

OFFICIAL REPORT OF PROCEEDINGS.**Meeting of 1st October, 1958.**

PRESENT:

HIS EXCELLENCY THE GOVERNOR (*PRESIDENT*)
SIR ROBERT BROWN BLACK, K.C.M.G., O.B.E.
HIS EXCELLENCY THE COMMANDER BRITISH FORCES
LIEUTENANT-GENERAL SIR EDRIC MONTAGUE BASTYAN, K.B.E., C.B.
THE HONOURABLE THE COLONIAL SECRETARY
MR. CLAUDE BRAMALL BURGESS, C.M.G., O.B.E.
THE HONOURABLE THE ATTORNEY GENERAL
MR. ARTHUR RIDEHALGH, Q.C.
THE HONOURABLE THE SECRETARY FOR CHINESE AFFAIRS
MR. JOHN CRICHTON McDOUALL.
THE HONOURABLE THE FINANCIAL SECRETARY
MR. ARTHUR GRENFELL CLARKE, C.M.G.
THE HONOURABLE PATRICK CARDINALL MASON SEDGWICK
(*Commissioner of Labour*).
THE HONOURABLE COLIN GEORGE MERVYN MORRISON
(*Director Of Urban Services*).
DR. THE HONOURABLE CHAU SIK NIN, C.B.E.
THE HONOURABLE CHARLES EDWARD MICHAEL TERRY, O.B.E.
THE HONOURABLE LO MAN WAI, C.B.E.
THE HONOURABLE NGAN SHING-KWAN, O.B.E.
THE HONOURABLE KWOK CHAN, O.B.E.
THE HONOURABLE JOHN DOUGLAS CLAGUE, C.B.E., M.C., T.D.
THE HONOURABLE DHUN JEHANGIR RUTTONJEE, O.B.E.
MR. MAURICE DEREK SARGANT (*Deputy Clerk of Councils*).

ABSENT:

THE HONOURABLE ALLAN INGLIS
(*Director of Public Works*).
DR. THE HONOURABLE DAVID JAMES MASTERTON MACKENZIE, C.M.G., O.B.E.
(*Director of Medical and Health Services*).
DR. THE HONOURABLE ALBERTO MARIA RODRIGUES, M.B.E., E.D.

MINUTES.

The Minutes of the meeting of the Council held on 3rd September, 1958, were confirmed.

PAPERS.

THE COLONIAL SECRETARY, by Command of His Excellency the Governor, laid upon the table the following papers: —

<i>Subject.</i>	<i>G.N. No.</i>
Sessional Papers, 1958: —	
No. 16—Annual Report by the Controller of Broadcasting for the year 1957/58.	
No. 17—Annual Report by the Commissioner of Prisons for the year 1957/58.	
No. 18—Annual Report by the General Manager, Railway for the year 1957/58.	
No. 19—Annual Report by the Director of Marine for the year 1957/58.	
No. 20—Annual Report by the Commissioner of Registration of Persons for the year 1957/58.	
No. 21—Annual Report by the Registrar of Trade Unions for the year 1957/58.	
Pharmacy and Poisons Ordinance.	
Poisons List (Amendment) (No. 2) Regulations, 1958	A. 56.
Pharmacy and Poisons Ordinance.	
Poisons (Amendment) (No. 2) Regulations, 1958	A. 57.
Supreme Court Ordinance.	
Suitors' Funds (Amendment) Rules, 1958	A. 58.
Dangerous Drugs Ordinance.	
Dangerous Drugs (Amendment of Schedule.) (No. 2) Order, 1958	A. 59.
Stamp Ordinance.	
Stamp (Bank Authorization) (No. 3) Order, 1958	A. 60.

ROAD TRAFFIC (AMENDMENT) BILL, 1958.

THE ATTORNEY GENERAL moved the First reading of a Bill intituled "An Ordinance to amend the Road Traffic Ordinance, 1957".

He said: Sir, this Bill is designed to put right certain omissions of a technical character which have come to light in the principal Ordinance, but in addition there are two provisions of general interest.

