

10th November, 1938.

PRESENT:—

HIS EXCELLENCY THE GOVERNOR (SIR G. A. S. NORTHCOTE, K.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. N. L. SMITH, C.M.G.).

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

THE SECRETARY FOR CHINESE AFFAIRS (HON. MR. R. A. C. NORTH).

THE FINANCIAL SECRETARY (HON. MR. S. CAINE).

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

HON. MR. T. H. KING (Commissioner of Police).

HON. DR. P. S. SELWYN-CLARKE, M.C., (Director of Medical Services).

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

HON. MR. J. J. PATERSON.

HON. MR. CHAU TSUN-NIN, C.B.E.

HON. MR. LO MAN-KAM.

HON. MR. S. H. DODWELL.

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

HON. DR. LI SHU-FAN.

HON. MR. A. L. SHIELDS.

MR. B. C. K. HAWKINS (Deputy Clerk of Councils).

ABSENT:—

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

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:—

Regulations made by the Governor in Council under section 2 of the Emergency Regulations Ordinance, 1922, Ordinance No. 5 of 1922, on the 28th day of September, 1938.

Order made by the Governor in Council under section 2 (a) of the Evidence Ordinance, 1889, Ordinance No. 2 of 1889, recognizing the Oversea-Chinese Banking Corporation Limited, dated 29th September, 1938.

Amendment made by the Governor in Council under section 42 of the Merchant Shipping Ordinance, 1899, Ordinance No. 10 of 1899, dated 30th September, 1938.

Regulation made by the Governor in Council under section 3 of the Pensions Ordinance, 1932, Ordinance No. 21 of 1932, dated 1st October, 1938.

Rules made by the Governor in Council under section 17 of the Prisons Ordinance, 1932, Ordinance No. 38 of 1932, on the 3rd day of October, 1938.

Regulation made by the Governor in Council under section 2 of the Emergency Regulations Ordinance, 1922, Ordinance No. 5 of 1922, on the 12th day of October, 1938.

Amendment made by the Governor in Council under section 56 of the Trade Marks Ordinance, 1909, Ordinance No. 40 of 1909, to the Trade Marks Rules, dated 6th October, 1938.

Shum Wan Cemetery authorized by the Governor in Council under section 73 (1) of the Public Health (Sanitation) Ordinance, 1935, Ordinance No. 15 of 1935, as a place to be used as a cemetery or urn cemetery, dated 12th October, 1938.

Regulation made by the Governor in Council under section 2 of the Emergency Regulations Ordinance, 1922, Ordinance No. 5 of 1922, on the 14th day of October, 1938.

Amendments made by the Governor in Council under section 32 of the Telecommunication Ordinance, 1936, Ordinance No. 18 of 1936, to the Radiocommunication Regulations in the Schedule to that Ordinance, dated 20th October, 1938.

Amendments made by the Governor in Council under section 5 of the Dangerous Goods Ordinance, 1873, Ordinance No. 1 of 1873, to the regulations, dated 22nd October, 1938.

Amendment made by the Governor in Council under section 42 of the Merchant Shipping Ordinance, 1899, Ordinance No. 10 of 1899, to Table C in the regulations, dated 27th October, 1938.

Notice to Airmen No. 5 of the year 1938, dated 24th October, 1938.

Hammer Hill Urn Cemetery authorized by the Governor in Council under section 73 (1) of the Public Health (Sanitation) Ordinance, 1935, Ordinance No. 15 of 1935, as a place to be used as an urn cemetery, dated 30th October, 1938.

Order made by the Governor in Council under section 12 of the Rope Company's Tramway Ordinance, 1901, Ordinance No. 21 of 1901, this 31st day of October, 1938.

Proclamation No. 12.—Hong Kong Police Reserve Force called out for active service.

Administration Reports, 1937:—

Part I.—General Administration:—

Report to the Director of Colonial Audit on the Audit of the Accounts of Hong Kong, 1937, with copy of forwarding despatch to Secretary of State for the Colonies.

Report of the Harbour Master and Director of Air Services.

Part II.—Law and Order:—

Report of the Chief Officer, Hong Kong Fire Brigade.

Sessional Papers, 1938:—

No. 14.—Report by the Senior Inspector of Mines, Perak, Federated Malay States, on the subject of the Control Measures which the Hong Kong Government should adopt in respect of Local Mining.

FINANCE COMMITTEE'S REPORT.

THE COLONIAL SECRETARY, by command of H.E. The Governor, laid upon the table the report of the Finance Committee, No. 9 of 20th October, 1938, and moved that it be adopted.

THE FINANCIAL SECRETARY seconded, and this was agreed to.

DEBATE ON ESTIMATES.

THE COLONIAL SECRETARY moved the following resolution:—

That the Estimates of Expenditure for the year 1939 as now presented be approved.

THE COLONIAL SECRETARY.—On 13th October, 1938, by a Resolution of this Council the draft estimates of expenditure for 1939 were referred to a Select Committee consisting of myself, the Financial Secretary and all unofficial members of this Council. We now present our report in the form of the redrafted print bearing to-day's date.

After due consideration the Committee deemed it prudent to consider the possibility of a less favourable revenue position than the 1938 figures would in more normal times justify.

The Committee was assured that every item of Special Expenditure in all departments and every item of Public Works Extraordinary requires independent sanction apart from the general provision offered by the Appropriation Bill. It was also assured that recurrent works, such as maintenance of roads or buildings, can without difficulty be retarded should the financial position in 1939 make this desirable.

On this understanding the estimates have been left substantially as originally drafted, except for the excision of certain items representing a gross saving of \$796,000. On the other hand certain additions have been made to the original draft estimates, most of them small items erroneously omitted in the first place, but in two cases more considerable sums, namely \$18,000 for the implementation in part of the recommendations of the Committee on the training of teachers, and \$20,000 under Public Works Extraordinary for the adaptation of part of the Victoria Gaol to accommodate remand prisoners and the like, at present housed in Stanley Gaol. Neither of these proposals had been sufficiently advanced when the first draft was prepared for their inclusion in the original print.

The estimated deficit, should revenue continue as originally predicted, is thus reduced from \$2,405,435 to \$1,659,898.

The following are the items which have been added:—

Head 9, Education Department—Training of Teachers	\$ 18,000
Head 13, Kowloon-Canton Railway—New post of Assistant Mechanical Engineer	11,200
Head 20, Police Force—Caretaker at Tsun Wan	24
Head 24 (a), Public Works Department—2 Class VIB Clerks	989
Head 26, Royal Observatory — Aerological Investigation, (England)	250
Head 31, Public Works Extraordinary — Alterations to Prisons	20,000
	<u>\$ 50,463</u>

The following are the items which on Your Excellency's suggestion have been omitted or reduced:—

Head 11 (b), Air Services.	
Sub-head 12, Control Launch	\$ 90,000
Head 13, Kowloon-Canton Railway.	
Sub-head 34, Additional Crossing Station between mile 11 and 11	41,000
Head 31, Public Works Extraordinary.	
Sub-head 4, New Police Station—Stanley	50,000
Sub-head 11, New Dog Kennels, Kennedy Town	20,000
Sub-head 30, Layout of a Government Quarry—Hok Un (Reduced from \$150,000 to \$75,000)	75,000
Sub-head 37, Kowloon-Canton Road; Improvements to Kowloon-Muk Fu Ferry Section	500,000
Sub-head 45, Rewiring of Government Buildings (Reduced from \$22,000 to \$17,000)	5,000
Sub-head 49, Botanical Gardens—Layout of Albany Site	5,000
Sub-head 66, Extension of Reclamation from Jubilee Street Pier to Pottinger Street Pier. (Reduced from \$150,000 to \$140,000)	10,000
	<u>\$796,000</u>

The Committee considered at some length the claims of various charitable organisations for increased subsidies but did not in the circumstances described recommend any additions.

Before sitting down I should like to express my thanks to my unofficial colleagues for their careful and diligent work in Committee. Every Head of Estimates was scrutinised and many Heads of Departments were summoned to attend our meetings. On every hand I was assured of the advantages from the practical point of view of the new method of considering the Colony's annual expenditure.

I wish also to thank Mr. Hawkins for his labours both before and during the final stage. To add anything in praise of the Honourable Financial Secretary would be almost presumptuous on my part.

I now move:—

"That the Estimates of Expenditure for the year 1939 as now presented be approved".
(Applause).

THE FINANCIAL SECRETARY seconded.

HON. SIR HENRY POLLOCK.—Your Excellency,—As has been customary for many years past, I desire, as Senior Unofficial Member, to make some observations on the Budget for 1939 on behalf of myself and all my Unofficial Colleagues.

What I am about to say, therefore, represents the united views of all the Unofficial Members of this Council.

We thank Your Excellency for the able and comprehensive survey of the future needs of this Colony which you gave in your Budget speech.

We entirely approve of the new procedure in connection with the Budget which has enabled the Unofficial Members, through the appointment of the Select Committee, to discuss thoroughly the Budget with the Heads of the various departments before the Estimates finally come before this Council. It enables us to pass our views on to Your Excellency before the adoption of the Budget is proposed: it permits of a full discussion of the Government programme and policies, and in every way it is more practical and therefore in the best interests of the Colony.

My colleagues, during lengthy meetings of the Select Committee, have thoroughly studied the estimates for all departments and while we recommend caution before embarking on long term projects, we unanimously regard the Budget as a sound and by no means extravagant one. Certain curtailments of expenditure, detailed in the Revised Estimates, and referred to in the Report of the Select Committee, have seemed advisable in the different circumstances

existing since the Budget was originally framed, but on the whole, if we are to keep the Colony up to date, efficient and competitive amongst the ports of the world, there is very little in the proposed expenditure that it would not be false economy to cut out. In fact, as appears from the Report of the Select Committee on the Revised Estimates, we have agreed to certain additions being made to the original Estimates in order to carry out work which we regard as essential.

