

2ND NOVEMBER, 1891.

PRESENT—

HIS EXCELLENCY THE ACTING GOVERNOR, Major-General G. DIGBY BARKER, C.B.

Hon. W. M. GOODMAN, Acting Colonial Secretary.

Hon. A. J. LEACH, Acting Attorney-General.

Hon. J. H. STEWART-LOCKHART, Registrar General.

Hon. N. G. MITCHELL-INNES, Colonial Treasurer.

Hon. F. A. COOPER, Acting Surveyor-General.

Hon. P. RYRIE.

Hon. HO KAI.

Hon. T. H. WHITEHEAD

Mr. A. M. THOMSON, Acting Clerk of Councils.

MR. WHITEHEAD'S QUESTIONS.

The ACTING COLONIAL SECRETARY—There are two questions still unanswered which were asked by the Hon. Mr. Whitehead, and I beg to state that the information which he asked for is being acquired, and when it is obtained the questions will be answered.

QUARANTINE REGULATIONS

Hon. T. H. WHITEHEAD—I beg to give notice that at the next meeting of the Council I will move the following resolution:—"That in view of the opinion expressed at the meeting of the International Congress of Hygiene and Demography held in London on 11th August last, I beg to move that the Government appoint a commission composed of medical men to investigate and report on the whole subject of quarantine and quarantine regulations and as to the advisability or otherwise of retaining Section 25 in the proposed new Ordinance to consolidate and amend the laws relating to merchant shipping."

FURTHER QUESTIONS.

Hon. T. H. WHITEHEAD—I also beg to give notice of these further questions:—(1) As the place formerly set apart to be a lazaretto, viz., that part of the northern shore of Stonecutters' Island which is bounded and contained by a line of yellow posts, has been abandoned, the hulk *Hygeia* having as stated in this Council by the Honble, the Acting Colonial

Secretary on 19th October, 1891, been completed and substituted for it, in accordance with arrangements made last year with the concurrence of the Secretary of State, but as this arrangement does not provide for the removal from ships of persons other than those actually suffering from infectious or contagious disease, will the Government inform the Council what provision Government has made, or what provision does Government propose to make, if any, for the suitable detention of passengers and other persons arriving in the waters of the port in vessels subject to quarantine? (2) Is it the fact that a reduction has been made in the opium farmer's monthly payments under existing contracts, and if so to what amount, and from what date, and on what grounds has this reduction been made? (3) Referring to Government Notification 384 of 12th September, 1891, under the authority of what Ordinance or law is the Government proceeding in establishing a jinricksha arm monopoly?

THE APPROPRIATION BILL, 1892.

The ACTING COLONIAL SECRETARY—The first item on the orders of the day is the second reading of the Appropriation Bill of 1892. The Bill was read a first time at the previous meeting of the Council and I have the honour now to withdraw that Bill and substitute for it a Bill which I ask permission to read a first time to-day. The difference between the measures is simply that the Bill of to-day contains the amounts for public works extraordinary. It will be in the knowledge of hon. members that it has always been the practice hitherto to include in the expenditure items of the Appropriation Bill the whole of the works, including public works recurrent expenditure except the public works extraordinary. If hon. members will search through Appropriation Bills for previous years they will find that the public works extraordinary have not been included in them. The practice hitherto has been that after the expenditure has been ascertained—when it is known what has really been spent —there has been a supplementary Appropriation Ordinance asked for in the Council, and

so the sanction for extraordinary expenditure has been obtained. According to the instructions of the Secretary of State which have arrived since the last Appropriation Ordinance of last year. I find it would be proper to add to the Appropriation Bill the public works extraordinary, and they will therefore be included in the future in the ordinary Appropriation Bill. The new Bill which I propose to substitute and which I am asking to read a first time will include the estimates for 1892 of the public works extraordinary. Hon. members will find a copy of the estimates laid before them. I have done this in order that hon. members may have plenty of time to go through them and making themselves acquainted with them. Hon. members will also observe the word "Revised" at the right hand corner. There is some slight alteration. Two or three figures, for instance, have been altered, and if hon. members will take these figures as they stand in this Bill they need take no note of those in the previous Bill. I therefore beg permission of the Council to withdraw the Appropriation Bill which was read a first time last meeting and to substitute the revised Appropriation Bill, and move its first reading.

