

5TH MARCH, 1891.

PRESENT :—

HIS EXCELLENCY THE GOVERNOR, SIR G. WILLIAM DES VOEUX, K.C.M.G

Hon. W. M. DEANE, C.M.G., Acting Colonial Secretary.

Hon. W. M. GOODMAN, Attorney-General.

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

Hon. S. BROWN, Surveyor-General.

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

Hon. P. RYRIE.

Hon. C. P. CHATER.

Hon. HO KAI.

Hon. J. J. KESWICK.

Hon. T. H. WHITEHEAD.

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

MINUTES.

The minutes of the previous meeting were read and confirmed.

THE POLICE REPORT.

The Report of the Captain Superintendent of Police for the year 1890 was laid on the table.

FINANCE.

The ACTING COLONIAL SECRETARY laid on the table four financial minutes which were referred to the Finance Committee.

The reports of the proceedings of the Finance Committee at meetings held on the 15th and 25th February were laid on the table, and the several votes therein recommended were agreed to without discussion, with the exception of the vote for military contribution.

THE MILITARY CONTRIBUTION.

With regard to this vote of \$123,879.96, the COLONIAL SECRETARY said that on this question a discussion took place, a division ensued, and the vote was passed by the casting vote of the Chairman. He now recommended that the vote be passed.

Hon. P. RYRIE—Your Excellency, the unofficial members of this Council are anxious that this vote should be postponed until a reply is received from the Secretary of State to the protest of the unofficial members of December, 1890. The unofficial members feel that the money was voted, in fact it was an unanimous vote of Council, on the understanding that the Garrison was to be increased in accordance with the statement attached to the Secretary of State's despatch to that effect. The Garrison has not been increased nor is there any word of its being increased, yet the order comes out that the colony is to pay this sum. I think that it is only a matter of fairness that the unofficial members should hear in detail why the Secretary of State makes this demand, although the conditions which they understood to be attached to the vote have not been fulfilled.

Hon. T. H. WHITEHEAD—I rise to second the motion of the hon. member who has just sat down. A reference to the despatches in connection with the increased military contribution will clearly show that the War Office have departed from their original grounds and original reasons for demanding the increased contribution. They have endeavoured to justify their increased demands by other reasons and on other grounds than those originally submitted to this Council and this Council has, so far, not had an opportunity of discussing the fresh position taken up by the War Office and the Secretary of State. I therefore support the motion just proposed by the hon. member.

HIS EXCELLENCY—While under ordinary circumstances I should be most glad to accede to the motion of the hon. member I fear under present circumstances I am not able to do so, inasmuch as a telegram has been received from Her Majesty's Government requesting that the amount be paid at once. Now, I must say that the part I have to play here to-day is to a certain extent a painful one, knowing as I do what has occurred with reference to this vote. You are all aware what my opinion was some few years ago with reference to the contribution of the colony towards its defence. That view was strongly held at the time, and portions of it remain as strongly as ever. I still feel that the amount we pay towards defence is by no means appreciated owing to the various sources other than direct contribution by which we aid in that defence. At the same time, after reading the despatch of the 20th January, 1890, and after listening to various considerations while I was in England urged, not by persons in official positions—I never talked of the matter at the Colonial Office—but by persons who looked at the matter from the point of view of the Imperial taxpayers, I am bound to say that if this vote had been asked for simply and solely on the ground that the proportion we pay towards the cost of defence was inadequate, I should be bound to say that I thought it was inadequate, and the amount now asked for is certainly not largely in excess, if at all in excess, of what should be paid by us in aid of our defence. This despatch of the 20th January, 1890, is a very able one but for that unfortunate mistake—unfortunate for many reasons because it prejudiced the mind of the colony—as to giving an increase in the number of troops, and it will be seen from it that the arguments in favour of additional contribution are very strong. Leaving that matter of the increase in troops out altogether, I may say that the arguments are very strong when it is borne in mind that we do

not pay anything at all for the fleet, and that even without any increase in the troops we only pay a quarter of the cost of the garrison. We all know that the cost of the Navy must be considerable, and that it is the first line of our defence, and I must say the amount the colony is asked to bear in the cost for defence cannot be considered an unfair one. I must make some further remarks on this, but these have greater reference to the future than to the present. I see that there is a disposition to regard this as a rich colony, able to pay a great deal more than it has paid in the past. Now, I do not think this additional vote by itself necessarily implies additional taxation, or at all events such additional taxation as would hurt the colony, but indications appear in some of this correspondence that further and larger demands for barracks and other things may be made in the future. Now if such was to come to pass, I think the point of danger would very soon be reached. It is true that we have a very large trade here, a trade which by its figures impresses the world largely, but if we look about we see that the fortunes made here are very few and that they are not by any means made rapidly. I am inclined to question whether the profits of trade show a very large margin, and there can be no doubt that large taxation would very quickly wipe out that margin altogether. Therefore I say we should be specially cautious in the future with regard to additional demands I myself believe that this particular contribution does not imply danger, and I believe, and firmly believe, that but for that unfortunate mistake there would have been very little reluctance to pay on the part of the colony; but I do believe on the other hand that we have nearly reached the point of danger, and that when that point is reached it will be a question whether the capacity of the colony for paying anything will not be diminished or taken away. As we all know, trade is a very tender plant and a very small amount of extraneous influence is quite sufficient to make it wither and die, and I can see clearly, considering that the prosperity of the colony has been largely due to its attractiveness, that anything that diminishes that attractiveness, such as for instance putting on increased taxation, would at once strike a very serious blow at its prosperity. Now, suppose the point of danger to be very nearly approached, any additional demand, such as I believe I see looming in the distance, I should regard as dangerous except in the event of what I am in hopes will occur some day, namely, the introduction of cheap coal into the colony, which will produce such a large addition to the resources of the colony in the way of increasing its manufacturing facilities as would enable it to bear an additional burden. Unless that occurs, and I hope and believe that it will occur,

