

28th July, 1937.

PRESENT:—

HIS EXCELLENCY THE OFFICER ADMINISTERING THE GOVERNMENT (MR. N. L. SMITH, C.M.G.).

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

THE COLONIAL SECRETARY (HON. MR. R. A. C. NORTH, *Acting*).

THE ATTORNEY GENERAL (HON. MR. J. A. FRASER, *Acting*).

THE SECRETARY FOR CHINESE AFFAIRS (HON. MR. R. A. D. FORREST, *Acting*).

THE FINANCIAL SECRETARY AND COLONIAL TREASURER (HON. MR. S. CAINE).

HON. MR. T. H. KING, (Inspector General of Police).

HON. COMMANDER J. B. NEWILL, D.S.O., R.N., (Retired) (Harbour Master, *Acting*).

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

HON. MR. CHAU TSUN-NIN.

HON. MR. LO MAN-KAM.

HON. DR. LI SHU-FAN.

HON. MR. M. T. JOHNSON.

HON. MR. E. DAVIDSON.

MR. A. G. CLARKE, (Deputy Clerk of Councils).

ABSENT:—

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

HON. DR. D. J. VALENTINE, (Director of Medical Services, *Acting*).

HON. MR. J. J. PATERSON.

HON. MR. LEO D'ALMADA E CASTRO, JNR.

MINUTES.

The minutes of the previous meeting were confirmed.

NEW MEMBERS.

The Hon. Mr. J. A. Fraser (Acting Attorney General) and the Hon. Mr. S. Caine (Financial Secretary and Colonial Treasurer) took the Oath of Allegiance, and assumed their seats as members of the Council.

PAPERS.

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

Amendment to the Post Office Regulations made by the Governor in Council under section 3 of the Post Office Ordinance, 1926, Ordinance No. 7 of 1926, relating to rates of postage for the U.S.A. Air Mail Services, dated 2nd July, 1937.

Order made by the Governor in Council under section 2 of the Rating (Refunds) Ordinance, 1926, Ordinance No. 3 of 1926, relating to the refund of rates for the rating year 1st July, 1937 to 30th June, 1938, dated 24th June, 1937.

Notification under Section 3 of the Marriage Ordinance, 1875, Ordinance No. 7 of 1875, declaring Christ Church, Kowloon Tong, Waterloo Road (on New Kowloon Inland Lot No. 2338) licensed for the celebration of Marriages, dated 2nd July, 1937.

Valuation made in 1936 of parts of the New Territories comprised in the Urban Area of Tsun Wan wholly adopted by the Governor in Council under section 8 (2) of the Rating Ordinance, 1901, Ordinance No. 6 of 1901, dated 24th June, 1937.

Rescission of the Order made by the Governor in Council on the 20th January, 1937, under section 18 of the Quarantine and Prevention of Disease Ordinance, 1936, Ordinance No. 7 of 1936, dated 7th July, 1937.

Amendments to the Regulations made by the Governor in Council under section 3 of the Registration of Imports and Exports Ordinance, 1922, Ordinance No. 12 of 1922, dated 7th July, 1937.

Notification made by the Governor in Council under section 122 of the Buildings Ordinance, 1935, Ordinance No. 18 of 1935, relating to blasting in the location of the work on the Electric Road, Causeway Bay Sewer, dated 10th July, 1937.

Declaration under section 18 of the Quarantine and Prevention of Disease Ordinance, 1936, Ordinance No. 7 of 1936, dated 15th July, 1937.

Amendment to the Post Office Regulations made by the Governor in Council under section 3 of the Post Office Ordinance, 1926, Ordinance No. 7 of 1926, dated 15th July, 1937.

Notice of Aircraft Owners and Ground Engineers—No. 13 of the year 1937, dated 9th July, 1937.

Administration Reports, 1936:—

Part III.—Public Health:—

Report of the Botanical and Forestry Department.

Part VII.—Undertakings of Government:—

Report on the Kowloon-Canton Railway (British Section).

QUESTIONS.

HON. MR. LO MAN-KAM asked:—

1.—After heroin has been confiscated under due process of law, in what manner is it disposed of?

2.—What Government Officer is responsible for seeing that such confiscated heroin is duly dumped, burned, or otherwise disposed of and that it does not afterwards get into unauthorised hands?

THE COLONIAL SECRETARY replied:—

1.—Confiscated heroin is handed over to the Superintendent of Imports and Exports and is then dumped at sea in the presence of the following officers:—

- (a) An Assistant Superintendent of Imports and Exports.
- (b) The Auditor or an Assistant Auditor, whose duty it is to satisfy himself that the whole of the heroin confiscated is dumped.
- (c) The Chief Preventive Officer or a European Revenue Officer.
- (d) Chinese Revenue Officers.

2.—The four officers mentioned are severally and collectively responsible for seeing that instructions for disposal are properly carried out. The certificate of destruction is signed by the two first named.

FINANCE COMMITTEE'S REPORT.

THE COLONIAL SECRETARY, by command of H.E. The Officer Administering the Government, laid upon the table the Report of the Finance Committee (No. 5) dated 23rd June, 1937, and moved that it be adopted.

