

LEGISLATIVE COUNCIL No. 20.

FRIDAY, 18TH MARCH, 1887.

PRESENT:

HIS EXCELLENCY WILLIAM HENRY MARSH, C.M.G.,

Administering the Government in the absence of His Excellency SIR GEORGE FERGUSON BOWEN, G.C.M.G.

His Honour the Chief Justice, (SIR GEORGE PHILLIPPO, Knt.)

The Honourable the Acting Colonial Secretary, (FREDERICK STEWART.)

„ the Acting Attorney General, (EDWARD JAMES ACKROYD.)

„ the Colonial Treasurer, (ALFRED LISTER.)

„ the Surveyor General, (JOHN MACNEILE PRICE.)

„ HENRY GEORGE THOMSETT, R.N.

„ PHINEAS RYRIE.

„ WONG SHING.

„ JOHN BELL-IRVING, (*vice* the Honourable WILLIAM KESWICK, on leave).

„ ALEXANDER PALMER MACEWEN, (*vice* the Honourable THOMAS JACKSON, on leave).

„ CATCHICK PAUL CHATER, (*vice* the Honourable FREDERICK DAVID SASSOON, on leave).

The Council met pursuant to adjournment.

The Minutes of the last Meeting, held on the 11th instant, are read and confirmed.

THE OPIUM CONVENTION.—Read the following Minute by His Excellency the Officer Administering the Government:—

W. H. MARSH.

The Officer Administering the Government is now able to lay before the Council a copy of the Memorandum of the basis of Agreement arrived at by the Commission which met in Hongkong in June last in pursuance of Article 7 Section II of the Agreement between Great Britain and China, signed at Chefoo on the 13th September, 1876, and of Section 9 of the Additional Article to the said Agreement, signed at London on the 18th July, 1885.

The Joint Commissioners for China laid before the Commission three alternative plans for the collection of Opium Revenue for China which may be briefly described as follows:—

The first plan proposed that the Opium Revenue should be collected for China by England in India, and this plan was regarded by the Chinese section of the Commission as the one of the three best calculated to secure a full collection at the least cost, and as less likely than either of the others to embarrass either Government or Commerce. By a system of deferred payments of duties in India it was alleged that interference with capital could be avoided, and by freeing Opium from taxation in China, smuggling and its attendant evils would, it was thought, be brought to an end.

The second plan proposed that China should do her own work, that is, collect her own Revenue on Chinese Territory, and take her own preventive steps all along the Chinese sea-board; a plan which could be made thoroughly effectual, but would necessitate large expenditure, and it was feared that it would cause much friction, and that the more thoroughly it was done the more heavily would it press on all affected by it.

The third plan under which it was proposed that there should be a sort of co-operation between England and China, was somewhere between the other two; it would be more expensive than the first, and it probably would not press so heavily on any interest as the second. It was called the Hulk plan. Its general outline was as follows:—

1. The Chinese Customs were to provide two or three Opium Hulks to be anchored at Hongkong, supplemented if required, by a Godown on shore, and the Hongkong Government was to enact an Ordinance directing every vessel entering the

Harbour to go alongside one or other of the Hulks. This was subsequently modified and restricted to vessels arriving with Opium on board. These vessels were to discharge their Opium into an Opium Hulk—the French Mail steamers into the French Hulk, the British into the British, and others into a miscellaneous Hulk.

2. Opium stored in the Opium Hulks was to be treated as follows when leaving the Hulk:—

- (a.) Opium leaving a Hulk to go by steamer to Macao, or by small Coasting vessels, not under the foreign flag, to Chinese ports, to pay Duty and Lekin before leaving the Hulk.
- (b.) Opium leaving a Hulk to be taken to any Godown at Hongkong other than the Customs' Godown, to pay Duty and Lekin before leaving the Hulk.
- (c.) Opium leaving a Hulk to be taken to a Chinese Treaty Port by vessels under Treaty Power flags, or belonging to the China Merchants Company, to pay Duty and Lekin at the Treaty Port in the manner provided for by the Additional Article, but the Hulk Officials to issue to each such vessel for delivery to the Customs at the Treaty Port, a Cargo Certificate describing the nature and quantity of Opium received from the Hulk, and to be delivered at the Treaty Port, and they were also to send a copy of that certificate by some other vessel direct to the Customs at the port concerned.