Housing Commission.

Whilst congratulating the members of the Housing Commission and their Secretary, Mr. W. H. Owen, upon the interesting suggestions which they have made for the improvement of overcrowding in this Colony, we feel that in 1939 little can be done in the way of implementing their report.

In any case, the removal of our slums must take many years to complete, and in the meantime our streets remain in an unsavoury disease-disseminating condition, almost as dangerous to the health of the Colony as are the slums. As a result of representations made by Unofficial Members in 1936 a certain amount of street washing has been done, but, except in some of the central localities, the filthy condition of the roads and sidewalks is still a disgrace, thus contributing greatly towards our unenviable tuberculosis record, filling our hospitals and greatly increasing the work and budget of the Medical Department. We are not satisfied that more could not be done in this direction, even with the restricted supply of water at our disposal, provided that the flushing is carried out under proper supervision so as to prevent waste.

New Government House.

Subject to the plans for the new Government House near Magazine Gap being hereafter submitted to the Finance Committee for its approval, we agree to the expenditure in 1939 of the sum of one hundred thousand dollars upon the levelling of the site.

There are, I believe, many citizens who are inclined to regard this project as unnecessary and extravagant. We have therefore considered it carefully from all angles and we are satisfied for four very good reasons that it is essential.

Firstly—Because the present Government House and Mountain Lodge cost ratepayers annually so much in upkeep that it may be truly said of them that they have passed their economic life.

Secondly—Because the accommodation at the present Government House is inadequate for the needs of the Colony.

Thirdly—Because the old Government House is required, as part of the City Development scheme, to be utilised for the housing of the C.S.O. and P.W.D. staffs, during the building of new Government offices.

And Fourthly—Because it will save the Colony the expense of maintaining Mountain Lodge.

Desirable Public Works.

We wish to place on record our opinion that a new Infectious Diseases Hospital, a new Science Laboratory for the University, a new Queen's College, and a new Volunteer Headquarters are public works which will have to be undertaken in the near future, and we would once again call attention, as we did last year, to complaints concerning the Kowloon Mortuary.

Resumption of Trade and Traffic With South China.

And, lastly, we urge the British Government to press vigorously for the promptest resumption of trade facilities and traffic communications by land and water between this Colony and South China. We are confident, Sir, that the Hong Kong Government is in complete sympathy with us and will actively support our stand in this matter.

HON. MR. CHAU TSUN-NIN.—Sir, in his lucid speech on the Budget for 1939, the Hon. Senior Unofficial Member has presented the united views of all the unofficial members of this Council. There are, however, certain matters principally affecting the Chinese community on which I venture to express my own personal views.

With regard to the list of desirable public works, the Hon. Mr. M. K. Lo will speak on the urgent need for a new Queen's College, and I wish to say, Sir, that I heartily endorse his remarks.

In the course of your comprehensive and illuminating address to this Council at the opening of the Budget Debate, Your Excellency proposed the appointment of a committee to devise means of broadening the basis of taxation in order to carry out Government's policies of developing the essential social services. Whatever new forms of taxation the Government may have in view, it is to be hoped that income tax will not be one of them. Although not an expert on public finance, I have no hesitation in advising against it. Experience elsewhere shows that it is only possible to collect income tax from permanent residents, and from professional men and others whose income is discoverable. In other words, the success of this tax will depend on the number of permanent residents; and in Hong Kong the ratio of temporary to permanent residents is, I believe, at least 6 to 4. I can adduce other and strong arguments against the adoption of income tax here, but

the time is not yet. For the present, may I express the hope that if more money were needed, some other form or forms of impost may be devised, and that, in any case, the Government, and whatever committee that may be appointed, will afford the public every opportunity to express their views on this matter before coming to any decision.

As regards the suggestion of restricting immigration, I submit, with great deference, that such a scheme could not produce the desired result except at great cost, and that the Government should not make a departure from the time-honoured and successful policy of admitting freely Chinese into Hong Kong—a policy which has contributed so largely to the growth and prosperity of the Colony. I maintain that this policy is particularly suited to Hong Kong having regard to its proximity to, and economic and political relations with, China. Furthermore, it is common knowledge that the population of this Colony ebbs and flows; but what is not so well known is that that movement constitutes an invisible export business, for much of the trade of this Colony consists of small purchases. In my view, the remedy does not lie in the restriction of immigration, but rather in scientific town-planning and in the economic exploitation of the New Territories.

The first practical remedy is to encourage building, especially dwelling houses. I advocate that Government should open up new areas for residential purposes and embark on extensive site formation, thereby offering ready-made lots to intending builders, with careful control of the type of houses and with safeguards against exploitation by profiteers.

The other remedy is to explore the possibilities of the New Territories. The Sino-Japanese conflict has taught us a lesson, and I do hope that in the no distant future, there will be great development of industrial and agricultural activities in the New Territories.

I note in paragraph 26 of the Hon. Financial Secretary's Memorandum on the Financial Position for 1937, 1938 and 1939, that the supply of firewood from Government Plantations has resulted in great savings. On several occasions recently when there was a shortage of supply, the price of firewood went up very considerably. I respectfully suggest to the Government the possibility of extending the sale of this essential commodity to the public, whenever there is a shortage of supply, having due regard, of course, to the conservation and preservation of our plantations.

On behalf of my Chinese colleagues and myself, I wish to express our grateful thanks to Your Excellency and Lady Northcote for the great sympathy you have both shown and the practical interest you have taken in the formation of the Hong Kong and South China Branch of the British Fund for Relief of Distress in China. I feel confident that everyone in this Colony will generously support this worthy cause. While on this subject I cannot let the opportunity pass without paying a very warm tribute to the Hon. Dr. Selwyn-Clarke and his able staff

for the valuable services they have rendered in connection with the Refugee Camp at Kam Tin. I have visited the Camp myself and know what an enormous amount of work it must have involved in organising a camp of such a magnitude.

It is a matter of great satisfaction to my Chinese colleagues and myself that the entire Chinese community has faced these difficult times with such good sense and dignity, and we assure Your Excellency of our loyalty and co-operation in all matters pertaining to the welfare of the Colony. (Applause).

HON. MR. LO MAN-KAM.—Your Excellency.—The Senior Unofficial Member has already expressed our unanimous views on the Budget, and on the new Budget procedure. It remains for me to offer a few remarks on my own account.

Water.

I have from time to time already taken up so much of this Council's time in submitting my views on the Water question that I propose this afternoon to limit myself to only a few words on the subject of waste and prevention of waste, and of licensed plumbers.

It is of course impossible to find out the exact figure of consumption per capita per day because one of the facts in calculation, namely, that of population, is never exactly ascertainable. But assuming that the average consumption per month in respect of the period 1st January to 31st July, 1938, is 498.75 million gallons (and this figure is based on the answers given recently to my questions in this Council), and assuming that the "population" is 1,050,000 persons minus the floating population and those who draw their water from street fountains, estimated at 250,000, leaving a balance of 800,000 consumers, then the consumption per capita per day works out at 20.78 gallons.

According to the Public Works Department Report, the amount of water consumed from the reservoirs for July, 1938, came to 932.13 million gallons. The water consumed by metered consumers of 498.75 million gallons therefore amounts to only 46% of the total water consumed, leaving 54% unaccounted for. I do not know the quantity of "free" water consumed, but even allowing for, say, 40 million gallons per month, and taking into account the fact that the July consumption may be appreciably higher than the average monthly consumption, the amount of water unaccounted for is still appallingly great. I shall be glad to be enlightened on this aspect of the matter.

Although the water problem has always been with us, and although the problem of prevention of waste should always have been one of great importance, it is a matter of surprise that it was not until last year that the question of organising a special department for the detection and prevention of waste was seriously taken in hand. I would like, however, to congratulate Government on this step.

The requirement under the new regulations that all plumbers must first obtain a licence from the Water Authority before they can carry out any work of construction, alteration or repair for consumers is of course a valuable safeguard against incompetent workmanship. But I understand that there is a certain amount of apprehension on the part of the public as to how far this requirement will have the effect of subjecting the public to unreasonably high, in other words, monopolistic charges. I therefore respectfully invite the Honourable the Director of Public Works to inform this Council as to the approximate number of firms who have been licensed, or who are likely to possess the qualifications to be licensed, and as to how far the Water Authority can exercise any control over exorbitant charges.

Kowloon-Canton Railway.

I would very much like to congratulate Major R. D. Walker, Manager of the Kowloon-Canton Railway, and the very efficient staff under him, particularly the Chinese Engineer-in-Charge, for the miraculously speedy way in which the grave damage done to the railway track, caused by the typhoon of September, 1937, was repaired, and through communication restored.

His Excellency's Address.

The Senior Unofficial Member has already expressed the joint views of the Unofficials on Your Excellency's masterly survey of the Colony's problems, on which I now respectfully venture a few observations.

Housing Commission's Report.

One of the most important subjects dealt with by Your Excellency was the Housing Commission's Report. I should like to invite the attention of this Council to paragraph 67 of Mr. Owen's Memorandum, which shows that the charges now imposed by Government on land for development in Hong Kong, in Shamshuipo, and similar districts, is "about three times higher than those on the outskirts of London where the price of land is notoriously high."