THE FINANCIAL SECRETARY seconded, and this was agreed to.

MOTIONS.

THE FINANCIAL SECRETARY.—Sir, I rise to move the following Resolution:—

Resolved pursuant to section 49 (4) (b) of the Rating Ordinance, 1901, Ordinance No. 6 of 1901, as enacted by section 2 of the Rating Amendment Ordinance, 1935, Ordinance No. 10 of 1935, that the annual rate provided for in paragraph (a) of sub-section 4 of the said Ordinance be altered and reduced, in respect of that part of the New Territories comprised in the urban area of Tsun Wan, by fifty per cent. for the period 1st June, 1937, to 30th June, 1938, and that the rate for the said area for the said period be as follows:—

<i>Class of building.</i>	<i>Annual Rate.</i>
Third class. If noted in the list as neither having nor using Government Waterworks water-----	\$1
If not so noted-----	\$2
Second class. If noted in the list as neither having nor using Government Waterworks water-----	\$3
If not so noted-----	\$6
First class. If noted in the list as neither having nor using Government Waterworks water-----	\$4
If not so noted-----	\$8
Special class. If noted in the list as neither having nor using Government Waterworks water-----	\$1 per \$1,000 of the valuation.
If not so noted-----	\$2 per \$1,000 of the valuation.

The effect of this Resolution will be to reduce by one half the rates payable in the Tsun Wan urban area. As Hon. Members are no doubt aware, the Government has been extending services to that area; a market has been built, a good water supply is available and other services are being provided. It has, however, been necessary to reconsider the scheme of layout previously prepared by the Public Works Department and a definite layout has not yet been finally approved. The inhabitants of Tsun Wan have represented on grounds of poverty that the imposition of rates should be postponed. It is thought that some payment is justified by the services actually being supplied, but in view of the delay in settling the definite layout the Governor in Council decided to recommend to the Legislative Council the reduction of the rates as provided in the Resolution now before the Council.

H.E. THE GENERAL OFFICER COMMANDING THE TROOPS.— Why is this 13 months?

THE FINANCIAL SECRETARY.—It was brought into force as from the 1st of June and it is intended to continue this special rate until the end of the current rating year, which makes it 13 months.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT.— I presume it is as printed here?

THE COLONIAL SECRETARY.—That is the case. The rating year ends on June 30.

THE COLONIAL SECRETARY seconded, and the motion was passed.

ORDINANCES AND REGULATIONS OF HONG KONG (1937 EDITION) AMENDMENT ORDINANCE, 1937.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend the Ordinances and Regulations of Hong Kong (1937 edition) Ordinance, 1936." He said: The objects and reasons are set out in the Memorandum attached to the Bill.

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 follow:—

1. Certain administrative changes and the removal of the Prisons printing staff from Victoria to Stanley have made it necessary to defer arrangements for printing the new edition of the Ordinances and Regulations to be prepared under the Ordinances and Regulations of Hong Kong (1937 edition) Ordinance, 1936.

2. The object of this amending Bill is to include in the new edition legislation now in preparation or awaiting His Majesty's pleasure to be signified.

3. Clause 2 of this Bill enables legislation in force on 1st January, 1938 to be included in the new edition by substituting that date for the 1st January 1937 in sections 7 (1), 8, 11 (2), (a), 11 (2) (b) and 11 (2) (c) of the principal Ordinance, with consequential amendments in sections 10 (1) and 11 (1) of that Ordinance.

LIFE INSURANCE COMPANIES AMENDMENT ORDINANCE, 1937.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend the Life Insurance Companies Ordinance, 1907." He said: The objects and reasons for this Bill are set out in the Memorandum of Objects and Reasons attached to the Bill.

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. Section 3 of the principal Ordinance, No. 11 of 1907 requires life insurance companies to make deposits with the Registrar of Companies. Many of these deposits consist of mortgages of leasehold properties in the Colony. Clause 2 of this Bill amends the section so as to bring its language into line with section 5 (1) of the Fire and Marine Insurance Companies Deposit Ordinance, No. 32 of 1917.

2. The Registrar of Companies has no power under the principal Ordinance to require life insurance companies to make up deficiencies in the event of the securities falling below the value at which they were originally accepted, though he has such power in respect of fire and marine insurance companies under the Regulations in the First Schedule to the Fire and Marine Insurance Companies Deposit Ordinance, No. 32 of 1917, and also in respect of trust companies under section 81 (2) of the Trustee Ordinance, No. 18 of 1934.

3. In order to give the Registrar of Companies similar powers in respect of life insurance companies as he now has in respect of fire and marine insurance companies, and trust companies, regulations will be made by the Governor in Council under the powers conferred by section 34 of the principal Ordinance.

4. As the new regulations might cause misunderstandings to arise as to the meaning of section 5 of the principal Ordinance, clause 3 of this Bill repeals that section and substitutes a new section based on section 5 (5) of the Fire and Marine Insurance Companies Deposit Ordinance, No. 32 of 1917.

5. Section 7 of the principal Ordinance is repealed by clause 4 of the Bill because the subject is more conveniently dealt with in the new regulations.

