

16th May, 1935.

PRESENT:—

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

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

THE COLONIAL SECRETARY (HON. SIR THOMAS SOUTHORN, K.B.E., C.M.G.).

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

THE SECRETARY FOR CHINESE AFFAIRS (HON. MR. N. L. SMITH).

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

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

HON. MR. R. M. HENDERSON, (Director of Public Works).

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

HON. MR. M. J. BREEN, (Postmaster General).

HON. SIR HENRY POLLOCK, KT., K.C., LL.D.

HON. SIR WILLIAM SHENTON, KT.

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

HON. MR. W. H. BELL.

HON. MR. J. P. BRAGA.

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

HON. MR. T. N. CHAU.

HON. MR. J. J. PATERSON.

MR. R. A. D. FORREST, (Deputy Clerk of Councils).

MINUTES.

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

PAPERS.

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

Order under section 3 of the Post Office Ordinance, 1926, reducing Air Mail Postage rates to London.

Amendment of the List of Pensionable Officers.

Report of the Official Receiver and Registrar of Trade Marks and Patents for the year 1934.

Kowloon-Canton Railway (British Section) Annual Report for 1934.

Sessional Paper No. 4 of 1935,—Committee to consider the formation of a Travel Association and to make recommendations for the development of the Tourist Traffic in Hong Kong.

Proclamation No. 2 of 1935,—Appointment of a Commission to enquire into Housing Conditions.

QUESTIONS.

HON. MR. J. P. BRAGA asked:—

1. — Will the Government state what steps it has taken to implement the recommendation of the Pig and Poultry Committee which reported in September, 1934?

2.—Is it not a fact that the recommendations of the Pig and Poultry Committee have been unhesitatingly endorsed by the Economic Commission?

3.—Will Government take steps to accelerate the implementing of the said Committee's recommendations?

THE COLONIAL SECRETARY replied:—

1.—(a) Government is at present exploring the possibility of a co-operative scheme for New Territories farmers.

- (b) The opportunity is being taken of the presence in Hong Kong in the near future of Mr. C. F. Strickland, who has recently been delegated by the League of Nations to advise on the question of agricultural co-operative societies in China, to obtain his expert advice on the same problem in the conditions of Hong Kong.
- (c) Government has had under consideration the engagement of an expert in Animal Husbandry for work in New Territories and, as a first step, in order to ascertain the likelihood of response on the part of the farmers to professional advice, has arranged that the Colonial Veterinary Surgeon shall pay weekly visits to spots in New Territories to be selected by the District Officer, where he will give free advice on all matters relating to breeding and care of animals.
- (d) Advice on the question of strains of pigs and poultry likely to be successful under local conditions has also been sought from expert sources, but this matter is being held over until after Mr. Strickland's visit next month.

2.—The Honourable Member's attention is invited to Chapter XIV of the Report of the Economic Commission, Sessional Paper No. 3 of 1935.

3.—None of the recommendations of the Committee has been overlooked. So far as the answer to this question is not contained in the answer to question 1, it is to the effect that, although the utility of an extension of road communication is fully realised, the present financial conditions render further expenditure in this direction impracticable at the present time.

MOTIONS.

THE COLONIAL TREASURER.—Your Excellency,—The Resolutions standing first in my name are the outcome of Ordinance No. 30 of 1934. Section 4 (1) of that Ordinance requires that the expenditure for preparing, development and carrying out the scheme shall be authorised and appropriated from time to time by resolution of this Council subject to the approval of the Secretary of State.

Honourable Members are aware of all the facts as these have been explained not only in the budget debates of 1933 and 1934 but also when the Ordinance was introduced in September last.

The first resolution deals with expenditure during 1933. This was originally charged to a special head in the Estimates before the Fund was authorised, Council having approved of a Supplementary Vote of \$31,166 in December, 1933, (see Finance Message No. 12 Item 128).

The second and third resolutions deal with expenditure during 1934 and 1935. Details are given in Appendix VII of the 1935 Estimates page 118. When these estimates were prepared in September last the revised figure for 1934 was given as \$30,000, but owing to the contract for the Approach Road having been awarded late in the year no expenditure was incurred beyond the cost of issue of certain stores amounting to \$8,925. Honourable Members will observe one alteration when the figures in the third resolution are compared with the figures for 1935 in Appendix VII. I am asking for authority to admit charges up to \$91,075 instead of \$70,000 in respect of item 2 (a) Approach Road for 1935 owing to the fact that only \$8,925 out of the \$100,000 estimated for the two years was spent during 1934. \$91,075 represents the balance. The \$180,000 asked for under the Heading "New Government House" is, as Honourable Members will remember, required to enable the Public Works Department to proceed with site formation.