The COLONIAL TREASURER seconded.

Hon. P. RYRIE—I do not know whether I am in order but it has been the custom for years past to have a Committee of the Council, composed of all members of the Council, to go over the estimates, and have them put in such a way that we can fully consider them. This is a new arrangement. It may be the case in other Colonies, but it has not been the case here. We have always had a Committee who went through the estimates clause by clause and item by item, but this system is an innovation which is not desirable for the public good. It is the very reverse of desirable.

The ACTING COLONIAL SECRETARY—I think the hon. member misapprehended what I said. I am merely asking the Council to accept the revised bill and pass its first reading. When the time arrives I shall be quite willing to go into every item in the estimates. We shall discuss them clause by clause when we reach the Committee stage after the second reading. The Bill will be read a second time at another sitting and will then probably pass into Committee stage. I think the hon. member misapprehended me.

Hon. P. RYRIE—I am very sorry that I did so. I apologise.

The ACTING COLONIAL SECRETARY—The hon. member states that he misinterpreted my meaning.

The Bill was read a first time.

THE PREPARED OPIUM ORDINANCE, 1891.

The ACTING ATTORNEY-GENERAL said—Inasmuch as at the last meeting when the Bill was in Committee clause 28 was eliminated I have to move that the Bill be re-committed in order that certain formal alterations and

amendments in the Bill may be made consequent upon the cutting out of provision 28.

The COLONIAL TREASURER—I second.

Carried.

Hon. T. H. WHITEHEAD—I wish to move an amendment to section 14 of the Bill. I would move that section 14 should read as follows:—"The Governor in Council may grant to any person, for such considerations and upon such conditions, *and for a period of two years only*, the sole privilege of preparing opium, & c. It is unnecessary and inexpedient for the Legislature to sanction the continuance by Government of the opium monopoly farm for an indefinite time or for a longer period than two years at the outside from March next. The principle of this proposed enactment is directly opposed to the established laws of England, inasmuch as it creates a monopoly, and as monopolies of every description are in their essence objectionable and bad policy. Thanks to the continued strenuous efforts of our forefathers for generations against it, the farming of any tax is no longer tolerated in Great Britain, and has not been known in the United Kingdom for upwards of 200 years. The time has long since gone by for any Power claiming to be a civilized Government to farm taxes of any description, and any Government of the present day attempting the re-introduction of such a pernicious system in England would promptly ensure its own destruction. It is greatly to be deplored that the Government system which creates this monopoly, and farms this opium tax amounting to about half a million dollars per annum, or one-fourth of the Colony's total revenue, cannot be dissociated with the bolstering up of a vast amount of vice and immorality, or rendered inseparable from bribery and corruption, as well as grave abuses and evil effects. A monopoly is not permissible in Hongkong. It can only be tolerated where the governing authority is weak and hopelessly at fault and where such a system may be looked upon as the lesser of two evils. This opium monopoly farm proposed by Government may be regarded as approaching a confession of incapacity to grapple with the subject, for it is a lax and unconstitutional method of government. It will again legally set up a monopolist in our midst. the farmer, who has to make profit somehow, for it is scarcely conceivable that he, the opium farmer, will pay the Government about half a million dollars a year for the opium monopoly out of benevolent or philanthropic motives. All the resources of this Government-created monopolist, who having a large pecuniary interest at stake, will be devoted to increasing the sale of the drug and to deriving gain at the expense of the people by means of this opium tax, which tax if extracted at all from the pockets of the public should pass entirely into the public treasury. This proposed law delegates