The Report shows clearly that for years house-building has not kept pace with the increase in population, and some of the reasons for this lag are indicated or implied in the Report. Numerous and persistent complaints have reached me against the delay and difficulties of having sites put up for auction, and of having plans approved and passed. I venture to hope that in so far as such cause is due to overlapping of departments, or is traceable to the administrative machinery of the Public Works Department, this question may be looked into by my Honourable friend, the Director of Public Works. Another complaint which I have often heard has reference to the high charges for land and Crown rent, especially in view of the comparatively short term of tenure under existing Crown Leases. This complaint would

appear to be borne out by Mr. Owen's observation, which I have quoted above. I venture to think that, apart from any action on the lines indicated by Your Excellency, Government should do its utmost to facilitate building development in approved areas and, above all, that Government should anticipate development by laying down drainage etc. on pre-marked out roads, so that newly built houses would not have to wait for months, or even years, for their houses to be connected to a Government main drain.

Immigration.

As Your Excellency has pointed out, a fundamental issue was raised by the Commissioners' Report relating to the enormous reservoir of population which exists at our door, and by the question of restricting immigration as a possible remedy. My Senior Chinese Unofficial colleague has spoken on this question which, as the Housing Commission's Report observes, is one "which presents very serious difficulties". Having regard to the history of the Colony when it was ceded to the British Crown, and the public Proclamations made in connection with such cession, I am quite clear in my own mind that restricted immigration, as this word is understood in other parts of the World, as against the Chinese, cannot be justified. I imagine, however, that Your Excellency has in mind not such restricted immigration, but some defined policy of exclusion or repatriation applicable to only those who have no residential qualification and no means of support, and who cannot be absorbed in the available labour market. But even such a policy presents serious difficulties and may involve grave objections. At this stage I need only say that I feel sure that Your Excellency will afford the Chinese a proper opportunity of considering any such proposal in a concrete form, and of making representations thereon, before it is to be carried into effect.

Public Health and Public Safety.

Your Excellency pointed out the "big increases in the fields of public health and public safety, including defence", and observed that "much of that increased expenditure must be looked upon not only as permanent, but also indicative of greater demands of the same nature in the future".

As regards public safety we can only accept the inevitable with the hope and prayer that in time to come—and may it come before it is too late!—our financial burden of defence may be considerably eased, upon the restoration of sanity to all aggressive nations and the realization by all of the futility, cruelty and barbarity of war. In the meantime we pay because we must.

But in regard to public health and hygiene, the Colony pays without any feeling of frustration, for the value, and, indeed, the necessity of a sound and progressive public health administration, aiming at the prevention and cure of human ills, is increasingly

appreciated by all. If I have any uncomfortable feeling regarding Hong Kong's hospital facilities it is that the really poor, the "free patients", are still inadequately provided for. A statement showing available free beds in Government Hospitals, and the ratio between such free beds and paying beds, will clarify the position. And I await with deep interest the report of the Committee on the hospitalization system recently appointed by Your Excellency.

I am sorry to say that malaria, which seems to be a preventable disease, is still prevalent in Hong Kong, and exacting its toll of illnesses and deaths.

But I do feel that the Colony is singularly fortunate in having as the Head of this important department of Government my Honourable friend Dr. Selwyn-Clarke, whose knowledge, energy, initiative and courtesy, and whose deep concern for the poor, have deeply impressed all who have been privileged to come into contact with him. He will, I have no doubt, see to it that the Colony gets the utmost value out of every dollar which the Colony can afford on public health and medical services.

Heroin.

The Chinese are very grateful to Your Excellency for expressing in such clear and impressive language our horror and detestation of the heroin traffic. As you know, Sir, the Chinese leaders have done what they could to mobilise public opinion against what Your Excellency has so aptly described as "this man-killing industry". Since Your Excellency's inspiring message my Chinese colleagues and I have appealed to the recently formed Chinese Reporters' Association for their assistance by launching a persistent campaign in the Chinese Press, with leaders and slogans, and I am happy to inform Your Excellency that the Association has readily responded to our request. I desire to acknowledge our appreciation of the public-spirited assistance rendered by the Chinese Press in this matter.

Education.

When, in 1936, I had the honour to participate in the first Budget Debate in this Council, I expressed the view that "there is something wrong with the educational policy of the Colony", and that "a Government announcement as to its educational policy would have been welcome." I then ventured the view that the provision of primary education by Government had been totally inadequate, and I was able to quote in support of my views the high authority of Mr. Burney. In July the report of the committee on the training of teachers was published, and I am glad to find in the very interesting and able majority report that it is the view of the six out of the seven members of the committee that Government should undertake greater responsibility for primary vernacular education. I confess that I found it a little difficult to follow the minority report, but I console myself with the thought that my difficulty might have been caused by the omission from that report of detailed reasons for differing from the majority's recommendations—an omission which obviously rendered it

difficult for a layman like myself to appreciate the reasons for such differences of opinion.

It was therefore with much gratification that I listened to Your Excellency's observations on the Committee's report. I am glad that, by Your Excellency's direction, some provision in the Estimates for implementing the Report was referred to, and passed by, the Select Committee.

Queen's College.

The Senior Unofficial Member has placed on record our view that a new Queen's College is one of the public works which it is desirable should be undertaken in the near future if funds permit. In this connection I would like to point out that the present building, having stood the elements for half a century, has long passed its economic life, and that it is situated in surroundings which have become quite unsuitable for a school of this nature.

When I protested in Select Committee against Queen's College's exclusion from the Five-Year Plan, I understood from the Honourable the Colonial Secretary that the reason for such exclusion was because as yet no agreement as to a suitable new site could be reached.

I understand that one of the sites suggested is in the Pokfulum area. Objections readily come to one's mind against a site so far removed from the centre of the town, having regard to the class of boys for whom the College exists. Such objections may, indeed, be decisive against this particular site. But I hear that all those who have visited it, including many old boys of the College, are enthusiastic about its situation, and are of the opinion that the distance from the town, especially in view of the possibility of limiting the College to certain higher classes, is not a serious objection and, in any case, that the objection is not of such a serious nature as to outweigh the advantages of the ideal surroundings afforded by the site. However this may be I venture to hope that a site acceptable to all interested parties will be soon found, so that a commencement may be made of a new Queen's which shall be worthy of the Colony as the premier secondary Government School, with its unique historical traditions, and its proud record of having produced so many worthy sons distinguished for their public services both to the Colony and to China.

Hawker Problem.

Your Excellency stated that this problem was still to be solved, and that its solution might have to await the restoration of peace to China. In these circumstances I realise that this is not the occasion for any lengthy argument on the subject. But in view of Your Excellency's observation "but the fact must not be forgotten that the practice of food-hawking endangers public health and is a sign of backward administration", I desire most respectfully to venture a few remarks.

I unhesitatingly admit that the doctrine that food-hawking in itself constitutes a source of danger to public health is theoretically sound, but I suggest that the question as to whether or not there is any practical risk to health depends on the kind of food hawked, and the circumstances under which it is hawked. Theoretically, manual contact with bank notes and coins does, I suppose, become a source of infection, and yet the practical risk is not such as to deter people from handling them on that account. Perhaps I may also observe that hawking of certain kinds of food is a prevalent practice even in the Metropolis of England.

In March this year I submitted a Memorandum to Government, and as paragraph 20 sets out my views on this aspect of the subject I beg leave to quote it here:—

"20. It should be remembered that people who buy articles from hawkers generally belong to classes of persons who occupy such houses, cubicles, bed-spaces, and in surroundings that the hygienic ideal aimed at by the Urban Council cannot be achieved. What matters that the food is bought from a clean shop if it is cooked, kept and eaten in a place in which dust, dirt and flies etc. abound? The prohibited class 7 contains "congee, tea and cakes, puddings, beancurd." Is there really substantial danger to public health by the sale of such articles to the particular class of buyers who patronise hawkers? Some 3,871 persons have presumably made their living by the sale of these articles, and there are to be no renewals of the existing licences. What would be the result? Suppose the number is gradually reduced to 2,000. If the demand for this class of hawkers can absorb say 4,000 sellers, 2,000 more hawkers will inevitably make their appearance, only of course they will be unlicensed."

I have ventured the above remarks in the hope, Sir, that if and when this problem is tackled, a realistic solution will be found, having regard to the fact that hawking, properly regulated, does afford to the aged and infirm who have otherwise no means of support and who, by reason of their residential qualification, would be entitled to Poor Law Relief if it were available in Hong Kong, an alternative to starvation.

HON. MR. LEO D'ALMADA E CASTRO, JNR.—Your Excellency,—The very full examination of this Colony's position, plans and prospects which has taken place in Committee since the presentation of the Budget leaves little to be done except to remind Government of matters requiring its attention in the near future.

First, with regard to Kowloon, the promise of better street-lighting is at last in course of fulfilment so far as Nathan Road is concerned. But improvement must not be allowed to end there. As soon as funds permit other important thoroughfares should be attended to, notably Chatham, Waterloo and Prince Edward Roads.

The Kowloon Mortuary has already been mentioned by the Hon. the Senior Unofficial Member. The site of the present one is no longer suitable and I am told that the building itself leaves much to be desired. The sooner a new one is built, and that in a locality chosen with greater foresight than was shown in the choice of the present one, the better.

The matter of suitable drainage for large areas of Kowloon comes up for discussion regularly in the Urban Council as well as at meetings of the Kowloon Residents' Association. It seems that for some time to come, at least, nothing can be done to improve the lot of residents of Ho Mun Tin and other like areas, but it should be the policy of Government in future to provide new districts with facilities for this very essential feature before they are opened for development.