I now move:—

- (1) That this Council approves the expenditure during 1933 of \$29,834 from the Government House and City Development Fund allocated as under:—
 - (1) City Development.
 - (a) Re-siting water mains and telephone cables \$29,834.
- (2) That this Council approves the expenditure during 1934 of \$8,925 from the Government House and City Development Fund allocated as under:—
 - (2) Government House.
 - (a) Approach Road \$8,925.
- (3) That this Council approves the expenditure during 1935 of \$271,075 from the Government House and City Development Fund allocated as under:—
 - (2) Government House.
 - (a) Approach Road \$91,075.
 - (b) New Government House \$180,000.

THE COLONIAL SECRETARY seconded.

HON. SIR WILLIAM SHENTON.—I would like to propose a small amendment to resolution 3 2(b) by the addition of the words "and the plans be referred to the Public Works Committee". If, however, Government are prepared to give an undertaking I will not press my amendment.

HON. SIR HENRY POLLOCK.—I would like to support my Honourable Friend.

THE COLONIAL TREASURER.—I think Government would be happy to lay the plans of the new Government House before the Public Works Committee.

H.E. THE GOVERNOR.—On behalf of the Government I give that undertaking. We are only too pleased to get their advice. In view of that I presume you do not press your amendment?

HON. SIR WILLIAM SHENTON.—No, Sir.

The motion was agreed to.

THE COLONIAL TREASURER.—Your Excellency,—Five items of the Schedule to the Hong Kong Dollar Loan Ordinance No. 11 of 1934 now require amending, and, as Your Excellency has directed under Section 3 (2) that certain transfers be made, the resolution I am about to move is now submitted for the approval of this Council.

Item No. 1.—The Aberdeen Valley Water Scheme has now been completed at a total cost of \$2,555,702.78 and this item can now be reduced from \$2,576,000 to \$2,555,703 shewing a saving of \$20,297.

item No. 2.—Shing Mun Valley Water Schemes. The total amount allocated is \$10,382,000 split up into 1st and 2nd Sections. The first section is now completed costing \$4,136,765.59 of which \$3,500,000 was met from the old Public Works 6% Loan and the balance of \$636,765.59 from this loan.

In the second section Preliminary Works at \$36,718.84 and Filters at \$120,045.23 are also finished. The Second Cross Harbour Pipe is now estimated to cost \$250,000 as against an original estimate of \$375,000. The estimate for the Gorge Dam of \$9,200,000 can be reduced to \$9,000,000. Ultimately it is hoped further reductions will be possible but in the absence of the Resident Engineer it is not considered prudent at this stage to make any further alterations. The total estimate of \$10,382,000 can be reduced by \$338,469 to \$10,043,531.

Item No. 3.—Vehicular Ferry. The revised estimate amounts to \$1,930,000 an increase of \$30,000 to cover the cost of caissons at the ferry piers.

Item No. 7.—Redemption of 3½ % Inscribed Stock. The amount required amounted to \$3,864,943 a difference of \$464,943 over the amount inserted in the original Schedule.

Item No. 8.—Allowing for the above adjustments this item will be reduced by \$136,177 and the new loan schedule will then stand as follows:—

Item No. 1.....	\$ 2,555,703
Item No. 2.....	10,043,531
Item No. 3.....	1,930,000
Item No. 4.....	4,631,000
Item No. 5.....	800,000
Item No. 6.....	895,000
Item No. 7.....	3,864,943
Item No. 8.....	279,823
	<hr/>
	\$25,000,000
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I now move the following resolution:—

Resolved under section 3 (2) of the Hong Kong Dollar Loan Ordinance, No. 11 of 1934, that this Council approves of the following transfers in the Schedule.

Item No. 1.—Aberdeen Valley Water Scheme from \$2,576,000 to \$2,555,703.

Item No. 2.—Shing Mun Valley Water Schemes from \$10,382,000 to \$10,043,531.