the functions and the duties of the Colonial Government to the opium monopolist. The farmer will consequently be permitted to squeeze the opium consumers to the utmost degree for his own gain and he will be armed by Government with legal power to an extent which in Chinese hands is simply appalling, and which will render Hongkong no longer a free port. If a duty were collected by the Government on raw opium a perfectly reasonable and legitimate revenue would be raised. There is nothing to hinder the Government from collecting such a revenue if the Imperial Authorities do not deem it expedient to interfere. The Governments of America, China, Japan, India, and other countries have hitherto collected the duty on opium direct, and continue to do so, not through a farmer. The Government here on a previous occasion collected the opium tax direct from the public instead of through a farmer and thereby increased the revenue. If the opium farm monopoly were abandoned we would have fewer criminals to deal with, one Magistrate and a less numerous police force would meet our requirements. There would be absolutely no necessity for the expenditure of several hundred thousand dollars for increased gaol accommodation during the next decade. All opium on its arrival here should be stored in bonded warehouse. A duty could be levied on raw opium as delivered from bond for local consumption sufficient to raise a legitimate income and pay for an efficient preventive service to guard against smuggling. The opium intended for transshipment would pay no duty and could be removed from bond under proper restrictions ensuring that it did not go into local consumption. The working of the bonded warehouse system would be simple enough, and so long as a revenue is required from opium it could be adjusted annually. The freedom of the port would be sacrificed in name only, and solely as regards opium. Hongkong under such a system would be a freer port than it is now or is likely to be under the proposed new law, for the restrictions to protect the Government monopolist are increasing to the point of becoming unbearable. It is earnestly to be hoped the day is not far distant when the Hongkong Government will set its face resolutely and emphatically against farming out the opium tax, or any other tax. The present method, which is proposed to be continued with increased vigour, directly associates the Government with the preparation and increased sale of the drug. The fiscal policy of the Government as regards the opium tax stands condemned on moral as well as on economic grounds. The time has come for a reversal of this vicious, iniquitous, uneconomic opium farm monopoly tax. We should do all in our power to wash our hands entirely and abandon at the earliest possible date all Government connection with pecuniary gain from the preparation and sale of the deleterious drug. It has done more harm than anything one can well recall, and tends to if it does not demoralise a number of our Police force. The

Government may be enabled to derive a quarter of our revenue from the continuance of the opium farm, but it is an unhealthy and unwholesome source of income, for the Government thereby sacrifices or sells for money every principle of political economy and morality. The opium traffic has long been and still is in itself the source of much human misery and crime, but when carried on under a farmer as a Government monopoly, that misery and that crime is intensified in character and more than doubled in quantity. The Government connection with this antiquated monopoly system is as degrading to the Government as it is debasing to the people, for it blocks the advance of Western ideas in China, and has done more than anything else to undo any civilizing influence Europeans may exercise on the Chinese. The Government creates and clothes the opium farmer with legal power, which, in Chinese hands, becomes superior to the power of the Government—yes, a tyrannical power exercised through the lowest of the low, which makes our boasted liberty of the subject hypocritical mockery. One can witness any and every day in the week the way in which the luggage and persons of respectable Chinese men as well as women, on arrival in Hongkong, are now pounced upon, haphazard, and searched by the minions of the Government farmer, not in any house or place set aside for the purpose but on the public wharves and in the public streets. The meanest intelligence on seeing it will realize that it is nothing less than an outrage on public decency in a British Colony and such treatment causes a sense of personal indignity and intense irritation generally. It cannot be denied that it is a most obnoxious, wasteful system, or that it results in considerable State-created crime. The official return I have asked for will prove this. It is an old saying that "ancient abuses possess a wonderful vitality." The serious disadvantages attending our Government opium monopoly are a sad illustration of that adage, notwithstanding the reckless and irresponsible statements to the contrary of persons in official positions who ought to know better. One cannot but regret the morally indefensible fiscal policy of this British Colony in connection with the Government created and prolonged opium monopoly. It is a blot on the character of the British nation, whose people in all other respects justly aspire to and have become more than any other the civilizers of the world. The unofficial members of this Honourable Council are desirous the Colonial Revenue should be maintained by every and all legitimate means in order that we may be enabled to continue to pay the large and ever increasing demands of the mother country for contributions to Imperial military purposes, as well as the generous increase in our officials' salaries recommended