I do believe that these heavy demands on the colony will tend to injure its prosperity, that is to say, if they necessitate increased taxation. I am apprehensive that fear about increased taxation has already reached Her Majesty's Government, because I have within the last few days received a telegram directing me to stop all public works not yet begun. It looks to me from that as though they were getting apprehensive that these heavy drafts upon us are going to necessitate an increase of taxation unless we stop many of our much needed public works, I do not share that opinion, however. I think if reasonable allowance is made to us to pay for some of our most needed public works by a loan, such as might easily have been raised on such works as the Tytam water-works—and the present works are of an unremunerative character, they would take the place of the Tytam water works—I cannot see at present any necessity for increased taxation. However, the idea of increased taxation appears to have occurred to them at home, I can hardly account for this telegram except for some such reason as that. I do not think the fear is justified at the present moment, although I think it may very soon be justified if these additional demands, which from the correspondence appear to be looming in the distance are made. It can scarcely affect me much, as it is scarcely possible that I shall finish my time here; it is getting more and more improbable every day, I am sorry to say. That being so it does not concern me so much as my successor, but I do think it is my duty to point out that heavy demands of this kind in the future may bring the colony to that point of danger which I have indicated, and then when too late the Home Government may find that in their desire to obtain what they consider a fair contribution they have killed the goose with the golden eggs, or in other words have destroyed the capacity of the colony for making any contribution at all. It has to be borne in mind, and I think it is not sufficiently appreciated in this correspondence, that if there were no rich inhabitants and no rich colony here, there is not a single item of expense incurred that would not be incurred just the same. As it is a necessity as a coaling station for the Imperial fleet, every item of the present expenditure would be required to defend the place. (Applause.) At the same time, gentlemen, although you have been good enough to applaud that sentiment, it has to be borne in mind that so long as the necessary Imperial work has the incidental effect of defending the colony, in all fairness we are bound to pay as large a proportion of the cost as is possible—what I mean is such portion as is a fair amount. I do not think anyone would say for a moment that if we had a revenue five times as large as it is we should not pay a larger contribution, although the Imperial Government

would incur the same expense if there were no one here at all. I do not think the mere fact of this expenditure being necessary on the part of the Imperial Government absolves us from the duty, in all fairness, of paying a proper contribution. The question is whether considering that we pay nothing for the fleet, which lanticipate costs half a million sterling annually, and considering that even the cost of the troops is four times the amount we are asked for, and considering also the large sums that are spent by the fleet and the troops here, by which a very large amount of the sum we pay comes back to us again—considering all this, the question is whether the amount now asked for is larger than we should fairly be called upon to pay. Of course if it should turn out that making only the barest provision for the needs of the colony this £10,000 should necessitate increased taxation, then it becomes a question whether it is a fair amount, but at the present moment we ought in all fairness to be allowed to raise a certain amount for necessary works by loan, considering that we have already paid for out of the revenue many works which in other parts of the world would be paid for by a loan. If we are allowed to do that I do not think there will be any necessity for increased taxation. Of course this may be largely a matter for conjecture, but if my view is correct and the happy day arrives when an impetus will be given to the colony by manufactures—and I believe that day is not far distant—then I have no doubt that not only this sum but a much larger sum may be considered as a fair amount for this colony to contribute towards defence. Taking all these things into consideration, while regretting the unfortunate mistake which has occurred in this matter, and which has very naturally caused disappointment—while I deplore that any use should be made of grounds which up to the present have proved fallacious, namely, the apparent promise of an extra regiment, still at the same time I think all things considered the amount we are asked to pay is not an undue one, and for that reason, I trust that hon. members will not place me in the painful position to-day of being obliged to do my duty in face of their views. My hon. friend Mr. Deane has just reminded me that the General informed me in his presence yesterday he has no doubt whatever the Imperial Government has the intention of sending out those extra troops here at an early moment. There have been great difficulties raised in various directions, but great efforts are being made to obtain a good class of Indian troops, and the General believes that at no distant date they will be supplied. Of course that is the most that I can say. I may say that a part of the indignation that has been raised by this correspondence, I think, was scarcely justified. Nobody, I am sure, after a moment's consideration, will believe that there was an intention to mislead in this matter, I have not the slightest doubt, and I am sure none of the members

will have any that when these despatches were penned it was the immediate intention of the Home Government to send out troops, and when it is remembered that the despatches would have been sent without that ground at all, I think the feeling on the subject will be considerably modified.

Hon. P. RYRIE—Perhaps I may be allowed to say with reference to your Excellency's remarks about the Navy that I have heard from eminent officers of the service that they don't consider the defence of Hongkong as part of their business at all. It is their business to go out to sea and protect commerce, but the protection of Hongkong is not within their province.

HIS EXCELLENCY—You entirely forget that we have a considerable fleet here besides a number of torpedo boats.

Hon. P. RYRIE—I have seen it reduced to one gunboat and a very poor one at that.

HIS EXCELLENCY—I can't help thinking that although it is the prerogative of every subject of Her Majesty in this colony to grumble, at the same time consideration of the subject will convince you that without the Navy here we should be in a very poor condition indeed. Although the ships might not stop to defend the island, still if they are pursuing the enemy's fleet, that is a protection to us. Apart from the Navy altogether we are only paying for a fourth of the present troops. Of course if the hon. members are still desirous of showing their feeling on the subject they are at liberty to vote against it.

Hon. T. H. WHITEHEAD—I understand the amendment proposed by the hon. member is that the consideration of the vote be postponed until a reply is received from the Secretary of State to the protest from the unofficial members in December last. Has your Excellency any objection to postponing consideration for a week?

Hon. C. P. CHATER—The object in asking for a postponement is that the unofficial members may have an opportunity of conferring together and framing some resolutions to be forwarded home.

HIS EXCELLENCY—Then we will consider Mr. Ryrie's motion still on the *tapis* and postpone the vote till next meeting.

A LIGHTHOUSE BOARD.

Hon. T. H. WHITEHEAD asked the following question:—"Have any steps been taken by Government towards the establishment of a Lighthouse Board referred to at the meetings of this Council of 12th February and 23rd June last year, and in the Chamber of Commerce letter dated 24th June, 1890, to the Honourable the Colonial Secretary? If so, will the Government lay on the table their proposals? If not, does the Government intend to take any steps in the matter?"