Item No. 3.—Vehicular Ferry from \$1,900,000 to \$1,930,000.

Item No. 7.—Redemption of 3½ % Inscribed Stock from \$3,400,000 to \$3,864,943.

Item No. 8.—Other Public Works from \$416,000 to \$279,823.

THE COLONIAL SECRETARY seconded, and this was agreed to.

THE COLONIAL TREASURER.—Two formal resolutions in connection with over expenditure during the financial year 1934 are also required for Audit purposes.

1. Aberdeen Valley Water Scheme.

The total spent under this head amounted as shewn above to \$2,555,702.78 which exceeds the Revised Estimated Total Cost by \$77.08. This figure (\$77.08) also represents the amount spent in excess of the approved estimated expenditure of \$56,000 during 1934 (*Hansard* page 145, 1933).

2. Gorge Dam.

The approved estimated expenditure for 1934 was \$1,735,000 (*Hansard* page 145, 1933) whereas the actual expenditure for the year was \$2,232,171.92 an excess of \$497,171.92, due to the work being expedited.

I therefore move:—

(1) That this Council approves the further expenditure of \$77.08 during the financial year 1934, on the Aberdeen Valley Water Scheme.

(2) That this Council approves the further expenditure of \$497,171.92 during the financial year 1934, on the Shing Mun Valley Scheme—2nd Section, Gorge Dam.

THE COLONIAL SECRETARY seconded, and this was agreed to.

IMMIGRATION AND PASSPORTS AMENDMENT ORDINANCE, 1935.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend the Immigration and Passports Ordinance, 1934." He said: The object of this Bill is to make certain amendments in the principal Ordinance which have been suggested by the Secretary of State and are set out in the memorandum of Objects and Reasons.

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. This Ordinance effects certain amendments in the principal Ordinance (No. 8 of 1934) which have been directed by the Secretary of State.

2. Sections 2 and 3 of this Ordinance amend sections 3 (3) and 4 (1) of the principal Ordinance by providing for the return of a prohibited immigrant to his port of embarkation or to the country of which he is a national, instead of to his port of embarkation or to the country of his birth or citizenship, as such an immigrant might not be a national of the country in which he was born.

3. Section 4 of this Ordinance inserts certain words in section 6 of the principal Ordinance to make it clear that the liability to provide a free passage to the port of embarkation, imposed on the master, owner, agent and consignee, is both joint and several.

4. Section 5 of this Ordinance amends section 9 (d) of the principal Ordinance by validating the visas of officials duly authorised to grant British visas in any British protectorate or protected State or any Territory in respect of which a mandate on behalf of the League of Nations has been accepted by His Majesty.

5. Section 5 of this Ordinance also amends section 9 (d) of the principal Ordinance by making it clear that the reference to His Majesty's Government is intended as a reference to His Majesty's Government in the United Kingdom.

COMPANIES AMENDMENT ORDINANCE, 1935.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend the Companies Ordinance, 1932." He said: The object of this Bill is to delete from Section 93 sub-section 2 of the Companies Ordinance, 1932, certain words contained in brackets. These words required China Companies, unlike other companies carrying on business in China, to have six Chinese characters after any translation of their name when used in Chinese. Other companies are only required to have four. This Bill will put them on the same footing.

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:

This amending Ordinance deletes a provision in section 93 (2) of the Companies Ordinance, 1932 (No. 39 of 1932) which is no longer considered necessary and the deletion of which has been suggested, through H.M. Minister to China, by the Secretary of State for Foreign Affairs.

LEPERS ORDINANCE, 1935.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to provide for the segregation and the

treatment of Lepers." He said: The object of this Bill is set forth in the memorandum at the end and it results from recommendations of the Committee which sat and dealt with the question of lepers generally. This Bill, when enacted will repeal existing Lepers Ordinances, and will look upon leprosy less harshly than the previous Ordinance.

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. This Ordinance repeals the Lepers Ordinance, 1910, and substitutes a new Ordinance in its place. It results from the Report of the Committee on Lepers dated the 11th January, 1935, which was presented to the Legislative Council as Sessional Paper No. 1 on the 14th February, 1935.

2. By section 2 the Governor in Council may appoint places to be leper settlements. The former provision in section 2 of Ordinance No. 24 of 1910 forbidding private asylums has not been re-enacted as it is intended to entrust the management of leper settlements to suitable missionary or philanthropic bodies.