Nothing could more clearly emphasise the desirability of fostering agriculture in the New Territories than the striking figures mentioned by your Excellency in dealing with Forestry and Agriculture in your speech of October 13, and recent events have made it even more obvious, if that were possible. The statement, therefore, that the Superintendent of the Botanical and Forestry Department has been instructed to report on the possibilities of development in the New Territories is singularly opportune. There should be no delay in the matter. With the present rise in prices, the local farmer would naturally be more amenable than heretofore to suggestions with regard to large-scale production of vegetables in lieu of or in addition to rice, and the opportunity must not be missed.

The New Territories have long been neglected, too, in matters of sanitation. It is pleasing to see that this year's Budget provides for the appointment of a health staff for this area. A casual inspection of Taipo and Sheungshui Markets and of Un Long reveals a state of uncleanness disgraceful in a British Colony.

The increase of crime, particularly in Kowloon, has been suggested to me as worthy of mention in this Council. While appreciating that the work and difficulties of the Police have been increased during the last year, it is perhaps not too much to expect that with a readjustment of the Force to its new and more arduous duties this matter will be successfully attacked. Complaints against the general efficiency of the Force are few and far between, but the public views with some concern the numerous recent cases of police constables being charged with demanding or accepting bribes. Public opinion has always been that this state of affairs is rife in the Colony and there is a widespread belief that gambling houses, sly brothels and those concerned in other illicit transactions pay large tributes to members of the Force in return for immunity from prosecution. The persistence of this belief leads me to suggest that the time is ripe for a thorough inquiry into the matter and this, I feel certain, would meet with general approval. That such investigations, if properly carried out, do bear fruit, is evidenced by a report in the *Hongkong Telegraph* of September 20, 1938, under

the heading "Detectives Dismissed in Singapore" that "20 per cent. of the Colony's detective force have been dismissed following investigations into allegations of corruption in connection with large-scale gambling".

One other matter. Pensions and the necessity for providing for passages and leaves of Government personnel constitute an ever-increasing burden upon this Colony, a burden which could be substantially lightened in the course of years by the filling of vacancies with locally-engaged men. I am aware that this policy has been advocated more than once in the past, but it has never been adopted on a scale nearly commensurate with its advantages. Whatever might have been the reason for this in the past, none exists to-day. There can be no suggestion that Hong Kong, with its expensive system of primary education and its University, does not provide a supply of men suitable for employment in all but the highest offices in Government. It was gratifying to receive in Committee from the Head of one Department the assurance that whenever possible the appointment of local men to vacancies in his Department received his consideration. But some statement from Government with regard to its policy would be welcome. A further advantage in the large-scale employment of local men is that this would incidentally ensure the expenditure within the Colony of a considerable proportion of the sums payable for pensions, whereas with the present system the bulk of the enormous amount paid out in this connection is a drain on Hong Kong's resources productive of no return whatsoever. (Applause).

HON. MR. A. L. SHIELDS.—Your Excellency,—I would refer to the statement of the Hon. Financial Secretary in his speech introducing the Budget that it is desirable to have an actuarial valuation made of the liability of the Colony for the Widows' and Orphans' Fund. I am in complete accord with this and would also request Sir, that Government obtain an actuarial estimate of the annual sums which will be required for Government Pensions during the next ten or fifteen years.

The annual vote for Pensions as shown in the statement attached to the Estimates has increased from \$796,754 in 1929, to \$2,970,000 estimated for 1939. An estimate of the sums required in the future is highly desirable in view of anticipated increased expenditure in other directions.

I would also refer to Your Excellency's statement in your address to this Council before the presentation of the Budget, viz., "on December 31, 1949, all existing Pier Leases expire and it is not the present intention of Government to renew them."

That statement brought immediate enquiries from members of the Chamber of Commerce which I have the honour to represent and a letter has been addressed to Government giving a resumé of the views of interests which will be affected and expressing the opinion of my General Committee that it is essential that Government should define its policy in this matter at the earliest possible moment.

It is not necessary now to go into the questions which have been raised by the statement of Government's intention as regards the renewal of Pier Leases but it is felt that the matter is of supreme importance to the Colony. It is particularly so to shareholders in Companies which depend on their piers for the running of their business and have large sums invested therein which may be lost if Government should dispossess them.

For this reason Sir, I have addressed you to-day in order to give the question the fullest publicity.

Until Government policy is known there can be little development of existing facilities by private enterprise which has carried on the development of this great seaport since the Colony was founded. (Applause).

HON. DR. LI SHU-FAN.—Your Excellency,—I wish to invite your attention to a few matters of general policy, which in my opinion are deserving of Your Excellency's due consideration.

The Hong Kong Society for the Protection of Children.

With reference to the subsidy for the Hong Kong Society for the Protection of Children, I regret that the Select Committee did not agree to recommend any addition. But, as certain aspects of the case were not fully discussed by the Select Committee, I crave leave to commend the case briefly as a whole, to Your Excellency's attention.

At the Budget Debate of 1932, three members of this Council pleaded strongly for an increase in grant to the Society, namely from \$5,000 to \$10,000. This year I learn that the Society has applied for an increase to \$15,000.

While no increase has been made, and the grant still remains at \$5,000 to-day, the work of the Society has increased steadily during the succeeding years, the number of cases being 881 in 1932 and 1,539 in 1937. One case does not necessarily mean one child, and the 1,539 cases in the Society's last complete year, involved the welfare of 3,690 children.

I understand that the Society has no endowment, and that its efficiency and very existence depend upon the support of the Government and the public. During the last six complete years of the Society's existence, its income has fallen short of its expenditure by \$15,551, and I learn that a further deficit is expected this year.

As an example of the existing poverty, the Society reports that in 1937, the average monthly income per head in a family relieved by the Society was \$1.80. In September of the present year, the figure has fallen to \$1.29, which includes \$0.92 for Kowloon North. Moreover, in 1937 there were 285 cases assisted by the Society, where the family was without visible means of subsistence.

I feel that such needy work as the Society had done should have some salutary effect in minimising the appalling infantile mortality, infanticide, the dumping of the dead, and not the least important, street begging and illicit hawking, with the consequent overcrowding of the prisons.

According to the statistics of 1936:—

- (a) The Infantile Death Rate in Hong Kong was 327.42 (as against 59 in Great Britain);
- (b) The number of deaths of Chinese infants under one year was 9,905 and non-Chinese 19;
- (c) Of the 1,091 dead bodies dumped and found in the streets, the majority were infants.

The cogent questions are: In the face of starving children, what will be their fate, if the parents cannot and will not steal, and where else can they look for help, apart from unauthorised begging?

I cannot subscribe to the view, that such work as is performed by the Society, is better or cheaper, if undertaken by Government. On the contrary, it would add materially to the cost of Government. This is not to say that the responsibility should not be wholly shouldered by the Government. It is only where the Government remains inactive, that the voluntary society enters.

But admirable as the work is, the Society has only four centres from which to operate, while vast areas of the poor, such as Shaukiwan, Kowloon City, etc., are left entirely unprovided for. I am not a pessimist as regards the Colony's future, but the immediate outlook is such, that I fear the children of the poor will be harder hit than ever.

It appears to me that as the Society is non-secretarian and non-sectional, it has a very special and strong case. I feel that unless and until some form of Poor Law Administration is adopted, the increase of the subsidy as applied for, is not unreasonable, in view of the gigantic nature of the undertaking, and the salutary effect it has on the general welfare of the Colony.

Prevention of Tuberculosis.

The Hon. the Senior Unofficial Member spoke of the spread of tuberculosis due to the disease-disseminating roads and sidewalks, and the necessity of street washing. With this, I am in complete accord. It is a well-known fact that the germ of tuberculosis is conveyed by dust derived from dried spittle, when blown about by wind and traffic.

Speaking of tuberculosis, I desire to call Your Excellency's attention to the unusual prevalence of this disease in the Colony, and the desirability of adopting proper preventive measures. Due to a combination of factors peculiar to Hong Kong, such as the situation within

the tropics, shortage of housing, the presence of a large number of the poor, and the consequent overcrowding and malnutrition, it is only to be expected that the incident and death rate of tuberculosis are higher than usual. There is however another factor, which is most important, namely, the almost total absence of proper preventive measures. It is estimated that approximately one death in ten in Hong Kong is due to tuberculosis, while 40 per cent. of all causes of deaths are ascribed to diseases of the lungs and other respiratory passages. The principal cause of death is broncho-pneumonia, while tuberculosis comes second; but a large number of the broncho-pneumonia cases are really tubercular in origin.

According to the 1936 report of the Medical Department, 2,416 persons during that year died of tuberculosis in Hong Kong. I believe the number afflicted cannot be less than ten times this number. The actual number of deaths is, however, appreciably in excess of this figure, owing to a large number of hopeless cases having returned to the country to die, according to superstition, in the land of their ancestors, and also amongst members of their families and relatives.

There is however another sad aspect of the problem, that is, due to its peculiar nature, tuberculosis usually kills after a prolonged illness of months, if not years, it is therefore disastrous economically and otherwise to the average family, and particularly to the poor. Perhaps you will concede Sir, that the tackling of this grave problem should be made as soon as possible, and that it cannot be indefinitely postponed. This is the more advisable when we are convinced that Slum Clearance and the solution of the Housing Problem will not be wholly realised, until a good number of years.

While I am convinced that the establishment of a complete organisation for the cure and prevention of tuberculosis including a sanatorium is somewhat expensive at present, yet, there is no reason why less expensive measures should not be initiated as soon as funds permit.