Clause 3 contains a new section 5A to be inserted into the principal Ordinance, the effect of which is to enable the Governor in Council when making regulations under the Ordinance to shift the onus of proof to the defendant. This, of course, is a power which should and will be used sparingly and with discretion, but I submit it is a necessary one to meet certain circumstances. To give an example, there is a regulation in the Registration and Licensing of Vehicles Regulations which prohibits the use of a motor vehicle for a purpose for which it is not licensed. That regulation goes on to provide that a certified true copy of the register is *prima facie* evidence of the purpose for which a vehicle is licensed, and it goes on further to put the onus upon the owner to show that he was not aware and had no reasonable grounds for believing that his vehicle was being improperly used, and upon the driver to show that he was not aware and had no reasonable grounds for believing that the vehicle was not licensed for the purpose for which it was in fact being used. It is submitted that these provisions are reasonable in the particular circumstances, and it is only in this type of case that the onus will in fact be shifted.

Honourable Members may recollect that during the Budget Debate my honourable Friend Mr. M. W. Lo spoke, among other things, of the toll of the road and he, at any rate, will, I think, welcome the new section to be found in clause 4 of this Bill. It is said to be a common practice for young children to hire bicycles or tricycles at a comparatively low cost. This new section is designed to check the danger arising from the use of bicycles or tricycles by young children by making it an offence for a person to hire a bicycle or tricycle to a child of 8 years of age or under. I should indeed add there, Sir, that 8 years has been fixed arbitrarily and it may be that the age limit should be put up.

The statement of objects and reasons adequately covers the other provisions of this measure and I now beg to move.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a First time.

Objects and Reasons.

The "Objects and Reasons" for the Bill were stated as follows: —

This Bill seeks to make certain unrelated amendments to the Road Traffic Ordinance, 1957.

2. At present vehicles are used for the carriage of goods and/or passengers and although this practice is very prevalent in the Colony, this type of vehicle is illegal. However, it is felt that they should be legalized and controlled by the Ordinance and the regulations made thereunder. Consequently clause 2 amends section 2 of the Ordinance by including a definition of such vehicles.

3. Provision has been made by regulations under the Ordinance whereby in proceedings for a contravention of the regulations the person charged must establish certain facts or whereby certain facts are presumed until the contrary is proved. It is doubtful whether such regulations are *intra vires* the sections enabling the Governor in Council to make regulations and clause 3 of the Bill introduces a new section empowering the Governor in Council to make such regulations and deeming all such regulations which have already been made to be effective.

4. A number of accidents, some resulting in death, are caused by the fact that young children ride bicycles or tricycles on the public highway. It is a common practice for children to hire such vehicles at a comparatively low rate. In order to check this source of danger on the roads, clause 4 introduces a new section which makes it an offence for any person to hire bicycles or tricycles to young children.

5. Section 13 of the Ordinance makes provision for the maximum speed at which vehicles may be driven in various circumstances. Section 13(1) is amended by clause 5 to make it clear that an offence is committed where a person drives in excess of a permitted speed.

6. Section 14 of the Ordinance exempts fire-engines, ambulances and police vehicles from observing, if necessary, the speed limit when such vehicles are on official duties. Clause 6 amends the Ordinance so that vehicles of the preventive service shall be exempt in the same manner.

7. Section 20(4) of the Ordinance permits any person who has been disqualified from driving subsequently to apply to the courts for the period of disqualification to be reduced. However, when there is a mandatory minimum period of disqualification for any offence, the courts on such application may not reduce the period of disqualification to a period less than that minimum. The offences which carry a minimum period of disqualification are set out in section 20(4) (a) with the exception of an offence against section 4 of the Motor Vehicles Insurance (Third Party Risks) Ordinance (39 of 1951), and the purpose of clause 7 is to remedy that omission.

8. Clause 8 inserts in section 29 of the Ordinance words which were inadvertently omitted in the final draft of the Bill.

ESTATE DUTY (AMENDMENT) BILL, 1958.

THE FINANCIAL SECRETARY moved the First reading of a Bill intituled "An Ordinance to amend the Estate Duty Ordinance, Chapter 111."

He said: Sir, the ordinary person reading, or attempting to read, through this Bill, is apt to throw up his hands in horror, and give up any effort to understand what it is all about. Its provisions are of great complexity, but the "Objects and Reasons" appended to the Bill do give some indications of what the proposed new legislation seeks to achieve.

It was on the 29th February, 1956, more than two years ago, that I mentioned in this Council that large scale avoidance of Estate Duty was beginning to cause concern, and that legislation was going to be drafted to put a stop to it. Since then, I think it is fair to say that the loopholes to which I referred then have become yawning gaps. I believe that millions of dollars are being lost to revenue annually by methods of avoidance which, as the law stands at present, are perfectly legal, quite simple, and which are probably fairly well known to honourable Members. It is unfortunate that legislation designed to block up these gaps must necessarily be complex.