HIS EXCELLENCY—I will answer that question myself. In reply to the first part I may say that no steps have been taken. I have also

to say that the Government have no proposals and that they have no intention at present of taking any steps in the matter. I can only take up the subject when it is clearly shown to me—which has not been shown yet—that some work of the Government is ill done which a Lighthouse Board could do better. I have only had suggestions made to me, but when I am convinced it will be my duty to take the matter up fully. I am not yet convinced, and I cannot see that there would be any immediate advantage by doing things in the way you suggest.

THE DESPATCH RESPECTING THE MILITARY CONTRIBUTION.

Hon. T. H. WHITEHEAD asked the following question:—"Will the Government lay on the table copy of the Colonial Office despatch to the War Office dated 22nd October, 1890, forwarding copy of the despatch dated 10th September, 1890, from the Officer Administering the Government of Hongkong to the Right Honourable Lord Knutsford regarding the military contribution, and a copy of the instructions received by Government requiring the increased military contribution to be now paid to the War Authorities?"

His EXCELLENCY—The Colonial Office's despatch to the War office has never been received by this Government, and it cannot therefore be laid on the table. The instructions received by the Government requiring the increased military contribution to be paid to the War Office were in the form of a telegram. I have not it here with me but there were only a few words and they were to this effect—"Additional amount of contribution for last year should be paid at once." I presume from the telegram that the War Office have calculated on the money for the Budget for the year.

THE GAMBLING BILL.

The ATTORNEY-GENERAL—I have the honour to move that the Council resolve itself into Committee to consider the Bill called the Gambling Ordinance. I was not here when the matter was discussed in Council before, and I have never had an opportunity of expressing my views on the subject generally of the proposed legislation. I should like therefore to make some few remarks now on this subject on the motion to go into Committee. The first thing that strikes one is that the gambling passion seems to be a sort of ineradicable instinct in human nature itself and is not confined to one particular place or one particular people, but is almost universal. That is the first matter it is necessary to get into our minds when considering the subject. It is quite true it is difficult to define what gambling is. It is very difficult to frame a definition which will include all that is wrong and harmful and vicious and exclude all that is comparatively harmless; which will include all that comes inside the fence, as I may say, which bounds the sphere of legitimate legislative action, and at the same time not include harmless amusements

that though gambling in the strict sense of the word no legislator or statesman would wish to interfere with. Now it seems to me there are three methods by which we may deal with gambling, and these three methods apply not only to gambling but to other forms of vice, such as drunkenness and prostitution. First, you can leave it alone, as far as legislative action goes; you can leave the vice to the action of public opinion and the efforts of ministers of religion, and you may say the man who contracts that vice will find the punishment come home to him and so others will be deterred. Secondly, you can deal with the fact that there exists an evil and that it is such that you cannot extinguish it, but though you cannot extinguish it you can try to bring it within limits so as to know what is going on and restrain it, that is, regulate it. Thirdly, you may forbid it altogether and endeavour to enforce the laws you have made. As to the first method, there are some evils which cannot be left entirely alone by the legislature. Why do we license public houses and legislate for the sale of drink? Simply because you want to confine it within certain limits; you cannot leave it alone; you cannot forget that the vice does not affect only the man who is vicious, but other innocent people; and if you refrain from legislation you say in effect, "We won't use such power as we have to lessen the evil because we cannot eradicate it altogether." Assuming then that the first method of dealing with the matter is put aside, what is the second? Regulation, I have gone myself carefully into the method that was employed in this colony formerly, the method which was adopted by Sir Richard MacDonnell, and I must say, if that is looked at carefully, it seems to me it was a very admirable attempt to deal with a striking evil in the colony. You find if you look carefully into that Act, that its object was not to regulate it with a view of keeping it in existence but with a view of stopping it altogether. You will find that Act of 1867 recites that "whereas the evils of gambling in the colony are found to be on the increase notwithstanding the application of the penal laws in force for their prevention, and it is expedient to adopt further measures for the gradual control and ultimate suppression thereof," and the Governor in Council was empowered to make such rules and regulations as might be deemed expedient with a view to its ultimate suppression. These regulations were very carefully framed. I noticed among them that there were only to be twelve licensed houses in Victoria and one each in three other places; they were to be regularly inspected, and there were to be no means of escape by the roof; each licensed house was to have a registered proprietor, the licence being a monthly one; play was only to be allowed between the hours of 6 a.m. and 11 p.m., and not more than 7 per cent. on the gains was to be claimed for the proprietor

This law was in force only for nine years.

The ACTING COLONIAL SECRETARY—Only for five years; the regulations were repealed in January, 1872.

The ATTORNEY-GENERAL—The Act was passed in 1867 and the repealing Act was 9 of 1876.

HIS EXCELLENCY—The Act was in existence nine years, but I understand the regulations were only in force for a very short time.

The ATTORNEY-GENERAL—Well, I do not think they had sufficient time, if I may say so with due respect to those who altered them, to see what effect they might have had in the modification of the evil, so that if the matter had been *res integra*, if I may be allowed to give my opinion, I would have advocated some system of that kind, but as I understand those who are wiser than I have ordered that that system should stop it is no good harking back to it. Therefore it seems to me I have shown that we cannot follow either the first or second of the three courses I have mentioned, and we are thrown back on our third course, that is, to legislate with a view of suppression. Now we may gain something by looking at the course of legislation in England. The matter was let alone for a long time, but four hundred and fifty years ago, in the reign of Henry VI I., the common gaming house was attacked, practically the same thing that you are dealing with now, and it was enacted that any one keeping such a place should be liable to punishment. I am not going to tire you by going through the various Acts passed in the reigns of Anne, and the Georges, and William, but I would like to call your attention to what a writer has called the first modern onslaught on gambling 8 and 9 Vic, cap 109, which is embodied in the Bill before you. Now if you look at that Act you will find it enacts that any person keeping or having the care of any common gaming house or conducting the business thereof is liable to a fine of £100 or six months' imprisonment. Now you must not suppose the question of clubs is anything new, or that you can evade the law by keeping a common gaming house and calling it a club. The second section of 8 and 9 Vic. c. 109. recited that doubts had arisen whether certain houses alleged to be open to subscribers only were to be deemed common gaming houses and enacted that in default of other evidence they should be so deemed if games of chance were played and in which a bank was kept either by one or more of the players exclusively of the other or others, or in which any game was played the chances of which were not alike favourable to all the players, including the banker. This definition has been adopted in the Bill now before the Council. I do not wish to weary you by going too much into detail; I only wish to point out that we are acting in this colony on experience gained in England in forty years. No doubt there is still a great