Modifications would have been made on this plan if the general outline had been acceptable to the Hongkong Government—such as refunding duty on opium consumed in the Colony—or shewn to have been exported to places other than China. Another was that the Hulks should be placed under the British flag.

Under instructions from Her Majesty's Government, the British Commissioners could not assent to the first proposal and did not take it into consideration. It is needless to enter into the arguments for and against the Hulk plan, as it appeared to the Hongkong Commissioner to be, even with considerable modifications, of a nature that could not be sanctioned by the Government of this Colony. However as it was desirable to help the Chinese Government to collect their Opium Revenue if we could do so without injury to ourselves, Mr. RUSSELL submitted to the Commission certain proposals which he had long had under consideration. These proposals were accepted by the Chinese Government. Subsequent discussion led to some modifications, and the conditional arrangement arrived at is the one now laid on the table.

This Memorandum of Agreement was transmitted by the Officer Administering the Government to the Imperial Government, to the Viceroy of India, and to Her Majesty's Minister at Peking, with a Confidential Report drawn up by Mr. RUSSELL.

By a Confidential Despatch dated 21st January last, the Secretary of State for the Colonies conveyed to the Officer Administering the Government the approval of Her Majesty's Government of the course taken in this matter, and sanctioned the introduction of the Draft Ordinance prepared by Mr. RUSSELL by which it is proposed to carry into effect the terms of the Memorandum of Agreement, so soon as it was ascertained that the equivalent arrangements with the Government of Macao, referred to in condition 1 of that Memorandum, had been concluded.

A telegram recently received from Her Majesty's Minister at Peking conveys the information that these equivalent arrangements with Macao have been concluded, and that from 1st April next all duties on goods exported and imported by junks from Hongkong and Macao—not those on Opium only as contemplated by the Additional Article—will be collected by the Inspector-general's Department. The Stations at the entrances to this Harbour and that of Macao will therefore in future be under a Commissioner of the Imperial Customs instead of the Hoppo and Lekin Board as formerly.

The Officer Administering the Government therefore lays on the table, to be read a first time the Draft Ordinance which will carry out the conditions mentioned in the Memorandum of Agreement, and which will, it is expected, protect and improve the Opium Excise Revenue of the Colony. It is practically the same measure as has been in force in the Straits Settlements for years past, and which has worked so well that Singapore alone obtains about \$86,000 a month from the Opium Farmers. It is confidently anticipated moreover that when this arrangement has been carried out all grounds will be removed for the complaints that were so frequent some years ago of the vexatious proceedings of the Native Customs Officials at the Stations near Hongkong. The duties to be levied at these Stations will be according to a fixed Tariff instead of an uncertain and variable one, as they have hitherto been alleged to be, and it is provided that in case of any dispute the Governor of Hongkong can depute an Officer to make enquiry into the matter in conjunction with the Commissioner of the Imperial Customs.

MEMORANDUM of the basis of Agreement arrived at after discussion between Mr. JAMES RUSSELL, Puisne Judge of Hongkong; Sir ROBERT HART, K.C.M.G., Inspector-General of Customs, and SHAO Tao Tai, Joint Commissioners for China; and Mr. BYRON BRENAN, Her Majesty's Consul at Tientsin, in pursuance of Article 7 Section III of the Agreement between Great Britain and China, signed at Chefoo on the 13th September, 1876, and of Section 9 of the Additional Article to the said Agreement, signed at London on the 18th July, 1885.

Mr. RUSSELL undertakes that the Government of Hongkong shall submit to the Legislative Council an Ordinance for the regulation of the trade of the Colony in Raw Opium subject to conditions hereinafter set forth and providing:—

1. For the prohibition of the import and export of Opium in quantities less than one chest.
2. For rendering illegal the possession of Raw Opium, its custody or control in quantities less than one chest except by the Opium Farmer.
3. That all Opium arriving in the Colony be reported to the Harbour Master, and that no Opium shall be transhipped, landed, stored or moved from one store to another, or re-exported without a permit from the Harbour Master, and notice to the Opium Farmer.
4. For the keeping by Importers, Exporters, and Godown Owners in such form as the Governor may require, books shewing the movement of Opium.
5. For taking stock of quantities in the stores, and search for deficiencies by the Opium Farmer, and for furnishing to the Harbour Master returns of stocks.
6. For amendment of Harbour Regulations, as to the night clearances of junks.