By this, I refer to the establishment in the first instance, of a tuberculosis dispensary for the poor. Such a free dispensary would serve as a centre for diagnosis, advice, treatment and anti-tuberculosis propaganda, as well as a headquarters for the visiting tuberculosis nurses. The duty of such nurses would be, to visit the tuberculosis patients, who are unable to attend the dispensary, at their homes, teaching the family, relatives and friends how to avoid becoming infected, and such useful matters as elementary hygiene, etc.

As it will be in the nature of a clearing house, the dispensary should have a small X-ray unit, whereby patients may be screened or photographed. The early and therefore amenable type of cases, should be referred to appropriate hospitals for treatment if possible, and the advanced type which are usually the incurable and infectious cases, should be advised to return to the country, where the air and the surroundings are better than the city; while borderline cases between the two types can be observed and attended to, at the dispensary.

The medical officer in charge of the dispensary, if possible should also be in charge of the anti-tuberculosis propaganda. Such propaganda work could be very usefully supplemented by co-operating with existing humanitarian organisations, such as the St. John Ambulance Association, etc., especially in delivering public lectures, distribution of literature, giving health exhibitions and the conducting of anti-tuberculosis campaigns.

There can be little doubt that such measures, when adopted, would be immensely beneficial to the people and should have some effect in mitigating the spread of this disease, which is hitherto practically uncontrolled.

Closure of Certain Roads to Medical Practitioners.

While I am on the subject of public health, I wish to draw Your Excellency's attention to the peculiar treatment given to medical practitioners, with reference to certain motor traffic regulations.

The fact is, that a number of smaller roads including Kennedy Road, Hollywood Road, etc., which are open to ambulance and private car traffic, are closed to the medical profession, unless a fee of \$10 is paid for a special permit; and even when such a permit is obtained, it is very exceptional that a doctor is allowed to use more than six roads, despite the fact that a considerable number of roads above this figure, are open to ambulance and private car traffic under special permit.

In the circumstances, whenever a call is made for a doctor to visit a patient residing in any of these roads, a busy doctor may either refuse to attend, or if he accepts, he must be prepared to walk regardless of weather, to the patient's house from the nearest open road, where he has parked his car. Because of the inconvenience and the loss of time involved, the practitioner is often obliged to charge an extra fee, which is obviously not to the patients' interest.

I believe that of approximately 100 doctors who own cars, not more than half of the number actually have taken out the special traffic permit, because of added expense; as the fee of \$10 is not inclusive of the Stamp Duty Fee of \$50, which is paid by every doctor for the privilege to practise—a fee which I understand, is exceptional in the British Empire.

In view of the small number of cars owned by the medical man as compared with other vehicles, I feel that the question of traffic obstruction should not arise, especially when such smaller roads are closed to ordinary motor traffic, except of course, the cars under special permit.

You will observe Sir, that in granting the medical profession the free use of such smaller roads, the loss in revenue is insignificant. It appears to me that the principle should be, whether a road is safe and feasible to use or not, and if it is, then there is no reason why Government should not facilitate the doctors, in discharging their duty of alleviating suffering and the saving of life.

Preservation of Wild Game Life.

With reference to the New Territories, I wish to speak of the necessity of protecting the wild game life there. In most parts of the British Empire, this work is undertaken by game-wardens. I can see no reason why such an officer should not be appointed here, whether solely for the purpose, or to act concurrently with other duties, if present funds do not permit of a full time officer. It must be remembered that the game licence fee has been raised from \$10 to \$25.

For far too long, the preservation of wild game life has been neglected, with the result that this Colony is being steadily deprived of this aspect of the natural attraction. Moreover, hunting as a recreation nowadays, is hardly an attraction for the resident or tourist sportsmen, despite the admirable efforts made by the Hong Kong Travel Association in advertising the Colony as a resort of many attractions.

In point, I refer to the wholesale trapping of wild birds and animals, both in and out of season, by local villagers and trappers from the other side of the borders. It is by no means uncommon to find feathered game hung up for drying, in the outlying villages, similar to the preserving of dry ducks. If this promiscuous and systematic destruction is permitted to continue, through the use of what must be thousands of traps, I fear this fair Colony may ultimately revert to the days of the "Barren Rock," in respect of wild game life and wild bird sanctuary.

Influx of Industries.

There is a matter connected with industries, to which I wish to call Your Excellency's attention, that is, the recent influx of industries to this Colony due to the present conflict. Many have viewed this with mixed feelings, perhaps because of the housing shortage. Personally, I regard it as a welcome asset to the future of the Colony. It is only natural that a number will leave at the end of hostilities, yet, I am convinced that a good number will remain, if given the right treatment. I wish therefore to appeal to the Government in general, and the Urban Council in particular, to give the new-comers every sympathetic consideration under the obviously special circumstances.

Before I conclude, I desire to express a word of appreciation for Your Excellency's able and beneficent administration of the Colony in these unprecedented and turbulent times. I am confident that this sentiment is shared by every citizen of this Colony.

I may add that the Chinese Community has every reason to be grateful to Your Excellency, particularly for the proper provision for the refugees, and for the humanitarian work in initiating the Hong Kong and South China Branch of the British Fund for the Relief of Distress in China. I fervently hope that this Fund will receive the generous and wide support it deserves. (Applause).

THE DIRECTOR OF PUBLIC WORKS.—Sir,—There are a few questions raised in the speeches of the Hon. Unofficial Members which more particularly concern the Public Works Department, and with your permission I will briefly deal with them.

The Hon. Senior Unofficial Member has suggested increasing street washing in the Colony in the interests of public health. There is considerable difference of opinion as to the efficiency of the present method of street washing, which has to be done with a minimum of fresh water. Unfortunately at the present time, owing to the past abnormal rain year, water is at a premium and cannot be spared for additional watering. The matter will be re-considered when the water situation more nearly approaches normal.

It is agreed that a new Infectious Diseases Hospital, new Kowloon Mortuary and new Volunteer Headquarters are desirable and urgent necessities, and should be provided as soon as funds permit.

The Hon. Mr. T. N. Chau has suggested that Government should open up and prepare new areas for building purposes, and I would point out that in the past this has been done at Shamshuipo, Kowloon Tsai, Wongneichong and North Point, and that other areas are gradually being formed from spoil from general development.

Regarding the New Territories there is already very considerable development at Tsun Wan, which is rapidly becoming an industrial centre.

The Hon. Mr. M. K. Lo has quoted figures to show an excessive loss of water in the distribution system of the Colony, but in making his calculation he has not made sufficient allowance for the free supplies to Government Buildings, Street Fountains, Street Washing, Fire Fighting, Charitable Institutions, etc. From careful calculations made over the whole of 1937 it is computed that in Hong Kong and Kowloon respectively 73.3% and 73.7% of the total consumption has been accounted for—a by no means unsatisfactory result considering the age of a large portion of the Hong Kong distribution system and the high pressures carried.

Waste detection work has to my own personal knowledge been carried out to a greater or lesser degree since 1920, depending on the staff available. It is now considered, however, that, owing to the growth of consumption and extension of the distribution systems, waste detection should be put on a more systematic basis by having staff permanently allotted to it.

So far only a few applications for licences under the new Ordinance have been received from Plumbers, but it is expected that a fairly large number of licences will eventually be issued. It is reasonable

to expect that ordinary business competition will be sufficient to prevent undue profiteering. Registration of plumbers is common practice in most large cities.

Regarding the remarks on the high charges for land in Hong Kong, I appreciate the desire and necessity for cheap housing for the community, and for keeping total building costs down to a minimum, but would point out that at present land is auctioned, for what it will fetch in the open market, and that at the present time it is usually knocked down for a higher price than the reserve placed on it by Government. It would appear, therefore, that the public places a higher value on the land than Government. Should artificially low prices be placed on land by Government then restrictive covenants would be required on the types of buildings and the profits to be earned from them—conditions which it would obviously be impossible for Government to enforce.

There is always a very considerable time lag in housing construction, as during slump periods building ceases while in boom periods everyone wants to build. I think this is borne out by the fact that in Hong Kong in 1934 and 1935 property was almost unsaleable, whereas to-day every house is fully occupied.

Regarding the alleged delay in having land put up for auction and in the passing of plans, I would point out that what appears to the public a very simple process is not necessarily so, and that before any land can be gazetted as for sale many departments have to be consulted and delays are inevitable.

As regards the passing of plans it must be remembered that we are at the moment experiencing a mild building boom, whereas little over a year ago comparatively little new construction was under way. It is not economically possible to arrange staff according to these rapid fluctuations, and some delay during busy periods must be expected, particularly in the summer when staff is depleted owing to leave. I am, however, always ready to investigate any specific complaints.

In answer to the Hon. Mr. Leo D'Almada e Castro, the new lighting in Salisbury and Nathan Roads will be completed early in 1939, when the possibility of further improving the general lighting in Kowloon can be investigated.

The difficulties of dealing at present with the drainage problems in Ho Mun Tin area have already been dealt with in the Urban Council, since when the situation has not changed. (Applause).

THE DIRECTOR OF MEDICAL SERVICES.—Your Excellency,—May I have your permission to acknowledge gratefully the kindly but

unmerited references contained in the speeches of my Hon. Friends and to record my sincere appreciation of the unstinted and valuable help which I have received from the Hon. Mr. M. K. Lo, the Hon. Mr. T. N. Chau and the remaining Chinese members of Executive and Legislative Councils?