deal of gambling going on in England, but still because you cannot suppress a thing entirely, and because there is still gambling, is no reason why there should not be legislation against it. The Act of 8 and 9 Vic. remained un-amended for nine years, and that brings us to the next Act, which is also embodied in our local Bill, 17 and 18 Vic., c. 38. That Act recites the difficulties that had been experienced in carrying out the law because of the tricks resorted to by gaming house keepers to prevent themselves being caught and punished, such as barricading the doors. Obstructing the constables was then deemed sufficient evidence that a place was a gaming house, and the penalties were increased to as much as twelve months' hard labour. The previous penalties were found insufficient because it paid people to keep these houses and be occasionally convicted, if they were unable to avoid conviction. That same Act of 1854 amending the Act of 1845 contains most of the other clauses introduced in the present Bill. Now, I read with great attention, having already heard with much interest, the speech of His Excellency the Governor on the last occasion, and I cannot help saying I was very much struck by it. I cannot help feeling it is a very difficult subject, and the law might create hardship, but you would never be able to procure convictions at all unless you make the net very strong and very fine, for otherwise the fishes would get through. As His Excellency said, and I agree with him, you must be prepared to impose some reasonable restriction on liberty if a stringent law is to be passed to meet the evils acknowledged on all sides even by the signatories to the petition presented to His Excellency, to exist in this colony. I dare say there are a few points in which this Bill may be improved, but I would like to point out this, that you might use precisely the same arguments against the present law in England as you have used or are going to use against this Ordinance. Do we find, because a similar law is in force in England, that English people are oppressed, that their liberties are unduly curtailed? Need we apprehend that if we pass a similar law in this colony our liberties will be unduly interfered with here? Public gambling is only one branch of the vice and is dealt with by another Act in England. The Vagrant Act, 1873, made a man who played in the streets or highways a rogue and vagabond by name and subject to a penalty of three months' hard labour; but that is only one branch. What we want to get at is the ordinary common gaming house. I cannot see anything in this Act that would authorise any constable to go into a private house simply on suspicion, and I don't think any Justice would grant a warrant without good grounds for it. I don't suppose the women and children who play dominoes or the men who play the equivalent of our game of whist will be interfered with at all.

Hon. P. RYRIE—What about section 3?

The ATTORNEY-GENERAL—As I say, it is quite possible that when we come to look minutely into these clauses it may be found feasible to make some improvements, but you will find the fish will get through the net unless you are prepared to make the law strong and trust to a sensible administration of it.

The COLONIAL TREASURER—I beg to second the motion. No one sees more clearly than I do the difficulties in the way of dealing with the vice of gambling in this colony. At the same time I am satisfied it has come to such a pitch that very stringent measures should be taken in regard to it, and I know a large proportion of the Chinese are desirous this Ordinance should pass, and pass in its present condition. As I understand this Ordinance it is intended to take away the defence constantly set up that a place is a club and the difficulty of proving that outsiders are allowed to go there. This institution of clubs, I think, is a very recent one, especially in this colony, where gambling is conducted freely by means of calling a place a club. Objections have been raised that the present law is sufficient and that there would be danger to innocent people if this law were passed. With regard to the danger to innocent people, I must say I think that a great deal of the danger that is apprehended would be removed if what is applied for in the petition laid on the table at the last meeting namely, the registration of clubs, were introduced in addition to any measure of this sort that may be considered advisable. I am strongly of opinion that the measure is in principle correct, although I think, as the Attorney-General has said, on some points it might be amended. I have therefore much pleasure in seconding the motion.

HIS EXCELLENCY—I think I ought at once to remove a misapprehension that has arisen from something I said at the last meeting. I said I had only read the Ordinance cursorily with a view to get at its general principle, and to assist me in thoroughly considering it I wished to hear what was to be said for and against it. At the same time I guarded myself by saying I had not gone into detail. Had I done so, more especially with regard to one portion of it, I would scarcely have used those remarks I made with regard to whist and billiards, because a very cursory reading of the definition will show that those are not games that will be hit by this Ordinance. As will be observed, the definition of a common gaming house, which covers the whole Ordinance, is a place used for playing therein at any game of chance or any mixed game of chance and skill. If it stopped there of course whist and billiards would be included, but it does not; it goes on to say, "in which a bank is kept by one or more of the players exclusively of the other or others, or in which any game is played the chances

of which are not alike favourable to all the players, including among the players the bankers or other person by whom the game is managed or against whom the players stake, play, or bet." You see that would practically exclude from consideration any ordinary club with which I am acquainted in England or elsewhere. It would make it impossible to convict even a whist club because although large stakes are sometimes played for at whist it is not a game in which the chances are unequal or in which a bank is kept. And though as much harm may possibly be done as in a place where the chances are not equal, it so happens, as far as our experience goes, that it is those games hit by this Ordinance which are the most deleterious. Therefore I think I ought to remove the misapprehension I inadvertently created at the last meeting, which possibly raised objections to the Bill; it does not really touch the principle of the Ordinance.

Hon. C. P. CHATER—Sir, I am of opinion gambling has increased in the colony very materially of late, and though I agree with your Excellency that no law can be passed, which will exterminate gambling altogether yet I am of opinion that an Ordinance such as this before us with, of course, alterations and modifications of some of the clauses when we go into committee, will very much mitigate the evil, and if not mitigate it at all events tend to stop its further growth. I am therefore of opinion some further legislation is necessary.