3. Section 3 enables the Governor in Council to make regulations for the better carrying out of the provisions of the Ordinance, and for the well-being of the leper settlements and the inmates thereof.

4. This Ordinance does not expressly make leprosy a notifiable disease as sufficient provision for that purpose is made by the powers conferred on the Governor in Council by section 8 (2) (b) of the Public Health (Quarantine and Prevention of Disease) Ordinance No. 12 of 1935 which is to be brought into force shortly by Proclamation. Under section 2 of that Ordinance leprosy is included in the definition of "disease".

5. Section 4 deals with inquiries into cases of alleged leprosy.

6. Section 5 deals with segregation in cases where the Director of Medical and Sanitary Services deems it necessary. It is now realised that segregation is not essential in all cases of leprosy which by modern methods of treatment may be cured at an early stage and mitigated at all stages.

7. Section 6 provides that when lepers are detained in the settlements they shall not leave without the written permission of the officer in charge.

8. Section 7 controls alien leper immigration.

9. Section 8 deals with the appointment of Justices of the Peace as visitors of leper settlements.

10. A Table of Correspondence between the new and the repealed Ordinance is attached.

11. Viewed generally the new Ordinance gets away from the idea that a leper settlement or asylum is to be regarded as a prison and regards it instead as a centre for treatment and as a retreat for severe cases or those who are deserted by their relatives. Magisterial powers are not given to the persons in charge of the settlements as it is considered safe for leper offenders to be brought before ordinary tribunals. Should it be found necessary, in any particular case where isolation is necessary, to impose a term of imprisonment arrangements can now be made for such isolation in prison.

TOKEN ORDINANCE, 1935.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to Prevent the making issuing, and circulating of pieces of metal usually called tokens." He said: The object of this Bill is to implement the Common Law and two Statutes of the reign of George 3 in force in this Colony, the reasons for which are set out in the memorandum of Objects and Reasons.

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 object of this Ordinance is to make it clear that the manufacture, issue and circulation in the Colony of pieces of metal, not being money, as tokens for money is prohibited.
2. The importation and circulation of silver, nickel, copper and bronze coins is regulated by Ordinances No. 15 of 1913, and No. 11 of 1912.
3. The right to authorise the issue of metallic tokens as money or as the equivalent of money is a prerogative of the Crown recognised by common law, but now for the most part regulated by statute or Order in Council (see 6 Hailsham's Halsbury p. 548 and the Encyclopaedia of the Laws of England Vol. 14 p. 130).
4. The private issue of tokens has long been forbidden in the United Kingdom and Statutes to that effect are now consolidated in section 5 of the Coinage Act 1870 (33 & 34 Vict. c 10). That Act is not in force in the Colony, but two Statutes it replaced, namely 52 Geo. 3, c. 157 and 57 Geo. 3, c. 46, are apparently in force by virtue of section 5 of Ordinance No. 3 of 1873. These Statutes made it an offence to issue or circulate pieces of metal usually called tokens.

5. It seems desirable, especially as doubts have been expressed on the subject, that the position should be clarified by express provision in a local Ordinance on the lines of the two Statutes of George 3, and of section 5 of the Coinage Act, 1870.

FAREWELL OF H.E. THE GOVERNOR.

H.E. THE GOVERNOR.—Gentlemen,—This is the last occasion on which I shall have the privilege of presiding over this Council and I rise with a feeling of great sadness to say goodbye.

I do not propose to review the work of the past five years: indeed this was dealt with on the occasion of the presentation to me of public addresses two days ago. I shall now just express my grateful thanks for the help and advice which I have received in this Chamber. I have been a Member of a number of Councils and have no hesitation in saying that in none of them have I found business carried on more expeditiously than in this one. Apart from the annual feast of oratory on the occasion of the Budget little time is spent on speeches. This by no means implies a want of interest on the one hand or a tendency to "gag" members on the other but affords evidence of a practical business-like spirit the object of which is to avoid unnecessary waste of time.

Viscount Snowden in his recent autobiography makes a scathing comment on the waste of time in the House of Commons more especially over bills. He remarked that there is often an enormous amount of discussion on those which leads to little or no change in principle or detail.

In this respect this Council might well offer an example to the Mother of Parliaments.