I regret my inability to give a categorical answer to the question put by Hon. Mr. Lo on the subject of free hospital beds for the reason that it is not the policy of the Medical Department to refuse admission to Government hospitals to persons who are, in other respects, suitable but who are not in a position to pay the fees laid down. In actual fact, a little over a third of the in-patients in Government hospitals in 1937 were treated free.

It would be improper for me to anticipate the findings of the Hospitals Committee appointed by Your Excellency. At the same time, I think that my colleagues on the Committee would agree that the evidence collated to date affords overwhelming support to the feeling in the Hon. Mr. Lo's mind that the need exists for augmenting the accommodation for the sick poor in these territories.

In saying this, I think it desirable to emphasise the fact that Government is fully alive to the situation. Your Excellency has evinced great personal interest in the problem by visiting many public and private hospitals in Hong Kong, by appointing the Hospitals Committee referred to, and by approving of schemes which have resulted in the past six months in over 500 additional beds being made available at Laichikok and elsewhere (mostly for the care of the indigent sick) and in the provision of a considerable nucleus of the four hundred beds for Hong Kong lepers sent to the settlement at Shek Lung.

Your Excellency, my friend and colleague, the Hon. Dr. Li Shu-fan, has done a public service in inviting attention to the serious loss of child life in these territories. Dr. Li mentioned that amongst every 1,000 born 327 infants died before attaining the age of one year in 1936. The figure was actually rather more serious, that is to say, 372.

In the following year, the rate rose to 376; nearly one-third of all the deaths registered were in respect of infants under one year and in approximately half the total number of all recorded deaths (45 per cent.) the deceased was five years of age or less.

From the figures available for the current year, there is every possibility of the loss of life in this age group being still greater.

In considering statistics of this nature, it must, of course, be remembered that an infant mortality rate will go up without any actual deterioration of conditions if birth registration is less complete or if infants and children born outside these territories are brought here

and subsequently die in the Colony. Making due allowances for all such errors, the wastage of child life is a matter of grave moment and one calling for the concerted efforts of all members of the community to assist in combating.

In passing the Estimates for expenditure for 1939, this Council will enable the Medical Department to extend further maternal and child welfare services. Your Excellency has recently entrusted me with a task very near to my heart, namely the drawing up of a scheme for establishing a network of welfare centres throughout the Colony.

Tuberculosis occupied the third (not second) place on the list of diseases causing the greatest number of deaths in 1937. On the other hand, one death in nine was attributable to tuberculosis which caused 4,028 deaths during the year in question.

The Hon. Member and other members of Council will no doubt be glad to receive an assurance that Government and its medical advisers are already giving the question very close consideration.

The problem is being dealt with from various angles, the purpose being to attack the root cause if possible.

(1) Nutrition: Nutrition has a profound effect on the ability of the human body to ward off infection or to confine infection to certain sites if the germ succeeds in entering and implanting itself in the body. Your Excellency fully appreciated this influence and has been pleased to appoint an enlarged Nutrition Research Committee over which I have the honour to preside, whose duty will be to ascertain the amount of malnutrition in Hong Kong and to devise measures to counter the effects and prevent the occurrence of malnutrition as far as possible.

(2) Housing: As mentioned by my colleague the Hon. Dr. Li Shu-fan, housing is yet another important factor in the incidence and spread of tuberculosis. Appreciating this, no doubt, one of Your Excellency's predecessors appointed a Housing Commission in 1935. The Commission has recently presented an illuminating report which is receiving the careful consideration of Government at the moment.

Better housing (especially of the least fortunate) and the prevention of overcrowding will go a long way to reduce the constant menace from tuberculosis. The provision of camps for refugees and destitutes in these territories should contribute, if only in a small measure, to a solution of the problem by lessening congestion.

(3) Improvement in standard of living (wages, etc): It has been found in other parts of the world that housing alone is not a cure if the persons re-housed are compelled to pay a higher rental or

to spend more money in getting to and from their work, since the sum available for food is diminished in direct proportion. Hence, the need for increasing the general standard of living.

Here again the Labour Officer whose early appointment Your Excellency mentioned in your speech in Council on the 13th October, 1938, should prove of great help. The officer will, no doubt, be in a position to investigate conditions of work, wages, etc., and, later, be able to advise on such questions as minimum wage.

(4) Increasing facilities for the discovery, isolation, education and treatment of cases of tuberculosis: I have already referred to the personal interest Your Excellency has shown in hospital accommodation in this Colony. The fact that Your Excellency decided to appoint a Hospitals Committee provides ample grounds for belief that you had doubts as to whether the existing hospitals facilities were adequate to meet the needs of the community.

This Committee has had under consideration the question of special provision being made for the care and treatment of cases of tuberculosis, and its findings will be published in due course. Without wishing to commit the Committee in any way, I think it would be fair to mention that my colleagues favour additional accommodation for "open" or infective cases of tuberculosis and the provision of greater facilities for the more intensive treatment of the hopeful earlier cases.

I am not prepared to say at this juncture that the system outlined by my colleague in his speech, which is found to be satisfactory in Great Britain and certain other countries, is likely to be the most suitable for Hong Kong where other factors have to be taken into account. Due weight will, of course, be accorded to Dr. Li Shu-fan's views and extensive local experience.

(5) Education of the general public: In any campaign against the scourge of tuberculosis, it is very desirable that active propaganda should be carried out amongst the general public. Something is already being done in the way of talks to mothers at welfare centres and by health nurses, midwives, sanitary inspectors, etc., in the homes of the poor. Furthermore, hygiene is taught in many of the Hong Kong schools and efforts are made to get the pupils to apply such lessons in actual practice.

The Press, both Chinese and European, are most co-operative in helping to get health ideas across to the public in a palatable fashion and the wireless broadcasting system and cinema provide yet other channels. A great deal could be done by every enlightened member of the community both by example and precept to bring home to the ignorant and thoughtless the danger attendant upon the filthy habit of spitting. If all these and other approaches fail, it may be necessary to make spitting a nuisance punishable by law as in other countries.

(6) Expansion of Health Services, etc.: The foundation of a Chair in Public Health and Preventive Medicine at the University of Hong Kong is now being considered, and the expansion of the Health Division of the Medical Department of Government which has been approved by this Council, should go a long way towards solving the various factors concerned in the problem of control of tuberculosis.

I apologise, Sir, for the length of this reply which only touches the fringe of the subject, but I trust that Your Excellency may think it desirable that Honourable Members of Council should be aware of the steps that are being taken to deal with the serious problem referred to in the speech of the Hon. Dr. Li Shu-fan. (Applause).

THE COLONIAL SECRETARY.—I have listened with great interest to the speeches of Hon. Unofficial Members, both on the subject of the 1939 Budget and on the more general subjects of public policy which it is very proper should be mentioned in the course of this debate. Many of the more technical points have been dealt with by my Hon. colleagues the Director of Public Works and the Director of Medical Services; and I understand that Your Excellency proposes to deal with the closing words of the Senior Unofficial Member's speech.

It remains therefore for me, in closing the debate, only to mention a few outstanding questions. Two members have pointed out the great practical difficulties and also the possibility of constitutional objections which might stand in the way of imposing any restriction on immigration from China to which Your Excellency made a brief reference at the last meeting of this Council, and I can only assure the Council that these are very fully appreciated by the Government. The points raised by the Hon. Mr. T. N. Chau and the Hon. Mr. M. K. Lo will be kept very carefully in view should the time come for this question to become practical politics. The Hon. Mr. Chau has also referred to the proposed enquiry into the general question of taxation. The Committee which is to make this enquiry has not yet even been appointed but I am sure that I can promise that full consideration will be given not only to the well-known local objections to any form of income-tax but also to the necessity of giving the general public every facility for expressing its views on this question which, as Your Excellency has already said, must shortly be of paramount importance.

The Hon. Member who represents the Chamber of Commerce has raised two vitally important points. My Hon. colleague, the Financial Secretary, has authorised me to say that there is no fundamental objection to the actuarial survey of pensions suggested and it is only a question of what the expense would be, and whether such an expenditure would be justified. A similar survey was, I understand, undertaken for the United Kingdom Civil Service some ten years ago. As regards Mr. Shield's figures it is justifiable to point out that the

exchange rate of the dollar in the Estimates for 1929 was 2/-; it is also worth repeating that the new salary scales now being gradually introduced have, as one of their chief objects, the reduction of the Colony's pension bill. This, however, is not to deny that that bill is a heavy, and in its nature an increasingly heavy, burden on the Colony's finances.

As regards the expiration of the Pier leases in 1949 it would not be proper for me to say more on a subject which is at present the subject of correspondence with the Chamber of Commerce than to state that no avoidable delay in deciding this vital question will be permitted.

The Government welcomes the action taken by the Chinese representatives in this Council in regard to the heroin traffic. This is essentially a matter on which public opinion could have much more influence than the ordinary processes of law, and any steps which will mould that public opinion are most gratefully acknowledged by the Government.

As regards the hawker problem, on which the Hon. Mr. M. K. Lo has also spoken, I would say that this question has been deliberately put in the hands of the Urban Council and it would hardly be proper for the Government, without very serious reasons, to impose its views on that body. The Urban Council has a strong Chinese representation and there is little fear of the views of that population being disregarded. The Government sympathises with the aspirations of certain Hon. Members for a new Queen's College. The speech of the Hon. Mr. M. K. Lo is almost an admission that the matter is not yet ripe, from an educational point of view, for a decision at the present time; and I can only promise that this important question will receive the earliest possible attention.