Hon. J. J. KESWICK—Your Excellency, I have read with very great care all that has been said on the subject of gambling in this colony, and I have also read with very great care the Ordinance now submitted to the Council. I do not suppose there can be two opinions amongst either the Europeans or Chinese as to the increase of this serious evil. But in approaching the consideration of how we are to prevent it, I think more prominence must be given to the importance of not interfering with what the Chinese call their social clubs than we have been in the habit of giving it. I speak subject to the correction of my hon. friend opposite (Hon. Ho Kai), who is personally more qualified than I am to express an opinion on this point, but I believe the social customs of the Chinese render these clubs very much more necessary to them than similar institutions are to Europeans. I have understood that it is not the custom of Chinese to conduct their ordinary affairs and their business in their houses or to call upon each other in their houses. Their family system prevents them doing anything of the kind, and they conduct their business—I am not speaking of the business of shopkeepers and the ordinary matters of trade—but when they have affairs to discuss they do so in these clubs. Anything that would interfere with

these clubs therefore, apart from the question of gambling, would interfere with a large section of the Chinese, but I think if we could have some regulation by which these clubs should be registered and their membership published and by which the introduction of outside people, who are not members, for the purpose of gambling could be detected at once, it would be a very great advantage. If such a system were in force it would be very much easier to ascertain if gambling was carried on in places not registered, which at present is matter of very great difficulty. I understand one difficulty in the suppression of the gambling which is going on and which we are never able to prove apparently, is that it appears to be the fact that a large amount of bribery goes on in the Police force, whether European, Indian or native it is not necessary for me to say, but I understand a great deal of bribery goes on, and it is not detected in consequence of the present system of issuing warrants against particular houses under suspicion. It is an easy matter for a small number of persons who may be charged with the execution of these warrants to forewarn the person to be proceeded against of what is likely to happen. I make no accusations, but it is a matter of notoriety. It seems to me that if these warrants could be executed by many more people or even a Justice of the Peace, the probabilities are that a few members of the force who may be willing to receive bribes and give information in return might be precluded from doing so. I would conclude by saying that I should be very pleased to see any gambling Ordinance that would put a stop to the evil, but in doing so I think it right to have regard to the rights and claims of the clubs of the colony which serve a very useful purpose and are almost necessary for the Chinese.

Hon. HO KAI—Sir, I have listened with a great deal of interest to the various hon. members who have spoken. I think the learned Attorney-General spoke very well and showed a great deal of discernment, and his remarks are to a very great extent correct. The only objection is that he has been in the colony a very short time, and there is always a tendency to put the things we see in England in force in this colony. To that extent I disagree with him. The experience gained elsewhere may be useful here or it may not. As I have always contended, a law that may work well in England may not work well here, because the circumstances are different. I agree to the fullest extent with the remarks of the hon. member who has just sat down. They show that he has studied the subject and has got information from a quarter he can rely on. I can assure hon. members of this Council the Chinese as a race are a stay-at-home race. They very seldom go out or take exercise. They have few recreations, and it is well known if they go out to visit a friend they would scarcely go to his

home but would rather go to his shop or failing that go to his club. As hon. members know, rents are very high in this colony and they will understand that a Chinaman who rents a house and has his family here has not very much room to spare, and Chinese strongly object to allow even their most intimate friends to go into their sitting rooms and mingle with their women. Therefore, besides their shops, which are closed at night where could they meet their friends but in their clubs? Now a good deal could be said against these clubs. They are differently constituted from European clubs, and many things go on which would not be sanctioned by Europeans, but still they serve as places of resort where men can meet to discuss the affairs of the day, their business matters, and so on. Because you don't quite agree with their ideas of enjoyment, to close their clubs, or put the members in such a position as to render them liable to be brought up as gamblers, would I think be carrying the law too far. In making a law which you want to have carried out you have to consider two things. First of all what is the public opinion regarding that law, and secondly, if anyone offends against it, how will the public regard him? Now, if this law is passed in its present condition, I have no doubt a great number of respectable Chinese who really have no idea of going in for gambling at all but who simply go to clubs to play for amusement at dominoes or dice or whatever the game may be that they are accustomed to will be liable to be had up. If one of these men were convicted his friends would exonerate him altogether and simply put it down to the Government being too severe, and the man would feel no shame. Such a law as that could scarcely be enforced because it would be considered no disgrace to be convicted under it, but rather a misfortune. But after all, do we want a new law? Before we pass any new law we should consider what we can do with the present law by improved process of execution or by amending it. In my humble opinion, the present law with a little amendment would be quite sufficient provided we pay more attention to its execution. I am occupying a very difficult position at present, because there are in the Police Force a large number of Europeans and Chinese whom I know and esteem, and therefore it is very hard for me to stand up here and accuse any portion of that excellent force of anything like corruption or bribery. But, sir, the members of this Council must have heard suspicions expressed and open declaration made to that effect outside. If public notoriety is some evidence in a Court of law, public notoriety of a portion of the Police Force constantly receiving bribes and giving information to gamblers when a warrant is issued must be held of some weight in this Council, and I think it the duty of the Government to appoint a commission to examine

into the matter. I have heard the accusation over and over again and from men who have been in the Police Force, but are no longer in it. Some two or three years ago a large number of cases came before the Police Court. In some the policemen were convicted, in others acquitted, and in some the Police came forward themselves and charged people with attempting to bribe them. Therefore the accusation is not altogether groundless. Now the apprehension the respectable class of Chinese have is simply this. They say even at the present moment we see a very large amount of corruption, and if you make the law more stringent and include all the respectable Chinese clubs, and if the law is to be executed in the same manner as before, then it stands to reason you are subjecting richer people and more houses to the operation of that portion of the force who are in the habit of taking bribes, and you are giving these men more chances of doing evil. They may say, "We are ready to sacrifice our liberty to a certain extent for the good of others, but will you guarantee that the execution of the law will be such as to compensate us for the sacrifice?" Suppose the answer is, "Yes, gambling houses will be suppressed, and if there is corruption in the Police Force, we will see that the offenders receive punishment," then the argument would be, "If that is the case the present law is sufficient without any new law." About two or three months ago I drew the attention of Government to the subject as I have done constantly for the last two or three years. I put a question as to what steps the Government intended to take to suppress public gambling, because whereas formerly there were half a dozen respectable clubs, since my return from England nine years ago I have seen clubs spring up all over the colony until they now amount to something like three hundred. I considered very carefully the best means of bringing these clubs under control, without interfering unduly with the respectable class of Chinese, and I came to the conclusion the best way would be to have them registered. The benefit of that would be that we would know exactly the membership of the clubs and that those clubs that were afraid to be registered were regular gambling clubs. There is another benefit which I think must not be lost sight of. We are constantly saying of Chinese clubs that we don't know what goes on there, and as I said before, there may be a good deal that Europeans don't like. But we never attempt by any means to improve their clubs or in any way to improve their mode of enjoyment. Now, by registering the clubs, I believe the Registrar-General, with the advice of a Board, could exercise influence on them. They would be compelled to submit their rules for examination, and the