The conditions on which it is agreed to submit the Ordinance, are:—

1. That China arranges with Macao for the adoption of equivalent measures.
2. That the Hongkong Government shall be entitled to repeal the Ordinance if it be found to be injurious to the Revenue or to the legitimate trade of the Colony.
3. That an Office under the Foreign Inspectorate shall be established on Chinese Territory at a convenient spot on the Kowloon side for sale of Chinese Opium Duty Certificates, which shall be freely sold to all comers, and for such quantities of Opium as they may require.
4. That Opium accompanied by such certificates, at the rate of not more than Tls. 110 per picul, shall be free from all further imposts of every sort, and have all the benefits stipulated for by the Additional Article on behalf of Opium, on which duty has been paid at one of the ports of China, and that it may be made up in sealed parcels at the option of the purchaser.
5. That junks trading between Chinese ports and Hongkong, and their cargoes shall not be subject to any dues or duties in excess of those leviable on junks and their cargoes, trading between Chinese ports and Macao, and that no dues whatsoever shall be demanded from junks coming to Hongkong from ports in China, or proceeding from Hongkong to ports in China, over and above the dues paid or payable at the ports of clearance or destination.
6. That the Officer of the Foreign Inspectorate, who will be responsible for the management of the Kowloon Office, shall investigate and settle any complaints made by junks trading with Hongkong against the Native Customs Revenue Stations or Cruisers in the neighbourhood, and that the Governor of Hongkong, if he deems it advisable, shall be entitled to send a Hongkong Officer to be present at, and assist in the investigation and decision.

If however they do not agree a reference may be made to the Authorities at Peking for a joint decision.

Sir ROBERT HART undertakes on behalf of himself and SHAO Tao Tai (who was compelled by unavoidable circumstances to leave before the sittings of the Commission were terminated) that the Chinese Government shall agree to the above conditions.

The undersigned are of opinion that if these arrangements are fully carried out, a fairly satisfactory solution of the questions connected with the so-called "Hongkong Blockade" will have been arrived at.

Signed in triplicate at Hongkong, this 11th day of September, 1886.

(Signed),	J. RUSSELL, <i>Puisne Judge of Hongkong.</i>
(Signed),	ROBERT HART, <i>Inspector-general of Customs, China.</i>
(Signed),	BYRON BRENAN, <i>H. B. M.'s Consul at Tientsin.</i>

His Excellency then announced that a Meeting of the Executive Council would be held on Tuesday, the 22nd instant, at 3 P.M., to which the Members of this Council were invited to attend, when Mr. Justice RUSSELL'S Confidential Report referred to above would be read.

VOTES OF MONEY PASSED BY THE FINANCE COMMITTEE.—The Acting Colonial Secretary, by direction of His Excellency the Officer Administering the Government, laid upon the table the Report of the proceedings of the Finance Committee, dated the 11th instant, (No. 7), and moved that the following sums referred to therein be voted, viz.:—

Salary of a Temporary Inspector of Nuisances, for 12th months, at \$60 per month,	\$ 720.00
Allowance for Rent, for 12 months, at \$15 per month,	180.00
Allowance for Chair in summer, for 12 months, at \$12 per month, for 5 months,	60.00
	<u>\$ 960.00</u>

The Treasurer seconded.

Question—put and passed.

PAPER.—The Acting Colonial Secretary, by direction of His Excellency the Officer Administering the Government, laid upon the table the following paper:—

Correspondence in connection with the Bill entitled *An Ordinance empowering the Courts to award Whipping as a further punishment for certain Crimes.* (No. $\frac{16}{87}$).

ABOLITION OF CORONER'S JURIES IN CERTAIN CASES.—The Acting Attorney General, pursuant to notice, moved the following resolution, and addressed the Council:—

Whereas the circumstances of this Colony do not require the enquiry into cases of sudden or violent death by a Coroner's Jury; and whereas no advantage is found to arise from such enquiries, be it resolved that it is expedient to introduce an Ordinance abolishing the Office of Coroner and providing for an enquiry into cases of sudden or violent death by a Police Magistrate without a Jury, and for the holding of Inquests by a Police Magistrate with a Jury on the bodies of persons who die in Gaol.

