

#### **RATING AMENDMENT ORDINANCE, 1931.**

THE ATTORNEY GENERAL moved the first reading of a Bill intituled, "An Ordinance to amend the Rating Ordinance, 1901." He said:—This Ordinance increases the maximum penalties for refusing to give proper information, for false or incorrect information and for obstruction of the Assessor; it also includes as a substantive section of the Rating Ordinance the effect of the resolution passed by this Council on 7th of May.

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:—

Section 2 of this Ordinance substitutes for section 29 of the principal Ordinance a section in conformity with the resolution passed by the Legislative Council on the 7th May. Section 3 raises the maximum penalty of one hundred dollars, imposed for offences under paragraphs (1), (2), (3), (4), (5) and (7) of section 43 of the principal ordinance, to five hundred dollars and to imprisonment for any term not exceeding six months. The penalties hitherto are considered inadequate for the offences enumerated. The new penalties are in accord with those provided for similar offences under their Ordinances (*c.f.* sections 47, 48, 58, and 59 of Ordinance No. 10 of 1916). Section 4 makes a consequential amendment in Form 1 in the Schedule.

### **CRIMINAL PROCEDURE AMENDMENT ORDINANCE, 1931.**

THE ATTORNEY GENERAL moved the first reading of a Bill intituled, "An Ordinance to amend the Criminal Procedure Ordinance, 1899." He said.—This Bill removes the restriction which requires that the list of defaulters on recognizance be made out before the close of the last day's sitting of the Court at each Criminal Session.

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:—

Section 99 of the principal Ordinance purports to be based on section 31 of the Criminal Law Act, 1826; but, unlike that section, requires that the list of defaulters on recognizance be made out before the close of the last day's sitting of the court at each session. This Ordinance will remove that limitation which has been found inconvenient. Provision is also made for the preparation of more than one list as an interim list may be desirable in certain cases.

### **HEALTH AND BUILDINGS AMENDMENT (NO. 2)**

### **ORDINANCE, 1931.**

THE ATTORNEY GENERAL moved the first reading of a Bill intituled, "An Ordinance to amend further the Public Health and Buildings Ordinance, 1930." He said.—The object of this Bill is explained in the memorandum of objects and reasons attached to it and it is to provide for a maximum of \$400 as compensation for the destruction of diseased cattle, and \$40 in the case of other animals.

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:—

Until 1923, section 54 of the Public Health and Buildings Ordinance, 1903, provided for the payment of compensation, not exceeding \$400 for each animal, for the slaughter of infected cattle. "Cattle" is defined under the Ordinance, and means "bulls, cows, oxen, heifers, calves and buffaloes". The amending Ordinance, No. 21 of 1903, based to some extent on the Disease of Animals Act, 1894, provided for a maximum compensation of \$40 in the case of a pig and \$400 in the case of any other animal. It is considered that the latter figure should be applied, as it was prior to 1923, in the case of cattle and that the figure then settled as the maximum in the case of a pig should apply to other animals.

### **HOP YAT TONG CHURCH OF CHRIST HONG KONG**

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

THE HON. MR. W. E. L. SHENTON moved the first reading of a Bill intituled, "An Ordinance to provide for the incorporation of the Hop Yat Tong Church of Christ in Hong Kong." He said.—Previous to the year 1884 Chinese Christian members of the congregation of the London Missionary Society met at the Union Church then situate in Elgin Street to observe the services on Sundays and other festival days.

In the year 1884 through the generosity of Mary Ayow Cald-well and the late Sir Kai Ho Kai certain property situate in Hollywood Road adjoining the Alice Memorial Hospital was purchased at a nominal price by the members of the congregation.

The Chinese members of the congregation erected a church upon the site and the church was known as the "To Chai Wui Tong" under the management of the Reverend Wong Yuk Cho assisted by a committee.

The Chinese members of the several congregations in China such as the Presbyterian Mission, the China Congregational Church and the London Missionary Society united together and formed one Association under the name of The Church of Christ in China.

The church in Hollywood Road being insufficient for the needs of the congregation the premises were sold and a new site in Bonham Road was obtained from the London Missionary Society where a church was built and known as the Church of Christ in China.

The property is now vested in certain persons as trustees for the said church.

The management of the affairs of the church is entirely under the control of the Chinese members of the congregation with the advice of the Senior Missionary of the London Missionary Society.

In order to secure perpetual succession and the other advantages of incorporation it is proposed that trustees for the time being of the Hop Yat Tong Church of Christ in Hong Kong be incorporated as a Corporation sole and the bill now proposed follows in its main lines other incorporation ordinances which have been passed from time to time.

THE HON. MR. R. H. KOTEWALL 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 Hop Yat Tong Church of Christ in Hong Kong was formed by Chinese members of certain Christian Congregations under the management of the trustees of the said church.
2. For this purpose the trustees purchase the leasehold property known and registered in the Land Office as section D of Inland Lot No. 590 and erected a church thereon.
3. The Hop Yat Tong Church of Christ in Hong Kong is independent of other churches bearing the same name in South China.
4. In order to secure perpetual succession it is proposed that the church shall be incorporated as a corporation sole under the management of trustees and the Bill now proposed follows in its main lines other incorporation ordinances which have been passed from time to time.

### **BIRTHS AND DEATHS REGISTRATION AMENDMENT**

#### **INCORPORATION ORDINANCE, 1931.**

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to amend the law relating to the registration of Births and Deaths." He said:—One of the main objects of this Bill is to transfer from the Sanitary Department to the Medical Department the duty of registration of births and it has been pointed out that it would be convenient for the Medical Department to take over as from the beginning of next year. Therefore, when this Bill goes into Committee, I will, by Your Excellency's direction, move that a clause be added at the end of it to the effect that the Ordinance will come into operation on the 1st day of January, 1932. For the moment I propose the second reading.

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

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

THE ATTORNEY GENERAL.—I move that after Clause 6, a new Clause 7, with a marginal note "Commencement," be added, the wording of the Clause to be: "This Ordinance shall come into operation on the 1st. day of January, 1932."

THE COLONIAL SECRETARY seconded and the new Clause was agreed to.

Upon Council resuming,

THE ATTORNEY GENERAL reported that the Bill had passed through Committee and that a new Clause 7 had been added. "Subject to Your Excellency's direction, I shall not move the third reading to-day. Under Standing Orders, Clause 28, the Bill as amended will be published in to-morrow's Gazette and the third reading will be taken at the next meeting of this Council."

#### **ADJOURNMENT.**

H.E. THE GOVERNOR.—Council stands adjourned until the 16th July.

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#### **FINANCE COMMITTEE.**

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

Votes totalling \$135,007, contained in Message No. 7 from H.E. the Governor, were considered.

All the votes were approved.

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