Board could in that way gradually improve the tone of these Chinese clubs; also by registering the respectable clubs you would render it impossible for the gambling houses to set up that they are regularly constituted clubs as they do at present. By registration you would do away with that evil and by enforcing proper execution of the present law I believe the gambling that goes on in the colony could be very greatly lessened. Strangers walking through the streets of China town, seeing regular gambling houses open and passers by invited to go up and play, must begin to think that they are licensed. To those who like myself have been long resident here and know the law, the question suggests itself—Where are the Police? If the neighbours know of the existence of a gambling house in a certain locality, why should not the Police know of it? and if passers by are invited to come in why should not the Police be acquainted with the fact? I submitted a list of these clubs to the Registrar-General, and if I could get information of that kind why could not the Police? All these considerations I just submit for the consideration of the Council. Although I would support the Government in any measure likely to be effective in the suppression of gambling and sympathise with the strongest moralist in condemning the vice, we do not sit here as public moralists to pass laws that cannot be enforced, but as wise legislators doing our best for the colony. We are not here to say that because drink is harmful or opium is harmful, people using them should be made liable to imprisonment. So far as I myself am concerned if the law should say that I should not have a game at whist or a game at billiards, I would be quite willing to submit to it if gambling could be suppressed thereby, but I am of opinion that by the registration of Chinese clubs and the rigid enforcement of the present law, there is no necessity for the Bill now before us, which if carried out in the best manner possible will not be effectual, while the evil it will entail will counterbalance any good it may do. If the Government determine to go on with the Bill, I suggest that before we go into committee on it a special committee should be appointed and go through it clause by clause and amend it in such a way that no hardship shall occur.

The REGISTRAR-GENERAL—As the officer who sees most of the Chinese, some remarks on this proposed legislation may be expected from me. As regards the principle of the Bill the Chinese are unanimous, and from the remarks of the hon. member on my left (Hon. Ho Kai) it will be seen that he approves of the principle. All the Chinese I have seen, and I have taken care to see many, so that I might have the general opinion and not the opinion of one or two only, are in favour of suppression. As regards the details of the Bill, the opinion is not so unanimous. The chief difficulty is

as to Chinese clubs. We have heard a great deal about these clubs, and they are spoken of as being one of the Chinese social institutions, but I think they can scarcely be called such. If they were called a Hongkong institution existing among the Chinese it would be more correct. As a matter of fact they do not exist in China as in Hongkong, but as they do exist here we should take steps to have them regulated. There are clubs and clubs, and I think the hon. member on my left will agree with me that in all these clubs play is carried on for stakes of a very high order. About two years ago a committee consisting of the Chief Justice, the late Dr. Stewart, and myself considered the registration of these clubs and submitted our proposals to the Government. I saw many of the Chinese with regard to them, and it was then suggested that the stakes should be limited. That came from Chinese themselves, and I think the proposal shows they were of opinion that the stakes played for were of too high an order. The hon. member has referred to public opinion with regard to this law. I agree with him in saying public opinion is in favour of suppression. With regard to his remark that if the Bill is carried through in its present form and an offender put in gaol for being a gambler, he will not feel disgraced, I differ with him entirely, because I think a Chinaman who is put in gaol feels the disgrace as much as a person of any other nationality.

HIS EXCELLENCY—I think you misapprehended what the hon. member said. What I think he intended to convey and what I understood was that where a law made that criminal which was not criminal according to the common sentiment of the population, a man might go to gaol but he would not feel disgraced by it as if he had really committed crime.

Hon. HO KAI—That is what I meant.

The REGISTRAR-GENERAL—I misunderstood the hon. member.

Hon. T. H. WHITEHEAD—Sir, I have been spoken to by a number of Chinese in connection with this subject. It is no doubt a very difficult, thorny, and complex question, but I think it is the bounden duty of the Government to do something in the matter. It is notorious that gambling clubs have multiplied and increased to an alarming extent. The Chinese themselves or most of them are in favour of fresh legislation and of that legislation being rigidly carried out. A good deal has been said about clubs, and I think it would be an aid to us in considering this matter of Clubs if the Government laid on the table copies of the reports which in former years they have received in connection therewith. Property owners have some fear that as the Bill is now drafted it may adversely affect them, but I think these details can safely be left to be dealt with when the Bill comes on in committee. I am strongly in favour myself of the Bill as it stands with a few modifications.

The ACTING COLONIAL SECRETARY—You have heard from the hon. the Attorney-General the law relating to gambling, and with your Excellency's permission I will tell the Council as briefly as I can what has been the history of gambling in this colony for the last quarter of a century. In 1865 gambling was rampant and the corruption of the police was simply notorious. Inspectors were paid \$2½ per month for each house opened. At that time I was Acting Registrar-General and one night I went through five houses between Hollywood Road and Lower Lascar Row fitted up preparatory for the morning. No one was aware I went, but I went through no less than five. In three or four months the gambling was broken down a great deal from the Registrar-General's office. Then I went away ill for a year, and on my return I went to the Police. Then Sir Richard MacDonnell, from the state the Police was in and the state the colony was in from gambling, thought it necessary to adopt those regulations which have been the subject of so much censure in England, and it will be well to draw attention to the fact that he steadily denied that the regulations had any reference to revenue. If the revenue had not been so great it is possible we might not have heard so much about it. After a few years' experience of this system of licensing it was put a stop to. The suppression of gambling then fell into the hands of the Registrar-General and the Captain Superintendent of Police—myself.