at a period of great local inflation (a rise of 35 per cent. was not intended). It should not be forgotten that our contribution to the Imperial Government for the military and local official salaries amounts to more than half of our total revenue. It is impossible to regard the revenue derived from the opium farm as either legitimate or safe. It is not the legitimate profits on opium consumed in this Colony by the inhabitants of it and opium openly exported. The export trade in opium prepared in Hongkong to America, Australia, and elsewhere from this Colony has almost ceased and is chiefly in the hands of the Macao opium farmer, as he pays but \$43,000 per annum for the opium monopoly in Macao at present, and the new farmer there has entered into a fresh contract commencing next year whereby he pays \$130,000 per annum during the next ten years for the Macao opium monopoly farm. No opium farmer would now pay about half a million dollars a year if he had to rely solely on the revenue he derived from prepared opium consumed in the Colony, or openly exported to China, America, Australia, and elsewhere. Anything which stopped or seriously checked smuggling would render it impossible for the farmer to continue to pay the Government tax out of opium profits. It is not honest revenue and it is not revenue which can be relied upon for a continuance. On that ground alone it should be abandoned as quickly as possible, and the Government should be content to raise a less amount after a fashion which shall be at least honest and to be depended upon. It is not expedient for the legislature to sanction the continuance by the Government of its opium farm monopoly policy for an indefinite time or for a longer period than two years at the outside from March next, more especially as the Right Honourable the Secretary of State for the Colonies in his Lordship's instructions to the Singapore Government has at last ventured to express an adverse decision to the opium farming system, and which news has come to our knowledge within the last few days. This Council has not been informed whether any such instructions have been received here. Under the proposed law the Government could commit the colony to its present opium policy for an indefinite period, whereas two years should be ample time for the reconsideration of the opium farm system with a view to its abandonment at the earliest possible moment. Under all the circumstances I move that the next farm monopoly be limited to two years at the outside.

Hon. P. RYRIE—I rise to second the proposition of my friend. At the same time I don't think that the statement that the export business in opium has finished is correct. I think there is still a considerable export in opium. Of course the Macao farm is our most formidable opponent. They get their licences for a moderate sum compared to ours, and I know they have got the best brand of opium that exists. But at the same time I agree

with my friend that the licences should not be extended over two years and that we should say, "Well, let us see what comes of this." The opium farmer says that he is losing money by it. He tells me himself that he really has lost; but it doesn't do to believe him. Many Chinamen say that they are losing money when they are simply not making as much as they expected. I maintain that we ought not to let the farmer have his licence for more than two years. Let him at the end of that time get it again if he can. There are always three or four applicants. Probably my hon. friend (the Acting Colonial Secretary) knows more about it than I do. The privilege of the opium farmer is a valuable one and I am quite in favour of my friend Mr. Whitehead. The Government, I think, ought to resume its old position of having its own boiling house and boiling its own opium. They did it once and did it properly. I beg to second my friend's proposition.

The COLONIAL TREASURER—Sir, the hon. member on my right (Hon. T. H. Whitehead) in moving his amendment to clause 14 has endeavoured to make out a case against what has been Government policy since the forties or fifties. I do not remember the exact date.

HIS EXCELLENCY—1844.

The COLONIAL TREASURER—From the hon. member's speech one would imagine that the Government were about to adopt some new and heinous policy that had never been heard of before and which had now just been brought to light. My hon. friend commences, as I notice a Singapore paper that I have here commenced an article the other day, by dealing a heavy blow at the practice of opium smoking, but neither my hon. friend nor the paper then goes on to the logical conclusion that the Government should be urged to suppress opium smoking. If my hon. friend believes that the Government is encouraging opium smoking by disposing of the opium monopoly, and that it should be discouraged, then the best thing and the only reasonable thing for him to do would be to urge the Government to oppose opium smoking, making it if necessary a punishable offence. But so far from that both my hon. friend and the paper I have alluded to go on to say that the Government might derive a revenue from the opium while doing away with the opium farmer. I do not know how much time the hon. member has given to the consideration of this subject, I myself have had to give a good deal since I have taken over the working of it in connection with my official post as Treasurer, and I must say that my opinion as to the advantages of the policy adopted by the Government has led me to entirely different conclusions to what he has come to. Were this Colony impregnable and only accessible by one entrance, the taxing of opium for local consumption might be advantageous,