If I might start with first principles, in order to make more intelligible what comes later, Estate Duty in essence is a very simple form of tax. When a man dies, the Inland Revenue authorities find out everything that he possessed at the date of his death; they assess the total value, and they charge duty as a percentage of that value on a sliding scale—the highest rate of duty being 52% on estates exceeding \$30 millions. There is one important point about our system of Estate Duty here in Hong Kong; that is, unlike many other countries, and especially unlike the United Kingdom, we only take into account assets situated in the Colony. We do not levy duty on, nor do we have regard to any part of the estate which is situated outside the Colony. We do not propose to change this at present, and I want particularly to impress this point on honourable Members; it has an important bearing on something I have to say later.

Now, nobody likes to pay large sums to any taxgatherer, even after he is dead, and specialists soon busied themselves with finding means to avoid paying over to him large sums out of a deceased person's estate. The simplest method, the obvious method, is for the deceased to give away all his property as soon as he knows he is going to die. Then he dies possessed of nothing, and no duty is payable. This method of avoidance was taken care of long ago, for in our law there is a provision that anything given away within a period of three years before the death is still reckoned as part of the estate.

Here is the first point on which the Bill proposes to tighten up the law. The period of three years was adopted in accordance with United Kingdom legislation many years ago. In 1946 the United Kingdom altered the period to five years, and we now propose to do the same. —Clause 3 of the Bill. Again in line with United Kingdom practice, we propose to reduce the period to one year in the case of a gift to a charity. The reason for this is that anyone who takes a gift is liable for a proportionate part of the duty if the donor should die within the statutory period. A charity receiving a gift should therefore, in all prudence, set aside out of the gift a sufficient sum to meet a possible liability for duty in the event of death of the donor within three years, or five years as is now proposed. It is felt that this burden on charities should be somewhat lightened; hence the proposed reduction of the period to one year.

Now, if the deceased person whose estate is being assessed has given his property away before the statutory period, then there is no trouble. No duty is chargeable on the amount of the gift. But the Inland Revenue has run into trouble when trying to bring into account gifts made within the statutory period. Until 1950 the accepted practice of the Revenue authorities, both here and in the United Kingdom, was to treat dispositions of property to relatives as gifts unless the recipient could produce satisfactory proof that consideration had been given. In other words, the onus of proof lay on the person who received the disposition. The Fitzwilliam case in the United Kingdom reversed this practice and laid on the Revenue authorities the task of proving that a disposition was not for value; that is, it laid upon the Revenue authorities the impossible task of proving a negative. The law in the United Kingdom was immediately amended to reinstate the former practice, but no change was made here, so that the judgement in the Fitzwilliam case is still good, and much revenue has been lost in consequence. It is now proposed to change the law as was done in the United Kingdom and transfer the onus of proof back again to the recipient. Clause 4 of the Bill is the relevant provision.

Now, Sir, I want to get on to the commonest method, and possibly the simplest and cheapest method, of avoiding Estate Duty legally. We catch a gift if it is given away within three years before death, and we propose to catch it if it is given away within five years before death. But long ago legal brains caught on to the idea that if a person could divest himself of the legal ownership of the property, and still retain for his own enjoyment all the benefits from it, then no duty would be payable, and everybody would be happy except the Inland Revenue. A perfectly simple method was found, and was elaborated.

I think I had best illustrate by an actual example in the Colony. And I would emphasize, Sir, that I have no idea who are the parties concerned. This example, with many others, has been supplied to me by the Inland Revenue Department, who, at my request, have withheld the names.

The individual is a wealthy person, and if he took no action, his estate, which was probably worth about \$12 millions, would be liable for duty of about \$5 millions. Thanks to the steps that

he has taken, the duty payable when he dies, unless the law is amended as proposed by this Bill, will not exceed half a million dollars. What he did was this.

He formed a private limited company, to which he transferred all his assets. Nine-tenths of the shares in that company are held by his close relatives; he holds only one-tenth. Hence, under the present law, his estate bears duty only on the value of his holding in the company. But, when we look further into the matter, what do we find? The individual concerned is Governing Director of the company for life; he has absolute power to appoint or to discharge any director; he fixes all directors' remunerations including his own; all directors must act in accordance with his instructions; and even more, while holding office he may receive out of the funds of the company such sums as he may determine; he may even pass his appointment and powers to his named successor by will. In other words, he still has complete and absolute control over all the assets which used to be his for the purposes of Estate Duty, but are no longer liable to duty. He has divested himself of nine-tenths of his property, but for all practical purposes it is still his.