HIS EXCELLENCY—As a historical fact was the suppression due to any defects that had occurred in practice or to the pressure in England against the principle?

The ACTING COLONIAL SECRETARY—I should say it was mainly on account of the pressure in England.

Hon. P. RYRIE—If you refer to the public press of the time, you will see there were public meetings held here demanding its suppression most strongly.

The ACTING COLONIAL SECRETARY—One objection was, I cannot help saying, the enormous sum taken by the monopolists. They were allowed to deduct 7 per cent. from the winnings. I believe if they had only been allowed to charge 1 per cent. the money that would have come to the Government would have been simply sufficient to pay for regulation, but it was the large amount of revenue that raised the objection, and you must recollect that 7 per cent. kills a man who bets in fifteen throws. Passing on then to the time when the Registrar-General and myself had the suppression of gambling, I will content myself by saying that in one year fines to the extent of \$7,000 were inflicted and gambling was brought into moderate compass, but then one or two unfortunate events occurred. One of the inspectors was suspected of being bought over, and then

another Governor arrived with an entirely new policy.

HIS EXCELLENCY—What Governor was that?

The ACTING COLONIAL SECRETARY—Sir John Pope Hennessy. Then there was a commission that dawdled on for two years and never gave a report. Since then the history of gambling has been rather mixed up. It was given over to inspectors to some extent, and when in 1883 I reported that gambling was increasing very largely, the orders I received were, "Leave the Chinese alone. Let them gamble in peace except in notorious cases." That may be a right policy, but one can imagine what would be the effect on the populace and on the police who have to execute what is still the law, because it has never been repealed. If corruption did arise, I don't think it is wholly to be wondered at. Then came these clubs. There are clubs, as the hon. Registrar-General said, and clubs. This question of the clubs is entirely a modern matter, that is to say they have sprung up within the last ten years with the exception of one or two that might be called clubs in the English sense of the word. I have listened to the remarks of my friend opposite (Hon. J. J. Keswick) and my hon. friend on my right (Hon. Ho Kai), but it seemed to me that both of them rather evaded the issue whether what in England would be considered an unlawful game—for fantan is played for large stakes in these clubs—

Hon. HO KAI—Never in respectable clubs.

The ACTING COLONIAL SECRETARY—No, but there are clubs and clubs.

Hon. T. H. WHITEHEAD—I never heard of fantan being played in clubs.

The ACTING COLONIAL SECRETARY—Out of these three hundred, I venture to say at least two hundred and fifty are simply gambling clubs at which fantan is played; the other clubs would not be touched by this Bill if there is no bank kept, and it is to hit these two hundred and fifty clubs that this Bill is introduced.

HIS EXCELLENCY—Do I understand Hon. Ho Kai to say that there is no fantan and no other games that come under this definition, that is to say where a bank is kept or in which some of the players have an advantage over the others?

Hon. HO KAI—There is no fantan, but there are some games among the Chinese, in which I am sure according to mathematical calculation the bank has the advantage.

The ACTING COLONIAL SECRETARY—What is the amount of the bank?

Hon. HO KAI—Well, it varies.

The ACTING COLONIAL SECRETARY—I think you would rather not mention the amount. Your Excellency has been informed by the Attorney-General of the distinction between gambling in this colony and in England. I would much prefer to use a word understood everywhere and

that is "professional" gambling. I think the object of this Bill ought to be to put down the professional gamblers who keep up these three hundred club and make a profit, and the lower down you get the greater is the hardship on people, because cheating goes on. This is a very innocent looking counter I hold in my hand, but if I want to make it one more I simply touch a spring. [The hon. gentleman exhibited the instrument and explained its working] Therefore when we come to the question of regulating clubs we must take care we do not give the public cause to imagine that we intend to allow the richer class of Chinese to gamble without interference, while their servants, whom they do not wish to gamble, are to be prevented, and it will require great assertion on the part of the hon. member (Hon. Ho Kai) to say that these clubs do not carry on gambling in such a way as would be deemed a nuisance in England. I have only one more word to add, and that is with reference to what has dropped with regard to bribery of the Police. I think it is exceedingly probable a great deal of confusion has arisen between the Police proper and that vile and wretched class called informers. It is a constant thing for these informers to send up petitions and entreat the Police to take action against a certain gambling house, and when they have sworn the information to go and inform the keepers and receive money from them. These people have probably paid them money before not to give information, but when they have rebelled against their exactions the information has been given. If the matter were sifted I think it would be found that a great deal of this imputed bribery is really due to this class of people who have no connection with the Police whatever.

HIS EXCELLENCY—I have listened, I need hardly say, with very keen attention to a great deal that has been said to-day, but although I have heard in some respects interesting information I cannot say I have had very much original light thrown on the subject. All the difficulties that have occurred to me previously appear nearly as great as ever, and one difficulty I omitted to allude to last time appears greater than ever. I omitted to say last time that one of my great difficulties about entering upon the suppression of gambling in Hongkong is that which has occupied so largely your attention this afternoon, that is the question of corruption. I can hardly doubt not with standing what the Captain Superintendent may think, in spite of all precautions, there must have been a very large amount of corruption. We know from his own statement there must have been a great deal at one time, and it is scarcely possible to conceive, considering the penalties for gambling and the profit that must be made, and when you also consider what are the wages of a large portion of the Police