but under present circumstances the taxes would not approach anything like that paid every year by the Opium Farmer. The Chinese duty on opium is \$200 per chest. In this Colony the opium boiled for consumption is estimated as being from one to three chests per day. If we had the maximum boiling per day we should have to charge \$444 per chest to gain what the opium farmer pays us. If only 60 chests were boiled a month we should have to charge a duty of \$666 per chest, and if 30 chests were boiled a duty of \$1,333 per chest. I do not know how my hon. friend proposes to stop smuggling when there would be such enormous advantages in running opium across from Kowloon. At the present moment the Government has all the preventive work which is necessary in connection with this matter done by the opium farmer. It is well known that the Chinese adopt similar if not severer measures, and I think it is impossible for any person who gives calm deliberation to the subject to condemn the steps taken to check smuggling. I must say that I think the remarks made as to the success when the Government took over the work themselves show great ignorance of the figures then and now. When we did the work ourselves our revenue was some \$210,000 per year, but there is surely a great difference between that and the something like half a million dollars we receive now. We had a fortunate year owing to the rush to export to America on account of the forthcoming rise in her tariff. We did better than we expected and shewed the farmers that we would not submit to be squeezed, but the difference in the figures received then and now must be patent to any one, certainly to the hon. member on my right, who has so much to do with finance. With regard to the remarks made by the hon. member as to seeing respectable persons being searched, I must say that I myself have seen and experienced, and I suppose he has, luggage and persons being searched in crossing from France to England and England to France, and no one appears to have taken objection to it. If we object to opium being brought into the Colony it is necessary that persons and luggage should be searched. With regard to the main point raised in the amendment, the limiting of the period of disposal of the monopoly to two years, I cannot recommend it for serious consideration. Any one who knows anything about this farm will tell you that the farmer looks to lose on the first year, that the second year he holds his own, and that it is only in the third year when he has found out the different ways in which opium is smuggled into the Colony and when his opium has become known and has found its way into foreign markets that he begins to recover the losses that have occurred during the first part of his tenure of the farm. I fail to see any merit which would lead me to support this suggestion, nor can I see that any strong argument has been brought forward to lead me to do so. I could understand any one advocating doing away with opium smoking altogether. I suppose if any one mentioned wines and spirits to Sir Wilfrid Lawson and his following they would say they were bad, and I can quite believe that some people would say the same of opium; but to condemn the practice while suggesting that the Government should take the monopoly over is very far from being a logical conclusion.

The Chinese are known to be constant and adept smugglers, and a farmer is the best man to check their operations. I really do not see any harm in the Government farming out the monopoly. In England I have no doubt there would be a great outcry against it, but we have to remember we are dealing with Chinese and they do not look upon the matter in the same way. They naturally object to certain restrictions, but these have to be taken to prevent smuggling, and I do not believe if the Government took over the farm themselves as has been proposed that we should get more than half the amount that is now paid every year.

Hon. P. RYRIE—My own opinion is that this opium revenue will be taken away from us before long. You will see that Exeter Hall will go for us. I was told by the late lamented Sir John Pope Hennessy that we should lose it before long and I think we had better not make too much noise about it.

The ACTING COLONIAL SECRETARY—We know that if certain subjects are placed before certain individuals, certain remarks will follow. As my hon. friend has said, I suppose if strong drink were mentioned to Sir Wilfrid Lawson we might expect a tirade against it, and if opium a mentioned to certain other people we may expect an oratorical declamation against the evils of its use. There are those who hold these views, but I was somewhat surprised after the eloquent speech of the hon. member in which he declaimed against the evils of the use of opium and suggested that the Government was degrading itself by associating itself directly or indirectly with this opium, that he should propose to grant the farmer a monopoly for two years. If the whole thing is so very wrong, surely the Government should leave it alone altogether. I do not see the logical consequence that because the use of opium is very bad and that traffic in it should be discouraged, we should therefore grant the farmer a licence for two years only instead of three, or the alternative that at the end of two years we should continue the heinous crime of dealing in opium ourselves, having bonded warehouses and charging nothing on opium transhipped to foreign places. As far as local consumption goes the hon. member said he would charge a small duty and that that might go to pay the preventive staff. If that is the only thing we are going to get out of it we should be in the position of acquiring no revenue from the traffic,