6. The general effect of the above amendments is to bring the principal Ordinance more closely into line with the Fire and Marine Insurance Companies Deposit Ordinance, 1917, and section 81 (2) of the Trustee Ordinance, 1934.

FULL COURT ORDINANCE, 1937.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend the Full Court Ordinance, 1933." He said: The objects and reasons for the Bill are set out in the Memorandum of Objects and Reasons attached to the Bill.

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 amends the Full Court Ordinance, No. 8 of 1933, so as to make provision for the constitution of the Court in hearing appeals under the Hong Kong (Non-Domiciled Parties) Divorce Rules, 1936, which require a bench of two judges, other than the trial judge, nominated by the Chief Justice and approved by the Lord Chancellor.

2. These Rules were published by Government Notification No. 15 in the Hong Kong Government Gazette of the 3rd January, 1936, and provide, with respect to the appointment of judges that as soon as may be after the coming into force of the Rules, the Chief Justice of the Supreme Court of Hong Kong shall submit to the Lord Chancellor through the Secretary of State for the Colonies the names of such number of the judges of the Court (including, if he thinks fit, the name of the Chief Justice himself) not exceeding four, as he may consider necessary for the purpose of exercising jurisdiction under the Act and Rules. Upon the approval of the Lord Chancellor to any nomination so submitted being signified to the Chief Justice by the Secretary of State for the Colonies, the Chief Justice is required to cause the names so approved to be notified in the Hong Kong Government Gazette as the judges appointed to exercise jurisdiction under the Act, and the judges whose names shall have been so notified shall thereupon have power to exercise jurisdiction accordingly. At any time after the first nominations under these Rules have been approved, the Chief Justice may propose the names of a further judge or judges to take the place of, or to exercise jurisdiction in addition to, the judge or judges for the time being having powers under the Act; and when such further nominations are approved they shall be notified as aforesaid.

3. In his despatch No. 128 of the 3rd April, 1936, the Secretary of State has notified that the Lord Chancellor has approved the names of the three judges of the Supreme Court submitted by the acting Chief Justice in January, 1936. In a further despatch No. 139 of the 14th April, 1936, the Secretary of State forwarded a copy of a Foreign Office letter of the 1st April, 1936, to the effect that the Secretary of State for Foreign Affairs consented to the appointment of the Judge and Assistant Judge of His Britannic Majesty's Supreme Court for China to serve on the Full Court in Hong Kong for the purpose of hearing and determining appeals under the Hong Kong (non-Domiciled Parties) Divorce Rules, 1936.

(1936 SUPPLEMENTARY) APPROPRIATION ORDINANCE, 1937.

THE FINANCIAL SECRETARY moved the second reading of a Bill intituled "An Ordinance to authorise the Appropriation of a Supplementary Sum of Seven hundred and eighty two thousand three hundred and ten Dollars and eight Cents to defray the Charges of the year 1936."

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

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

Upon Council resuming,

THE FINANCIAL SECRETARY 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.

FORESTRY ORDINANCE, 1937.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to consolidate and amend the law relating to forests and plants."

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

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

Clause 21.

HON. MR. M. T. JOHNSON.—Your Excellency,—May we delete the words "rakes pine needles"? This is a very harmless thing to do and, I have no doubt, that, to the very poor, these pine needles are of considerable value for fuel and possibly for other purposes.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT.— It is in forest areas and prohibited areas.

THE COLONIAL SECRETARY.—The reason for prohibiting the removal of pine needles is because they nourish the trees. It is partly that and partly because it would give people an opportunity to go there, allegedly to collect pine needles, and damage trees.

HON. MR. M. T. JOHNSON.—But there is a remedy for this in the rest of the Ordinance.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT.— This is rather sudden, Mr. Johnson, and it is difficult for me to express an opinion. Will you let it go through in its present form and we will then make further investigations?

HON. MR. M. T. JOHNSON.—Certainly, Sir, but I would like to have it taken out.

THE ATTORNEY GENERAL.—This is no change in the law. It is a consolidating Ordinance.

HON. SIR HENRY POLLOCK.—It is new. It says so in the Table of Correspondence.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT.— Do you wish to propose an amendment in Committee, Mr. Johnson?

HON. MR. M. T. JOHNSON.—No, Sir, if I may leave it on record.

This was agreed to.

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.

PRINTERS AND PUBLISHERS AMENDMENT ORDINANCE, 1937.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to amend further the Printers and Publishers Ordinance, 1927."

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

Council then 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.

STONECUTTERS ISLAND AMENDMENT ORDINANCE, 1937.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to amend the Stonecutters Island Ordinance 1889, as amended by the Stonecutters Island Amendment Ordinance, 1936."

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

Council then 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.

MOTOR SPIRIT AMENDMENT ORDINANCE, 1937.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to amend the Motor Spirit Ordinance, 1930."

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

Council then 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.

ADJOURNMENT.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT.— Council stands adjourned *sine die*.

FINANCE COMMITTEE.

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

Votes totalling \$62,938 under Estimates 1937, contained in Message No. 6 from H.E. The Officer Administering the Government were considered.

All the votes were approved.