Force, I say it is almost impossible to conceive that there must not be a large amount of corruption. It is scarcely in human nature to believe otherwise and scarcely in accordance with what we know of the common practices of the Chinese to suppose large amounts are not offered and that these offers are not sometimes accepted. I have only recently become aware of the enormous extent to which that class of informers who have been alluded to ply their practices. I had a list before me the other day, in which I think there were not only tens but something like a hundred people who actually make their living by gambling houses, by squeezing them as long as they can, by informing against them when they won't pay them any longer, and then making money again by informing the people they have informed against them and that the police are acting against them. When I think of all this it makes me feel doubly cautious about any law which is likely to increase that danger, and I cannot help feeling this serious difficulty, that the more stringent you make the law the greater probability there will be of this system flourishing. I am perfectly well aware that both in England and elsewhere there are people who say, "Public opinion thinks this or that is very dreadful; you must do something," but before I do something I want to be convinced that that something is going to be of some use, for I believe that laws which are in their nature likely to be broken do much more harm than good; they simply demoralise the whole community. Where the community know there is a law which is broken all round they are the less likely to refrain from breaking laws which are of more serious character, the boundaries between right and wrong are more and more obliterated, and to that extent harm is done. Now, I cannot help again referring to the fact that all the laws that have been passed in England regarding gambling have done almost no good. As the Attorney-General described them this evening, they have been amended and amended, and I turn round in England and what do I see? It is possible the great scandal one heard of at one period of huge fortunes being lost in what were called "hells" or in clubs established for the very purpose of gambling is modified, still large fortunes are daily being lost by gambling nevertheless, and I am quite sure of this that at no former period did gambling reach to so large a proportion of the population as it does now. Take up any evening paper published in England, not only in London but in every considerable town and in some of the small towns, I believe with one exception, that of the *Times*, they all publish the starting prices. What does that mean? It means that a large number of their readers are interested in the starting prices of every race that takes place, and as a matter of fact you cannot go into Edinburgh or Glasgow or Aberdeen, supposed to be specially

religious, not to speak of wicked England, without seeing people running out, even housemaids running out for the evening papers. What do they want? To see the starting prices, to see how their bets have gone. What else do you see? You see a form of gambling that is even worse. You see columns of advertisements of touting brokers, people who do such a business that they boast, I believe, with truth, of having passed millions and millions of stocks in a year. Their chief means of attraction is that they do business on 1 per cent. margin. What does that mean? That everyone who sends them a pound can gamble in one hundred pounds' worth of stock, and that goes on to an extent quite unprecedented until within the last few years. You will find these people everywhere, occupying expensive offices. Now, when I see things of this kind, in spite of all the English law. I say is there the least encouragement unless there are some special reasons, not present in England but present here, to bring in another law, especially when we are almost certain any law we can bring in will largely increase the evil in other directions. I am very doubtful indeed whether any law we bring in will not largely increase that evil we have touched on, and which even if it does not exist now is likely to exist if the law is made more strong. At the same time there is a notion that our law should be as strict as that in England, useless as I believe that to be. We occasionally read of a raid on some wretched gambling club in England, but I don't think that stops the gambling instinct at all. On the other hand I have a strong feeling that if anything can be done, and I don't think it is beyond human ingenuity to modify to some extent the gambling that goes on here, it should be done. If any process could be devised by which the gambling that goes on could be put down without bringing about the evils I have described, no one would be more desirous than I to see it adopted, for I yield to no one in my feeling of the enormous harm that is being done. I listened with very great interest to the remarks made by Hon. Ho Kai, who is better able than anyone else to let in light on the inside of these clubs, but I wish he could have been more precise on one point, that is as to how the more severe execution of the present law could do any good. As I understand it, the present law cannot be worked at all against a place that even puts up a show of being a club. I speak subject to the correction of the Captain Superintendent, who knows how the law has been administered, but as I understand if there is anything like a show of being a club where no outsiders can enter it cannot be touched. Is not that practically the fact?

The ACTING COLONIAL SECRETARY—It has varied a great deal according to the Magistrate, but that is the general principle.

HIS EXCELLENCY—I would also have been glad if the hon. member could have given us some idea as to how the distinction could be made between respectable and non-respectable clubs. If, as I understand, now there are games played in the most respectable clubs which are conducted on principles absolutely excluded from all the clubs in England, if a bank is kept which has an advantage over all the other players, I fail to see how you could possibly distinguish them from clubs that are non-respectable. We may know that one is established for the purpose of taking an unfair advantage and the other is not, but the difficulty of discriminating between the two is greater than he seemed to think it was. I don't say it is impossible, but until I am convinced of its possibility I don't see the use of registration. I think this question of clubs is a specially important one, because I cannot think that perfectly free gambling as apart from clubs can be so very prevalent here, I have not the slightest doubt of the existence of these three hundred clubs, and that the gambling in the greater portion of them is of the vilest character, but I don't think the gambling the law can touch can be so prevalent here, else why should we have such large numbers of persons going to Kowloon to gamble? Then again as to the property owners, which the Hon. Mr. Whitehead alluded to. I don't in the least suppose unless you made the owners of property liable it would be slightest use going on with the Bill, I am aware it is to a certain extent a hardship, but that is a thing, I believe, which is absolutely necessary to make people careful of their tenants and to see that their houses are not used chiefly as gambling houses. If I could see clearly that this Bill was going to do good I should be obliged even as
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they must suffer for the public good. I shall give fuller consideration to the subject after I have seen the report of what has been said with a view of deciding whether I shall go on with this Bill or not. I think, however, the probability is I shall send the discussion to the Secretary of State. He has been, I suppose, in consequence of remarks made in Parliament, pressing on the subject, and of course after all he will have the advantage of seeing what hon. members have said and will have to decide what is to be done in the matter. I confess after what I have heard to-day I am in very great doubt whether any attempts we may make may not do more harm than good. I am sorry hon. members have been kept so long. I do not think the discussion has been altogether a profitless one, and if it assists in clearing up one or two points that have been raised it may lead us in some direction that may check this undoubtedly great evil. I was rather surprised at something that fell from Mr. Ryrie. I have always understood that as regards this colony the general opinion was rather favourable to Sir Richard MacDonnell's scheme.

Hon. P. RYRIE—There were protests from all the bishops and ministers in the place.

HIS EXCELLENCY—Yes, we can understand protests from the *a priori* moralists.

The ATTORNEY-GENERAL—I was not speaking from experience of course, but I consulted the newspaper files.

HIS EXCELLENCY—I must point out that if you limit stakes in these clubs you offend against the principle of non-recognition of vice by the State; although I think it a ridiculous one, I think that would be just as much objected to as the licensing of gambling houses.

The Council then adjourned.