and Government officials would have to be asked to do the work now performed by the excisemen. We should have all the evils we have now and only receive a very small amount of duty. I do not mean to say monopolies are good things as a rule, but taking time, place, and circumstances into consideration, and considering the people we are dealing with, I think there is something to be said for the system. I would also ask the hon. member to consider whether this is a fitting time to consider this question. There is an American saying that it is a great mistake to swap horses while crossing a stream, and it seems to me a great mistake just when we are about advertising for tenders for the farm to suggest that the period of the right shall be reduced from three years to two, and so probably discourage tenders. After these tenders are finished with it will be quite time enough to consider whether in future a warehouse system shall be substituted, but it seems very inexpedient to discuss this matter now when one contract is finished and we are about to make another. I think the hon. member will admit that the establishment of bonded warehouses would touch a great many vested interests on the raw and that there would be a great outcry from those holding those interests. A thing of this sort requires a great deal of consideration and should not be done in a hurry, and I think it is a great mistake to approach this question just as the present farmer's term is expiring and we are going to make a fresh contract.

The ACTING ATTORNEY-GENERAL—I do not think that I can with advantage add much to what has been said by the Acting Colonial Secretary and the Colonial Treasurer, but there is one misapprehension which I should like once for all to remove. The hon. member who represents the Chamber of Commerce in his recent letter to H.E. the Officer Administering the Government, of which his speech to-day was an enlarged edition treated the opium question as though it were a purely new question and had come before the Council for the first time. People living in the Colony would not probably be misled because they are more or less acquainted with the opium question, but people living outside and in England might very easily be led to the serious misapprehension that the Government were going to introduce an opium monopoly for the first time. There is another point on which I think there is some misapprehension, and that is the suggestion as to bonded warehouses. The papers here, if I may refer to the papers, or at any rate one of them, have referred to the suggestion as if it had never occurred to the Government and as if it were an entirely new idea which had been made a present to the Government. That is utterly fallacious and untrue. The matter has been before the Government time after time, and they have never burked consideration of the question. If in the future the bonded warehouse system or some other system of like nature can be properly worked so as to do away with this opium farm, there is no doubt that it will receive full consideration at the hands of the Government.

Hon. HO KAI—I may point out that the question is not one of limiting the period to two or three years as the Acting Colonial Secretary seems to suggest. If you look as

clause 15 it states that it shall be for any such period as the Governor in Council shall think fit, so that the real question is not who her there shall be a limitation of one, two, or three years but whether there shall be any limitation at all. The custom here has been for the Government to let out the farm for a period of three years, but under this clause it is quite open to the Governor in Council to let the farm for a considerable period over three years, for ten years as is done in Macao. I think on that ground alone my hon. friend has done well in calling attention to this clause. Personally I do not object whether the period is limited to two or three years, but I certainly think there should be some limit. I support my hon. friend on general grounds for the abolition of the monopoly altogether. On moral grounds and on economic grounds I also agree with him. I think the Government should have no hand in the collection of a revenue on raw or prepared opium, that the port should be absolutely free. If bonded warehouses are established for opium, wines and spirits may be taxed next. With regard to the evils that exist in connection with the opium farm, a great many arise from the Government accepting higher tenders from strangers in the colony. People from Singapore take over the farm, they know nothing of local requirements, and they employ Malays as excise officers, who know nothing about the Chinese and who are a great cause of murmuring and complaints. I think the amendment proposed a very good one. I am in favour of making the period two years rather than leaving it indefinite.

Hon. T. H. WHITEHEAD—I have no wish to appear obstructive, and if it will meet the wishes of hon. members and your Excellency I will substitute three years instead of two as the period of limitation.

The COLONIAL TREASURER—Even then I certainly could not advise the adoption of the amendment. So far the practice has been to ~~let~~ the farm for three years and in all probability three years will be the period proposed this times but if any good offer for a longer period were made I have no doubt your Excellency would want a free hand, and I think you should not be tied down to any particular time.

Hon. P. RYRIE—I agree to the alternation to three years, though I would rather see the period fixed at two years.