There are, Sir, infinite variations of this sort of thing, and I could give many more examples, but I will not weary Members with repetition. If any Member will take the trouble to look back through the lists of new companies incorporated, which are published periodically, he will be able to detect many similar cases.

This is what we propose to stop.

We propose to follow the example of the United Kingdom and to introduce the concept of the controlled company. In the case which I have quoted, it is evident that the individual concerned, whoever he is, is in complete control of the company, but it is not always so easy. If I may put the problem into very simple and non-technical language, under the new Section 32, which we seek to enact by Clause 10 of the Bill, it is proposed that a proportion of the assets of a controlled company shall be deemed to be part of the estate of the person who controls the company, such proportion being commensurate with the benefits he has the right to obtain.

This, Sir, is the main purpose of the Bill. To achieve this purpose it is necessary, according to our expert advisers, to add to the Estate Duty Ordinance the new Sections 31 to 43 which are

comprised under Clause 10 of the Bill. These sections are almost incomprehensible to laymen like myself, but I am assured that there are great dangers in making any attempt to simplify their provisions. The draftsman has followed very closely the latest legislation in the United Kingdom, and if all the elaborate details and machinery of that legislation are not included here, the door will be left open, or perhaps just left unlocked, for those to whom it may be worth while to find new methods of avoidance of duty.

The vital section is the new Section 32, which brings into charge the assets of a controlled company, and the requisites for liability to duty under this section are three.

The first is that the company shall fall within the definition in the new Section 31, Subsection (1).

The second is that the deceased must have at some time made a transfer of property to the company. Such transfer can be made in many ways, and definitions vital to decide what constitutes such a transfer are contained in Clause 2 of the Bill. It is not necessary that the transfer shall have been made direct by the deceased, for, by the definition in Subsection (3) of the new Section 3, to be found under Clause 2, a person shall be deemed to have made a transfer of property to a company, if the property came to be included in the resources of the company by the effect of a disposition made by him, or with his consent, or of any associated operations of which such a disposition formed one. This necessitates definitions of what is meant by "dispositions" and "associated operations"; and these definitions are to be found in Subsection (1) of the new Section 3 in Clause 2 of the Bill.

The third requisite is that the deceased must have received, or been entitled to receive, or had the capacity to acquire, benefits from the company during the five years preceding his death. The matters which are to be treated as benefits are defined in the new Section 33 under Clause 10, and Subsection (4) of the new Section 3 (Clause 2) seeks to make the proposed new legislation as watertight as possible by defining notional benefits. It is immaterial that the deceased in his lifetime surrendered his title to, or his power to obtain, benefits. Whether such surrender was made for value or not, unless it were made to his entire exclusion before the beginning of the five years ending with his death, the section still applies.

I shall not attempt to deal in detail with the other new Sections which Clause 10 seeks to add to the Ordinance. They give effect and force to the principles I have mentioned; for example they lay down the method of valuation of the assets of controlled companies: they provide for quick succession relief: they say who shall be accountable for duty; and so on.

I should like to deal with one point which has been raised verbally with me since the Bill was published. I have already said that we do not propose to extend the scope of Estate Duty to assets outside the Colony. But it is the case that we shall have regard to controlled companies regardless of whether they are incorporated within or without the Colony. It is I think obvious that if we restricted ourselves to companies incorporated within the Colony, anybody could form a controlled company incorporated, for example, in Macau, and then nobody need pay any Estate Duty. I might give yet another example of deliberate avoidance of Estate Duty which reinforces this point. There is a local company which I am informed does very good business, and which must be worth a very great deal of money. Of the total capital of 5,000 shares, one individual holds, or rather held, 4,996, I presume the maximum number he was permitted to hold under the Companies Ordinance. Realizing his liability to Estate Duty, he formed a company in a country abroad where Estate Duty does not exist, and exchanged his shares in the Hong Kong company for shares in the company abroad. The shares in the Hong Kong company are now held by a corporation, which never dies, so that no Estate Duty will ever be payable. And the shares of the gentleman concerned in the foreign company, not being Hong Kong estate, will not be liable for Hong Kong Estate Duty when he dies. It is all extremely simple. Now, under the proposed new legislation, the individual will not escape, because he derives benefits from the Hong Kong company, albeit by reason of "associated operations", defined in the Bill. This method of avoidance will also be blocked. But I trust that Members will realize that the duty to be charged will be related to the value of the interest in Hong Kong, and not to the value of the assets outside Hong Kong, although the value of all the assets, wherever situate, must be taken into account in arriving at the assessment of that figure. It may be that if experts in these matters are ingenious enough to find new loopholes in the legislation