It is a great advantage to have Unofficial representation on the Executive Council as this enables a Governor to avoid pitfalls and to discuss possible points of difference before placing bills before the Legislative Council.

I have the greatest admiration for the way in which Members have shown their desire to avoid stressing personal interests and to work for the public good. This undoubtedly assists in a quicker despatch of business.

Past history shows that at times there has been considerable rancour and bitterness in the Council Chamber, probably due to a lack of sympathy and understanding. Fortunately happier relations have obtained in recent years and such relations have rendered my experience in this Chamber a singularly pleasant one. It is satisfactory to record that, with one exception, there has been no real divergence of opinion in our meetings. It has never been necessary, except on that one occasion, to make use of what an

unofficial in Singapore once described as "Government's puppet majority". Even on the occasion to which I refer the divergence of opinion was not so great as it appeared at first sight.

A considerable amount of legislation has been passed during my period of office much of which has been of considerable importance. That our bills have passed without friction and difficulty is due largely to the uniform assistance of Members, to the help given by the Standing Law Committee which I hereby gratefully acknowledge, and to the sympathetic breadth of outlook shown by Government officers concerned and by the Attorney General in particular. Perhaps the most notable legislation has been connected with the new Urban Council and in this connection I should like to offer special thanks to the Standing Law Committee, the Attorney General and the acting Attorney General, to the Director of Medical and Sanitary Services, several Heads of the Sanitary Department and to Members generally. Other interesting bills have been the Juvenile Offenders and the Magistrates Appeals, which I was very glad to get on the Statute Book. Perhaps the only bill of note which did not come to fruition much to my disappointment, was that providing for the compulsory taking out of new Crown leases in case of sub-divisions. As an old Land Officer in Malaya I am convinced that such legislation would be to the benefit of the lessees and that the day will come when there will be regret that such a bill was not introduced. I cannot see how, without some such provision, it will be possible altogether to avoid disputes due to survey and other causes. However, I am fortunate in only having had that one disappointment.

I thank the Unofficials for their ready support of financial measures placed before them and for their readiness to provide the necessary funds for which they have been asked for various services. It is a matter for congratulation that in these times of depression the financial position of the Government is as strong as it is and that this has been achieved without anything which might be called excessive in the way of taxation. It is enabling us to-day to carry out large and very important works to the benefit of the Colony, while at the same time affording a large measure of employment in these hard times. Although we still have heavy commitments in front of us in respect of such works our surplus balances are sufficiently large to enable us to carry out these works without undue strain. At the same time I realise that unless the economic position improves it will be necessary to postpone indefinitely other important works that are more or less essential.

I take this opportunity of expressing my thanks also to the Members of the Executive Council for their great assistance and advice. I realise that it is a heavy strain on busy men to peruse the sometimes very lengthy and bulky files which are circulated but the work has been carried out without a grumble and I am more than grateful.

I should like to offer a word of thanks to the Chinese Members both for their friendship during my term of office and for their work in helping to maintain such happy and harmonious relations between myself and the Government on the one hand and the Chinese community whom they represent on the other.

Though this is more particularly a farewell to the Members of this Council I desire to take the opportunity of thanking my Honourable Friend, the Colonial Secretary and all the Members of Government Service for their uniform loyalty and unstinted service throughout my five years of office. Without that help I should indeed have found my task a very difficult one and I am very grateful to them.

I feel that my successor will be fortunate in both his official and unofficial advisers and am confident that you will all continue to give him that unstinted help that you have always given to me.

Gentlemen, in saying goodbye to you as Members of this Council, I can only add that I shall retain to the end of my days most happy memories of our association round this table. (Applause).

HON. SIR HENRY POLLOCK.—Sir,—As this is the last time that Your Excellency will be presiding in this Council, the Unofficial Members desire to express their very sincere regret that your term of Office in this Colony is coming to an end and also to thank you for the very kind appreciation of their services which you have just expressed.

Since you first arrived here in May, 1930, the relations between your Excellency and the Unofficial Members have been of a most friendly character and this has been due in no small measure to the great patience and courtesy with which you have acted as Chairman of this Council and of the Executive Council. In both these bodies you have always granted a most willing hearing to the views of the Unofficial Members.

In the farewell address, which was presented to you two days ago, it was pointed out that a quite exceptional number of important legislative enactments have been passed during your time with us. These redound to the credit of your administration.