HIS EXCELLENCY—I think it very ~~desirable~~ ~~that~~ that the hands of the Government should

be tied in the way proposed. With the sanction of the Secretary of State there might be good reason for extending the time. After the expression of opinion I think it might be left to the Government to do as they think best in the interests of the Colony.

Hon. P. RYRIE—Your Excellency may not be aware that when this question came up some years ago, the then Governor called a meeting of the combined Councils, took their opinion and adhered to it.

His EXCELLENCY—Was that on the subject of the length of period for letting the farm?

Hon. P. RYRIE—Yes.

His EXCELLENCY—Probably that would be done again if special circumstances arose which rendered it necessary.

The Council then divided on Hon. T. H. Whitehead's amendment.

FOR.	AGAINST.
Hon. T. H. Whitehead	The Acting Surveyor-General
Hon. Ho Kai	The Colonial Treasurer
Hon. P. Ryrie	The Registrar-General
	The Acting Attorney-General
	The Acting Colonial Secretary
	His Excellency

The amendment was declared lost.

Hon. P. RYRIE—The official phalanx again.

Hon. T. H. WHITEHEAD—With regard to subsection 4, which requires the opium farmer to furnish a record of all opium supplied to him. I propose the addition of the words "and of such further details as may be required." I think it makes the clause more complete. I have no doubt the Governor has power to call for such details but I think it might be desirable to have it placed in the Ordinance. I don't wish to move any amendment, I simply offer it as a suggestion.

The COLONIAL TREASURER said he thought the addition of the words unnecessary. The clause as it stood included the terms suggested.

On Section 0, which provides for the searching of luggage and persons,

Hon. T. H. WHITEHEAD said—I suggest that a convenient place or house shall be provided by the opium farmer or the Government instead of the search taking place in the public streets and on the public wharves. Unfortunately the Government has again on this occasion not forwarded the revised or amended edition of the Ordinance to unofficial members. It had not reached my hand until I entered the Council Chamber and therefore I have not had the opportunity of looking over the amendments, but I do ask that the Government will see that a proper house or place is provided wherein Chinese men and women can be searched instead of as now on public wharves and in the public streets. I do not think such a proceeding is creditable to a British Colony. It is an outrage on public decency. I have seen it done over and over again and I regard it as an outrage on decency. It should not be permitted by the Government.

Hon. HO KAI—I beg to support the motion most strongly. The idea is gaining ground amongst all classes of Chinese that to come to this Colony is almost synonymous with coming to a place to receive insults. I think the evil would be minimised by providing some suitable place where the searching could be done in a decent manner. I do hope the Government will see fit to agree to this amendment.

The COLONIAL TREASURER—I think there is a good deal in the suggestion that has been made. It is only right to bear in mind that although the opium farmer contributes so much to the revenue of this Colony, we wish people to come to the Colony. On the other hand it must be remembered that many persons might object to being taken any distance to be searched. They might be in a hurry and wish it got through as rapidly as possible. I can quite imagine that the searching may be at times objectionable and I am much in sympathy with the suggestion made, but I think after the expressions of opinion, hon. members may leave it to the Government to take steps to prevent persons from insults or inconvenience.

His EXCELLENCY—I think it is more a matter for a regulation than an amendment of the Ordinance.

Hon. T. H. WHITEHEAD—I must press the amendment. This searching has been carried on in this way for years and Government have shut their eyes to the fact. We cannot safely rely on Departmental regulations. Unfortunately the minions of the opium farmer cannot speak Chinese, they are from the Straits and speak Malay, and they pounce upon the persons of Chinese men as well as women and search them most roughly. A greater outrage does not exist in any other Colony in the world.

His EXCELLENCY—I think the hon. member has overlooked the fact that the clause contains a restriction. The search must be made under the supervision of a police officer not under the rank of sergeant.

Hon. P. RYRIE—The presence of a man not under the rank of sergeant does not do away with the indecency.

The Council divided on the amendment.

FOR.	AGAINST.
Hon. T. H. Whitehead	The Acting Surveyor-General
Hon. Ho Kai	The Colonial Treasurer
Hon. P. Ryrie	The Registrar-General
	The Acting Attorney-General
	The Acting Colonial Secretary
	His Excellency

The amendment was therefore lost, and the Bill passed through Committee with certain formal amendments.