now proposed, we shall be driven ultimately to extend the scope of our legislation to assets outside the Colony, but I trust that this step, so much at variance with our traditional policy, may be avoided.

Now, Sir, having dealt with the points on which we propose to tighten up the administration of the Ordinance, I would deal with two points where we propose to relax. Section 8 of the Ordinance as it stands at present lays down that all property passing on death or deemed to pass on death, is aggregable in order to ascertain the rate at which duty should be charged. Now it may well happen that property, which is deemed to pass, may be property in which the deceased never had an interest and which has very little connexion with his own property. An example is an insurance policy under the Married Women's Property Ordinance, the main purpose of which is to provide quickly, and without any encumbrance, money for the widow. In the United Kingdom and elsewhere, such a policy can be paid immediately, provided sufficient money is retained to cover duty, the amount of which can be immediately ascertained because the policy is not aggregated with the rest of the estate. In Hong Kong, because of aggregation, the rate of duty cannot be ascertained immediately, and, if the estate is large enough, it may be as high as 52%. I am sure this was never intended. The position appears to have arisen by the inadvertent omission of a short passage from the Section of the United Kingdom Act which was copied into our legislation, and it is proposed to correct this anomaly and bring the law into line with that in the United Kingdom. Clause 5 of the Bill seeks to bring this about.

At one time in this Colony, duty was levied on all estates exceeding \$500 in value. Policy in recent years has been to tax the small man rather less and, following the practice in the United Kingdom, the \$500 limit was abolished in the year 1948 and replaced by \$5,000. This is the present figure, that is, estates under \$5,000 are exempt from duty. Further relaxations have been made recently in the United Kingdom, and we propose to take this opportunity to raise once again the lower limit, this time to \$25,000. If Clauses 11 and 12 of the Bill commend themselves to this Council, estates of \$25,000 or less will in future be exempt from duty.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a First time.

Objects and Reasons.

The "Objects and Reasons" for the Bill were stated as follows: —

Avoidance of estate duty, by persons whose estates are of sufficient size to render such a matter of importance has become increasingly serious, causing loss to revenue. The devices commonly employed for this purpose are within the law as it now stands in Hong Kong and are usually undertaken on professional advice. Almost annual legislation has rendered these devices ineffective in the United Kingdom, but similar legislation has not hitherto been introduced in Hong Kong, and accordingly such devices are still being used in the Colony. In fact the preventive legislation in the United Kingdom has served to draw attention to methods of avoidance and to indicate how to take advantage of the absence of restrictive legislation on the subject in Hong Kong.

2. Likewise the law relating to gifts *inter vivos* requires revision to bring it into line with that current in the United Kingdom.

3. Experience has shown that hardship is caused in certain cases owing to the present method of aggregating into one estate all property passing on death. A measure of relief to small estates appears justified on the precedent of steps taken in the United Kingdom.

4. The object of this Bill is therefore fourfold—

- (a) to prevent persons from employing certain devices for the purpose of avoiding the incidence of estate duty;
- (b) to extend the existing provisions relating to the distribution of estates during lifetime;
- (c) to make provision for the separate aggregation of certain property passing on death; and
- (d) to make provision for increased relief, in the case of small estates.

5. With regard to (a) the simplest device is for a person to transfer property to a limited company retaining to himself under the Articles of Association the right to enjoy the benefits therefrom during his lifetime, but vesting the bare legal ownership of the property, (in the form of shares or debentures of the company), in his beneficiaries. Under such an arrangement, as the law now stands, and providing that he survived the transaction by three years, no duty would be chargeable on that property upon his death.

6. The many variations and complications of this simple device have been met by appropriate legislation in the United Kingdom as they arose. The provisions of this Bill to effect objective (a), therefore follow closely this United Kingdom legislation which has taken over 25 years to evolve and perfect. The relevant clauses of the Bill are 2, 3(c), (f), (g) & (h), 4, 6, 7, 10 and 12.