In what are, with unconscious humour, described as Public Works Extraordinary, your time with us has witnessed many outstanding achievements. More especially in the building of new reservoirs, which culminated with the great project of the Shing Mun Dam, in air-port development, in hospital construction and in town-planning your regime has been most notable.

One other matter I will touch upon and that is the very full explanations which are now circulated with the Annual Budget and

with the financial Votes. That was not always so; for, in my early days as acting Attorney-General, in the nineties of the last century, I have very vivid recollections of the extreme pertinacity with which the then Chamber of Commerce representative, the late Mr. Thomas Whitehead, sought to extract information from a reluctant Government and of the equal pertinacity with which another Scot, the then Colonial Secretary, struggled to withhold such information.

In wishing on behalf of all the Members of this Council to your Excellency and Lady Peel very many years of happiness, health and prosperity, I should like to express our deep admiration for the great pluck and public spirit which you have shown in fulfilling several exacting public engagements during the past ten days, whilst suffering from fever. We earnestly hope that a period of complete rest on the voyage home will restore you to health. (Applause.)

HON. MR. R. H. KOTEWALL.—Sir,—Five years ago the Unofficial Members of this Council greeted the opening of Your Excellency's administration with high hopes born of a knowledge of your distinguished career in Malaya. Those hopes have been amply realized, and because of this, we are now bidding you farewell with feelings of regret and sadness. One drawback in the otherwise admirable system of appointment of Colonial Governors is that however much the people may wish to keep a good Governor, they cannot do so. It is so in your own case. The Chinese for whom I speak—and I am sure the other sections of the community share the same wish—would have chosen to have the benefit of your wise and able guidance for a few more years. But it is not to be.

During your term of office you have, by solid achievements to which reference has been made elsewhere, and by your exceptional qualities both as an administrator and as a man, won the high esteem and admiration of the Chinese community. Your policy has always been guided by sympathy, tolerance and an exalted justice. Equipped with the mathematician's logical mind and an experienced administrator's right sense of proportion, you have been able to solve many difficult and intricate problems with marked success. The one trait which seems to me to stand out most conspicuously among your many good qualities, and which has contributed substantially to the success of your Governorship, is your robust good sense. This trait enables you not only to see two sides of any question, but also to bring your ideals into practical effect.

Your Excellency has been pleased to refer to the part which the Chinese Members of both Councils have been able to play in helping to maintain happy and harmonious relations between the Government and the Chinese community. For this kind expression of appreciation I desire, on behalf of my three Chinese colleagues and myself, to tender Your Excellency our thanks. If we have been able to achieve something in this direction, it is because we

have at all times received such sympathetic and understanding co-operation from you as well as from the Hon. the Colonial Secretary and successive Secretaries for Chinese Affairs to whose valuable and unstinted service, I am glad to note that Your Excellency has just paid a deserved tribute.

Two days ago Your Excellency was good enough to eulogise the good citizenship of the Chinese residents of this Colony. While my Chinese colleagues and I, as their representatives, are naturally proud of this fact, and it is a fact, it must in fairness be said that the Government is entitled to a share of the credit. There is a Chinese saying: "The Government is as a vessel, and the people are as the water it contains." One cannot mistake the plain meaning of this adage: the conduct of the people is shaped by the guidance of the Government. Hong Kong has been fortunate in its rulers, not the least so during the administration which, to the deep regret of the whole community, is now coming to a close. To-morrow Your Excellency and Lady Peel will leave us, but you will leave behind you a name that will long be honoured and revered. (Applause).

THE COLONIAL SECRETARY.—Sir,—On behalf of the Official Members of this Council and all Government servants generally, I should like to express our thanks for your very kind appreciation of our services under Your Excellency. I am sure I am speaking on behalf of all Government servants when I say that service for Your Excellency has been a privilege and a pleasure, and we join with our Unofficial Friends in wishing Your Excellency and Lady Peel health and happiness on leave and in retirement. (Applause).

H.E. THE GOVERNOR.—Gentlemen, on behalf of my wife and myself I thank you very sincerely and bid you goodbye.

ADJOURNMENT.

Council stands adjourned *sine die*.

FINANCE COMMITTEE.

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

Votes totalling \$77,687, contained in message No. 8 from His Excellency the Governor, were considered.

All the votes were approved.