The ACTING ATTORNEY -GENERAL moved the third reading of the Bill.

The COLONIAL TREASURER seconded.

Hon. T. H. WHITEHEAD—As the Government officials deem it inexpedient to allow this

Council to limit the time for the continuance of the opium Government monopoly farm, I rise to move that the Bill be rejected.

Hon. P. RYRIE seconded.

The Council divided on the motion.

FOR.	AGAINST.
Hon. T. H. Whitehead	The Acting Surveyor-General
Hon. Ho Kai	The Colonial Treasurer
Hon. P. Ryrie	The Registrar-General
	The Acting Attorney-General
	The Acting Colonial Secretary
	His Excellency

The motion was therefore lost.

The Council then divided on the third reading of the Bill.

FOR.	AGAINST.
The Acting Surveyor General	Hon. T. H. Whitehead
The Colonial Treasurer	Hon. Ho Kai
The Registrar General	Hon. P. Ryrie
The Acting Attorney-General	
The Acting Colonial Secretary	
His Excellency	

The Bill was read a third time and passed.

Hon. T. H. WHITEHEAD—I rise to order. When alterations are effected in bills might not the unofficial members have copies of the amended Bills sent to them to look over? There is not sufficient opportunity to go carefully through altered bills if we do not receive such until we arrive in the Council Chamber. I never saw the amended Bill till I came into the Council Chamber. I think this is scarcely courteous treatment of the unofficial members.

His EXCELLENCY—It has not been the custom so far as I can ascertain for amendments made in committee to be sent.

Hon. P. RYRIE—It has been the custom. I have been in this Council 26 years and I know better.

The ACTING COLONIAL SECRETARY—It has not been the practice since I came.

Hon. P. RYRIE—Probably because you altered the practice.

THE RAW OPIUM BILL.

The Raw Opium Bill was read a third time.

THE MERCHANT SHIPPING BILL.

The ACTING ATTORNEY -GENERAL moved that the Council go into Committee on this Bill.

The ACTING COLONIAL SECRETARY seconded.

Hon. T. H. WHITEHEAD—I move that we postpone going into Committee on this Bill. In the course of this forenoon I

received from the Chamber of Commerce ten pages of suggestions which I have not had time to examine. I am not prepared just now to give the Bill that attention and consideration which is requisite. It requires a large amount of technical knowledge as well as practical experience of shipping matters to deal intelligently with the Bill. I propose that we adjourn for a week. It is the earnest wish of the Chamber of Commerce to render every assistance possible, but they do not wish a measure of such importance to be hurried through Council. Legislation has recently been hurried too much. An example of this was afforded in the Police Court the other day.

Hon. P. RYRIE—I beg to second the motion. I must say I was a little surprised to find that your Excellency paid so little attention to the Chairman and two members of the Chamber of Commerce when they went to you as a deputation. Such a thing has never occurred before in Hongkong. A Governor whoever he is is bound to respect

His EXCELLENCY—I call you to order. I am not going to sit here and allow my conduct outside this house to be criticised.

Hon. P. RYRIE—I have freedom of speech. Who is going to deprive me of my freedom of speech?

His EXCELLENCY—I presume the hon. member has the paper of suggestions before him to which he can refer. We will take the Bill clause by clause and any clause that you require for further consideration can stand over. This Bill is very voluminous and unless we commence with those clauses which require no discussion we shall never get on.

Hon. T. H. WHITEHEAD—As you are not inclined to give another week's time for consideration. I ask your Excellency's permission to retire. The afternoon is well advanced and I have several important matters of business to attend to.

His EXCELLENCY—I cannot give another week, but in order to give the hon. member time to read over these suggestions before discussion I will meet him so far as to adjourn the Council till Wednesday next.

The Council then adjourned.

FINANCE COMMITTEE.

At the conclusion of the Council meeting, a meeting of the Finance Committee was held, the Acting Colonial Secretary presiding.

The only minute for consideration was one of \$600 to cover the increase to the salary of the Harbour Master so as to bring his salary from \$4,800 to \$5,400 per annum from 1st January last, as approved by the Secretary of State.

The vote was agreed to and the Committee adjourned.