7. In order to maintain the accepted principle that a person should not be permitted to avoid the incidence of estate duty by distributing his estate in the form of gift *inter vivos* it is proposed to follow the current United Kingdom law and extend the period within which such gifts attract duty from 3 years to 5 years. On the other hand a shorter period has been prescribed, as in the United Kingdom, for gifts made to objects that are public or charitable, limiting the contingent liability of such donees to duty to a period of one year.

8. Objective (c) is intended to remedy an apparent omission in the Ordinance. Section 8 was taken from section 4 of the Finance Act, 1894, but omitted to include the provision contained in that section for the separate aggregation of property in which the deceased never had an interest but which was deemed to pass on his death. The effect of this omission has been found to produce hardship in a number of cases and in particular to work contrary to the intentions of the Married Women's Property Ordinance (Cap. 183); clause 5 seeks to remedy this defect.

9. With regard to (d), it is proposed that estates of under \$25,000 should now be relieved from the incidence of estate duty.

10. Detailed explanations with notes on the intended effect of the various provisions of this Bill are set out in the comparative table annexed hereto.

IMMIGRATION (CONTROL AND OFFENCES) BILL, 1958.

THE ATTORNEY GENERAL moved the Second reading of a Bill intituled "An Ordinance to consolidate the law relating to the control of the entry into, exit from and movement within the Colony of immigrants; and to the use of documents for the purpose of travel, identification, entry or re-entry into the Colony, or residence; and to make provision for the prevention of forgery of such documents and the making of untrue statements for the purpose of procuring them."

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a Second time.

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

H. E. THE GOVERNOR: —I propose with the consent of members to have these clauses read in batches of five.

Clauses 1 to 3 were agreed to.

Clause 4.

THE ATTORNEY GENERAL: —I beg to move the amendment standing in my name. The text of the amendment and the explanation and the reason for the amendment have been placed in the hands of honourable Members.

Proposed Amendment.

4. Leave out this clause and substitute the following: —

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| "Prohibition of entry except at specified points and with permission; and prohibition against remaining in Colony after illegal entry. | <p>4. (1) Subject to the provisions of Part VI, no person—</p> <p>(a) shall enter the Colony save—</p> <p style="padding-left: 40px;">(i) at an authorized landing place or point of entry; and</p> <p style="padding-left: 40px;">(ii) under and in accordance with a permit of the Immigration Officer; or</p> <p>(b) having entered the Colony in contravention of paragraph (a) of this subsection or of section 4 of the</p> |
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(Cap. 243). Immigrants Control Ordinance repealed by section 44 of this Ordinance, shall remain therein save under and in accordance with a permit of the Immigration Officer.

(2) In any proceedings under this Ordinance in respect of a contravention of paragraph (b) of subsection (1), failure by the defendant to produce on demand by the Immigration Officer or by any police officer, an identity card relating to himself and issued under the provisions of the Registration of Persons Ordinance, shall be *prima facie* evidence that he entered the Colony in contravention of paragraph (a) of subsection (1) or of section 4 of the Immigrants Control Ordinance. ".
(Cap. 177).

Clause 4, as amended, was agreed to.

Clauses 5 to 44 were agreed to.

Council then resumed.

THE ATTORNEY GENERAL reported that the Immigration (Control and Offences) Bill, 1958 had passed through Committee with one amendment and moved the Third reading.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a Third time and passed.

SUPPLEMENTARY APPROPRIATION (1957-58) BILL, 1958.

THE FINANCIAL SECRETARY moved the Second reading of a Bill intituled "An Ordinance to authorize a supplementary appropriation to defray the charges of the financial year ended the 31st day of March, 1958."

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a Second time.

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

Clauses 1 and 2, the Schedule and the Preamble were agreed to.

Council then resumed.

THE FINANCIAL SECRETARY reported that the Supplementary Appropriation (19S7-58) Bill, 1958 had passed through Committee without amendment and moved the Third reading.

THE COLONIAL SECRETARY seconded.

The question was put and agreed to.

The Bill was read a Third time and passed.

ADJOURNMENT.

H. E. THE GOVERNOR: —That concludes the business for today, gentlemen. When is it your pleasure that we should meet again?

THE ATTORNEY GENERAL: —May I suggest this day two weeks?

H. E. THE GOVERNOR: —Council stands adjourned until this day two weeks.