The views of the Hon. Mr. D'Almada on the subject of fuller employment of local candidates in the Government service, accord with the policy of the Government. I have not had time to collect statistics but an analysis of the Budget figures, notably in the Medical, Police and Sanitary Departments, would clearly indicate the magnitude of this process in recent years.

The Hon. Dr. Li Shu-fan has raised three minor points besides those to which the Hon. the Director of Medical Services has already replied. The subsidies to various charitable institutions were very carefully considered in Select Committee and I have nothing to add to the remarks which I made earlier in the debate. As regards the restrictions on motoring doctors and the preservation of game in the territories, I can at this stage only promise that these will be examined at an early date.

I cannot close without again thanking my Unofficial Colleagues, in the name of the Government and, I might say, of the Colony, for the great care which they have taken in dealing with the multifarious problems which are raised in connection with the annual Budget. (Applause).

H.E. THE GOVERNOR.—The Hon. Colonial Secretary and his colleagues have replied to all points raised during the debate which are directly relevant to next year's expenditure.

The Hon. Senior Unofficial Member, speaking on behalf of himself and all his colleagues, ended his speech with a plea on behalf of this Colony's trade with South China.

I can assure the Honourable and Learned Member that the Government is in full sympathy with what he said on this subject and that I will do all that lies in my power to secure the early resumption of our long established trade rights in these waters.

The Hon. and learned member said that he feared that little could be done to implement the recommendations of the Housing Commission. I am prepared to agree with that comment, up to the point of the expenditure of funds, because it would be sometime before we reach the stage at which money can be usefully and economically expended—at any rate any large quantity—on that object; but I do not wish it to be inferred from my agreement with him up to that point that nothing would be done next year. The Chairman of the Urban Council, to whom I have entrusted the beginnings of this work as Chairman of the Authority proposed to be appointed, has already begun to study the subject and I hope that he and my learned friend, the Hon. Attorney-General—whom we are glad to welcome back in restored health—will soon be able to help us out with some legislation which is the necessary preliminary for the work of such an Authority.

In the meantime, he has begun to study the zoning of this town for different classes of buildings and the town-planning of new areas. When I say town-planning I do not merely mean the tracing of lines on paper, but schemes for such things as drainage and roads in the areas where we will develop our industries and residences.

Most of the Hon. Members have spoken on subjects analogous to this matter of housing and they have nearly all mentioned over-crowding. Over-crowding is the result of introducing more people into a community's premises than those premises can contain economically, and it is from that point of view that some restrictions on immigration will have to be placed sooner or later in this Colony. The Hon. Mr. Chau, I think it was, defined more or less the methods which should be used. Deportation of the unemployed or unemployable persons who are entirely dependent on the public charge or on the wages of those who

are working, and who are coming in to swell the Colony's population uselessly: that is the sort of restriction I had in mind, not preventing people without passports from coming in.

There are two other points which I wish I had mentioned in my address at the beginning of this Debate. I may add that I am grateful for the compliments which have been paid to that address.

My first point is that it is very necessary, if we are going to tackle the subject of public health properly, that we should have an Institute of Public Health, which would be the foundation and centre of activity. I have requested the Hon. Director of Medical Services to put forward a scheme for that purpose.

The other matter is that I have been corresponding with the Secretary of State on the possibility of starting a fisheries station in this Colony and I have some hope that we may get some capital from Home without burdening the taxpayers' shoulders. A fisheries station is obviously a necessity for a Colony which depends as greatly as we do on the fishing industry. I hope that next year we will be able to have a scheme which will be linked up with the Biological Department of the University, that will develop the fishing industry. There should also be an aquarium, since this is a very necessary part of such a station. (Applause).

I now put forward the resolution: That the Estimates of Expenditure for the year 1939 as now presented be approved.

This was approved.

THE FINANCIAL SECRETARY moved the first reading of a Bill intituled "An Ordinance to apply a sum not exceeding \$29,327,294 to the Public Service of the year 1939."

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

THE FINANCIAL SECRETARY moved: That this Council approves under section 3 (2) of the Hong Kong Dollar Loan Ordinance, No. 11 of 1934, of the following transfers in the Schedule:—

1. Item 2.—Shing Mun Valley Water Scheme—to be reduced from \$10,212,877.98 to \$10,175,262.90.
- Item 4.—New Gaol at Stanley—to be reduced from \$3,945,000 to \$3,917,087.25.
- Item 6.—Airport—to be reduced from \$907,485.92 to \$900,940.90.
- Item 8.—Other Public Works—to be increased from \$909,000 to \$985,225.68.

THE COLONIAL SECRETARY seconded, and the Resolution was approved.

THE FINANCIAL SECRETARY moved:

2. That this Council approves of the expenditure during the financial year 1938 under the heads of the Loan Works authorized under Ordinance No. 11 of 1934, set out in the Schedule below of a total net sum of \$735,746.77 which sum shall be met by advances from the surplus balances of the Colony pending the issue of the remainder of the loan authorized under the said Ordinance.

SCHEDULE.

Head 6.—Airport, <i>B</i> .—Airport and Aeroplane	
Slipway	\$ 21,000.00
Head 8.—New Markets.	
(<i>a</i>) Central Market	\$699,846.77
(<i>b</i>) Wholesale Market	\$ 14,900.00
	\$735,746.77

THE COLONIAL SECRETARY seconded, and the Resolution was approved.

THE FINANCIAL SECRETARY moved:

3. That this Council approves of the expenditure during the financial year 1939 under Head 8A of the Loan Works authorized under Ordinance No. 11 of 1934 (Central Market) of a total sum of \$50,000 which sum shall be advanced from the surplus balances of the Colony pending the issue of the remainder of the loan authorized under the said Ordinance.

THE COLONIAL SECRETARY seconded, and the Resolution was approved.

THE FINANCIAL SECRETARY moved:

4. That this Council approves the carrying out of the works set out in the Schedule below at an estimated cost of \$4,112,812.50 and of the expenditure in the financial years 1938 and 1939 of the sums set out in columns 3 and 4 of the Schedule the cost to be met from a future loan and meanwhile to be charged as advances from the surplus balances of the Colony pending the raising of a loan. He said: With reference to Item (*k*), it is desirable to start work on the Tai Lam Chung Scheme before 1939 in order to take full advantage of the present dry season. Therefore, I wish to amend this Resolution. It is proposed to insert in the third column the figure \$10,000 and to reduce the figure in the fourth column from \$25,000 to \$15,000.

SCHEDULE.

Appendix VI (C).

LOAN WORKS.

Additional Works to be charged to a proposed New Loan.

Works.	Estimated Cost.	Revised Estimated Expenditure 1938.	Estimated Expenditure 1939.
	\$	\$	\$
Head 1.—New Markets:—			
(a) Central Market	115,312.50	————	115,312.50
Head 1.—Total	115,312.50	————	115,312.50
Head 2.—Water Works:—			
<i>Authorized Works.</i>			
(a) Supply to Albany	100,000.00	85,000.00	13,478.81
(b) Supply to Peak Road	100,000.00	90,000.00	8,494.94
(c) Cross Harbour Pipes	950,000.00	710,000.00	235,140.93
(d) Rapid Gravity Filters, Eastern ..	300,000.00	1,000.00	50,000.00
(e) Kowloon Chai Service Reservoir	240,000.00	50,000.00	170,000.00
(f) Supply Main to Kowloon Chai Service Reservoir	250,000.00	————	200,000.00
(g) Distribution, Island	100,000.00	30,000.00	35,000.00
(h) Distribution, Mainland	75,000.00	25,000.00	25,000.00
(i) Shing Mun Valley Scheme Catchwaters	1,070,000.00	220,000.00	406,000.00
<i>Proposed New Works:—</i>			
(j) Rapid Gravity Filters, Shing Mun Valley Scheme	150,000.00	————	100,000.00
(k) Tai Lam Chung Scheme, Preliminary Works	25,000.00	————	25,000.00
(l) New Meters	120,000.00	————	60,000.00
(m) Waste-Detection Equipment	300,000.00	————	120,000.00
(n) Reconstruction at Albany	150,000.00	————	10,000.00
(o) Miscellaneous Works	67,500.00	————	67,500.00
Head 2.—Total	3,997,500.00	1,211,000.00	1,525,614.68
Grand Total	4,112,812.50	1,211,000.00	1,640,927.18

THE COLONIAL SECRETARY seconded, and the Resolution as amended, was approved.

THE FINANCIAL SECRETARY moved:

5. That this Council approves the expenditure during the financial year 1939 from the balance credited to the Waterworks Renewals and Improvements Fund of the sums set out in the Schedule below:—

SCHEDULE.

(a)	Replacement Nos. 1 and 2 Pumping Sets Tytam Tuk	\$50,000
(b)	Aberdeen and Aplichau Supply	\$70,000
(c)	Pokfulam District Supply, Conversion to full supply	\$60,000
(d)	New Waterworks Depot at Kowloon	\$10,000

THE COLONIAL SECRETARY seconded, and the Resolution was approved.

THE DIRECTOR OF PUBLIC WORKS moved the following Resolution:—"Resolved that the approval of the Governor in Council of permission to the Hong Kong Tramways, Limited, to construct one additional curve to connect the north tramway track, King's Road, to the existing single track leading to Inland Lots Nos. 4955 and 3546 as shown in Enclosure (99)² in C.S.O. 9365/04 and to maintain a tramcar shed on the said Inland Lots in connexion therewith be confirmed." He said:—Sir, At your instruction I rise to move the resolution standing in my name. The resolution is made necessary because of a proposal by the Hong Kong Tramways, Ltd., to construct a small extension to their existing track.