Mr. RYRIE seconded, and addressed the Council.

Question—put and passed.

BILL ENTITLED AN ORDINANCE FOR THE BETTER REGULATING OF THE TRADE IN OPIUM.—On the motion of the Treasurer, seconded by the Acting Colonial Secretary, this Bill was read a first time.

The Treasurer gave notice that, at the next meeting of Council, he would move the second reading of this Bill.

BILL ENTITLED AN ORDINANCE TO CONSOLIDATE AND AMEND THE LAW FOR THE ESTABLISHMENT AND REGULATION OF THE POLICE FORCE OF THE COLONY.—On the motion of the Acting Attorney General, seconded by the Acting Colonial Secretary, this Bill was read a first time.

BILL ENTITLED THE CATTLE DISEASES, SLAUGHTER-HOUSE, AND MARKETS ORDINANCE, 1887.— On the motion of the Acting Attorney General, seconded by the Acting Colonial Secretary, this Bill was read a first time.

BILL ENTITLED AN ORDINANCE TO ABOLISH TRANSPORTATION AND PENAL SERVITUDE AND TO SUBSTITUTE OTHER PUNISHMENT IN LIEU THEREOF.—On the motion of the Acting Attorney General, seconded by the Acting Colonial Secretary, this Bill was read a first time.

BILL ENTITLED AN ORDINANCE TO MAKE PROVISION FOR SECURING THE STATUS OF FRENCH MAIL STEAMERS WITHIN THE PORTS OF THE COLONY OF HONGKONG.—The Acting Attorney General moved the second reading of this Bill, and stated the objects and reasons of it.

The Acting Colonial Secretary seconded.

Question—put and passed.

Bill read a second time.

BILL ENTITLED AN ORDINANCE TO MAKE PROVISION FOR SECURING THE STATUS OF GERMAN MAIL STEAMERS WITHIN THE PORTS OF THE COLONY OF HONGKONG.—The Acting Attorney General moved the second reading of this Bill, and stated the objects and reasons of it.

The Acting Colonial Secretary seconded.

Question—put and passed.

Bill read a second time.

BILL ENTITLED AN ORDINANCE FOR THE MORE EFFECTUAL PREVENTION OF CRIME.—On the motion of the Acting Attorney General, the going into Committee on this Bill was postponed.

BILL ENTITLED AN ORDINANCE EMPOWERING THE COURTS TO AWARD WHIPPING AS A FURTHER PUNISHMENT FOR CERTAIN CRIMES.—On the motion of the Chief Justice, seconded by Mr. RYRIE, the going into Committee on this Bill was postponed.

BILL ENTITLED AN ORDINANCE FOR THE BETTER PROTECTION OF YOUNG GIRLS.—On the motion of the Acting Attorney General, this Bill was re-committed, and a verbal amendment reported.

The Acting Attorney General then moved, and the Acting Colonial Secretary seconded, that the Bill be read a third time.

Question—put and passed.

Bill read a third time.

Question put—that this Bill do pass.

Bill passed, and numbered as Ordinance No. 9 of 1887.

TEMPORARY CENTRAL MARKET.—The Surveyor General laid upon the table the following Report of the Public Works Committee on this question:—

REPORT.

The Public Works Committee have had under consideration the question as to the best provision to be made for stall accommodation pending the construction of the proposed new Central Market, and they recommend that the Southern or Queen's Road half of the present old structure be used as a temporary Market pending the erection of the Northern half of the proposed new buildings, and that upon that section of the new buildings being completed, the stall-holders be moved into it until the new Market is finished in its entirety when fresh arrangements may be made for the distribution of stall space.

The acquisition of the necessary site having been completed only quite recently, and there having been until now some uncertainty as to the area that would be available for temporary Market purposes, the Committee have not been in a position to submit their recommendation earlier.

J. M. PRICE,
Chairman.

J. BELL-IRVING.

C. P. CHATER.

FREDERICK STEWART.

A. LISTER.

Council Chamber, Hongkong, 18th March, 1887.

ADJOURNMENT.—The Council then adjourned until Friday, the 25th instant, at 4 P.M.

W. H. MARSH,
Administering the Government.

Read and confirmed, this 25th day of March, 1887.

ARATHOON SETH,
Clerk of Councils.