Under Section 7 of the Tramway Ordinance No. 10 of 1902, the approval of this Council is required for such an extension, and previous notification is also required to be given in the public press by the Company stating that it is their intention to apply for such approval.

This public advertisement has been duly given.

The extension in question covers the construction of an additional curve to connect the north tramway track, King's Road, to the existing single track leading to Inland Lots Nos. 4955 and 3546, on a portion of which a new car shed is being erected.

There is no objection from the traffic point of view nor from the Public Works Department, and I, therefore move the Resolution standing in my name.

THE COLONIAL SECRETARY seconded, and the Resolution was approved.

LAND REGISTRATION AMENDMENT ORDINANCE, 1938.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend the Land Registration Ordinance, 1844, and to confer certain powers on assistant land officers." He said: This Bill and the clauses in the agenda have been drafted by my predecessor and are explained 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:—

In terms of the principal Ordinance certain documents are required to be signed and certain things are required to be done by the Land Officer. The principal Ordinance makes no reference to an assistant land officer. In the event of the illness or absence of the Land Officer difficulties thus arise. The object of this Bill is to remove these difficulties.

PHARMACY AND POISONS AMENDMENT ORDINANCE, 1938.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend the Pharmacy and Poisons Ordinance, 1937." He said: Having no organised custom service it is necessary to make further provision locally for the prevention of the importation of certain poisons.

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. Clause 2 of this Bill inserts a new section 21A in the principal Ordinance, making it an offence for a person to have possession of a poison included in Part I of the Poisons List unless he is entitled to sell the poison, or is a duly licensed wholesale dealer in poisons, or the poison has been duly sold or supplied to him by an authorized seller of poisons, and in the latter case, putting the burden of proof that the poison has been duly sold or supplied, upon the person charged.

2. The peculiar circumstances of this Colony where the effective control of the importation of poisons would be difficult and costly, makes it necessary to implement the principal Ordinance by a provision of this kind.

3. Registered chemists and licensed wholesale dealers are obliged by law to keep records of sales and purchases, whereby the distribution and the ultimate destination of poisons can be traced. There is however, no such check upon the unregistered or unlicensed persons who import poisons for their own purposes.

4. It has been established that poisons are being imported and distributed in the Colony in a manner contrary to the interests of the general public. Proof that the existing law has been broken is difficult owing to the precautions taken by the persons concerned in the surreptitious distribution.

5. It is considered that the most effective way of preventing abuse is to make the mere possession of Part I poisons unlawful, unless the possessor comes within one of the exceptions in the new section 21A as enacted by this Bill.

DOLLAR CURRENCY NOTES AMENDMENT ORDINANCE, 1938.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend the Dollar Currency Notes Ordinance, 1935." He said: The explanation of this Bill is 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 fund established under section 4 of the Dollar Currency Notes Ordinance, No. 42 of 1935, has been credited with the amount of notes issued and interest earned by the fund, and debited with the cost of manufacture, freight and other expenses incidental to the issue of currency notes.

2. Clause 2 of this Bill adds three new sub-sections to section 4 of the principal Ordinance providing that the fund shall bear the expenses of note-issue and management, that interest earned by the fund shall be paid into the fund, and that on the 31st day of December in any year any surplus moneys in excess of the nominal value of currency notes in circulation shall be paid into the general revenues of the Colony.

3. Clause 3 of this Bill removes doubts as to the regularity of this practice in the past by validating such past acts as come within the scope of the present amendment.

**REGISTRATION OF PERSONS (NO. 2) AMENDMENT
ORDINANCE, 1938.**

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend the Registration of Persons Ordinance, 1934." He said: The amendment requires such people who have not hitherto been required to register, to fill up a schedule of particulars concerning their qualifications, and to register with the Police.

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 Bill is to amend the Registration of Persons Ordinance, 1934, in order that, should necessity arise, particulars of flying, engineering, driving and other mechanical qualifications and experience may be obtained from persons who may from time to time be called upon to serve in the essential services or the defence forces of the Colony.

2. Clause 2 of the Bill amends the principal Ordinance by adding a new heading (PART I) to sections 1 to 5 and the words "in Form No. 1" to section 3 (1): the latter amendment is consequential on that in clause 7 of the Bill.

3. Clause 3 of the Bill adds two new sub-sections (1A) and (3A) to section 4 of the principal Ordinance, requiring a person with whom an alien, other than an alien of Chinese race, is lodging or living, or the person in charge of a hospital, nursing-home, school or other institution in which for the time being such alien is living, to give notice of the presence of the alien to the Commissioner of Police, and also requiring aliens to furnish to the Commissioner of Police such information as he may reasonably require in addition to the particulars in sub-section (1) for the purpose of registering the alien or maintaining the correctness of the particulars entered in the register. A consequential amendment is also made by this clause in section 4 (2).

4. Clause 4 of the Bill adds a new Part II comprising new sections, numbered consecutively 6 to 10, to the principal Ordinance.

5. Of these new sections, sections 6 and 7 set out the persons to whom Part II will apply, namely male British subjects between the ages of 18 and 55 years; section 7 provides for the exemption from the provisions of this Part of persons of Chinese race, members of the fighting and police services and such other persons as the Governor in Council may exempt.

6. New sections 8 and 9 provide for the making, verification and correction of returns in a specified form.

7. New section 10 provides that the Governor in Council may apply section 2, subsections (2), (4) and (5) (b), of the principal Ordinance (which require a report of change of address to be made at police headquarters) to persons required to register under Part II.

8. Clause 5 of the Bill renumbers sections 6, 7 and 7A of the principal Ordinance as amended by Ordinance No. 11 of 1938, as sections 11, 12 and 13 and clause 6 repeals sections 8 and 9 of the principal Ordinance.

9. Clause 7 of the Bill adds a new Form No. 2 in the Schedule to the principal Ordinance, setting out the information and particulars required to be furnished in accordance with Part II.

10. Clause 8 of the Bill provides that the amendment Ordinance shall come into force on such date as the Governor by proclamation may appoint.

POLICE FORCE AND PEACE PRESERVATION AMENDMENT ORDINANCE, 1938.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend the Police Force Ordinance, 1932, and the Peace Preservation Ordinance, 1886." He said: The first Ordinance is amended to remove doubts as to the definition of Pensions in Section 2 (d) as including allowance on the death of a serving officer, and this is intended to meet the situation. The second Ordinance is amended in order to give additional powers in the appointment of special constables.

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 9 (1) of the Police Force Ordinance, No. 37 of 1932, provides that it shall be lawful for the Governor in Council to make regulations for granting pensions to members of the force, or in respect of service in the force.

2. Regulations have been made under this section providing for pensions to the widow and orphans of an officer who has been killed in the discharge of his duty, or who dies as a direct result of injuries received while on duty, or who dies of illness the contraction of which was specifically attributable to the nature of his duties, and also providing for the payment of gratuities to the representatives of an officer who, after completing five years' service, dies in the service.

3. Similar provision with regard to other civil servants is made in sections 16 and 18 of the Pensions Ordinance, No. 21 of 1932.

4. Doubts have arisen whether the definition of "Pension" in section 2 (*d*) of Ordinance No. 37 of 1932 as including "any allowance in the nature of a pension or any gratuity on retirement" is wide enough to cover payments made not on retirement but on the death of a serving officer.

5. The object of clause 2 of this Bill is to remove those doubts by inserting the words "death or" before the word "retirement" in the definition.

6. Clause 3 (1) of this Bill similarly removes a doubt as to the power of the Commissioner of Police to make regulations under section 12 of the Police Force Ordinance for the government, discipline, internal economy and daily routine of the civilian staff of the force, by adding the words "and the civilian staff" (already included in paragraph (*d*)) to paragraphs (*a*), (*b*) and (*c*) of sub-section (1) of that section.

7. It has hitherto been the practice to treat certain matters affecting the force and not dealt with by regulation under section 12 of the Police Force Ordinance as governed by the General Orders of the Hong Kong Government—for example, the leave and passages of senior officers, for which section 12 (1) (*d*) of the Police Force Ordinance makes no provision, although it does make such provision in the case of subordinate officers and others. Clause 3 (2) of this Bill gives effect to this practice by enacting that the General Orders of the Hong Kong Government shall apply, except in so far as they are modified by or inconsistent with the Police Force Ordinance or regulations, to all officers and members of the force and civilian staff.

8. Clause 4 of this Bill adds a new sub-section (2) to section 16 of the Police Force Ordinance giving the Commissioner of Police power, subject to the approval of the Governor in each case, to suspend subordinate officers, constables or members of the civilian staff pending any disciplinary or criminal proceedings, and provides for the payment of reduced salary in such cases. Similar provisions in respect of other civil servants are contained in the General Orders of the Hong Kong Government.

9. Clause 5 of this Bill repeals certain words in section 2 of the Peace Preservation Ordinance, 1886, restricting the power of appointment of special constables to occasions on which a tumult, riot or felony has taken place or is immediately apprehended, and substitutes a general power of appointment of special constables at any time upon the authorization of the Governor, thereby bringing the local law into line with the English law, as amended by the Special Constables Acts, 1914, (4 & 5 Geo. 5, c. 61) and 1923 (13 & 14 Geo. 5, c. 11).

RATING AMENDMENT ORDINANCE, 1938.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to amend the Rating Ordinance, 1901."

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

On the motion of the Attorney General, seconded by the Colonial Secretary, Council resolved itself into Committee and considered the Bill clause by clause.

Upon Council resuming,

THE ATTORNEY GENERAL reported that the Rating Amendment 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 GOVERNOR.—Council stands adjourned to November 24.
