

24TH JULY, 1891.

## PRESENT :—

His Excellency Major-General DIGBY BARKER, C.B.,  
Acting Governor.

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. S. BROWN, Surveyor-General,

Hon. P. RYRIE.

Hon. HO KAI.

Hon. J. J. KESWICK.

Hon. T. H. WHITEHEAD.

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

## MINUTES.

The minutes of the last meeting were read and confirmed.

## FINANCE.

The report of the Finance Committee's meeting of the 17th inst. was laid on the table and the vote for \$48 for caretaker's salaries at the schools at Saiyingpun and Wanchai were agreed to.

## THE PUBLIC WORKS COMMITTEE.

The report of the proceedings of the Public Works Committee was laid on the table.

## BLASTING IN THE QUEEN'S ROAD.

Hon. T. H. WHITEHEAD asked the following question:—Is the Government aware of, and if so, did it sanction the blasting of rock which took place in the drain in the comparatively narrow thoroughfare of Queen's Road Central, opposite the Hongkong Hotel, where the life of the city concentrates, on Monday 13th, Wednesday 15th, and Thursday 16th July, to the serious danger of life and property?

The ACTING COLONIAL SECRETARY—In reply to the question of the hon. member I beg to state that the blasting of rock is regulated by Section 59 of the Buildings Ordinance, 1889, which requires sufficient precautions to be taken to prevent any fragments of stone from being projected into the air. The Government is aware that on the 13th, 15th, and 16th July, rock was blasted in the Queen's Road Central in a sewer trench, but is not aware

that the due precautions required were neglected or that life or property was endangered. I am informed by the Resident Engineer that strict supervision was exercised with regard to the blasting operations. The Government sanctioned the blasting in the sense only that it did not interfere with the discretion of the Resident Engineer.

Hon. P. RYRIE—A man was killed through blasting only a short time ago, and the operations were much nearer in the Queen's Road.

## THE RECREATION GROUND AT HAPPY VALLEY.

Hon. T. H. WHITEHEAD asked the following questions:—Will the Government inform the Council in regard to the position of the matter of the general extension and sanitary improvement of the Public Recreation Ground in the Happy Valley, including the extension of the Racecourse, and state whether it is intended to proceed with the scheme for which the money was voted by the Council in the estimates for this year? (2) Will the Government inform the Council whether the seven years' lease is to be issued of that piece of ground at the Racecourse to the east of the Bowrington Canal, known as the Public Gardens, as granted to the Hongkong Athletic Club in the Honourable the Colonial Secretary's letter, No. 1,094 of 31st May, 1890, addressed to Mr. W. H. Young, and if not to be issued will the Government state the reasons for its not fulfilling the promise made to the Athletic Club as above stated?

His EXCELLENCY—With regard to the first question it is not easy to answer it in a few words. As stated in the question the scheme has two objects the sanitary improvement of Happy Valley and the extension of the public recreation ground of that valley. The first object was to be effected by altering the canal along its whole length, widening it in some parts, narrowing it in others, and generally straightening it. The second object was to be brought about by throwing into the recreation ground the gardens on the north, some adjacent waste lands, and some intervening roads. In widening the canal it became necessary to slightly alter the direction of the Racecourse. This would increase

the sharpness of the bend in the course, already too sharp, and to avoid which it became necessary to make an alteration which involved prolonging the course over the road and into the gardens. In the estimates of this year a vote of \$40,000 was passed to carry out this and to cover the cost of filling in the pond, which had been also decided upon on sanitary grounds, the proportion due to which out of this \$40,000 was \$16,000. The Secretary of State was apparently under the impression that the remaining \$24,000 was voted simply for the extension of the Racecourse, and he withheld his sanction pending further information as to the necessity of the work, but implied that so far as the object related to the sanitary improvement of the Valley it might be carried out. Now as the sanitary portion, that is the main portion of the scheme, cannot be carried out without making most of the other alterations, and as these other alterations take up only some \$7,000 out of the \$24,000 voted, only a few hundreds being devoted to removing the rails of the Racecourse, I believe a full explanation of these circumstances will cause the Secretary of State to withdraw his objection. But the Secretary of State's despatch has to be answered as a whole. It refers to several other matters regarding which explanation is desired. These involve large questions, and in some cases inquiries by committees, and by no means the least important is the question of raising a loan for public works. I hope, however, to be shortly in a position to answer the despatch fully and in so doing to urge the carrying out without further delay than is necessary the scheme to which these questions refer. The last question is a somewhat long one, but I shall be able to answer it in much fewer words. It consists of two parts. To the first part I answer, no; to the second part I answer, because by the mutual consent of both parties another arrangement was substituted. The necessary preliminaries for the carrying out of that arrangement are nearly concluded.

THE SALE OF SHARES REGULATION BILL.

Hon. J. J. KESWICK—Your Excellency, I rise to move the third reading of a Bill entitled "An Ordinance to amend the law in respect of the sale of shares in companies registered under the Companies' Ordinances 1865 to 1886 and in other Joint Stock Companies.

Hon. P. RYRIE—With all due deference to my hon. friend opposite I may point out that there is still a great deal of dissatisfaction with regard to this Bill. Some amendments were proposed which have never appeared.

Hon. J. J. KESWICK—I would point out that the hon. member is out of order unless he is going to second the motion.

Hon. P. RYRIE—No, I am not going to second the third reading. I am opposing it now.

HIS EXCELLENCY—I presumed the hon.

member rose to second the motion; if not he is out of order.

Hon. J. J. KESWICK—I certainly thought the hon. member was going to second the Bill.

Hon. P. RYRIE—No, I am not going to second it. I want the Bill re-committed. If I am out of order I suppose I must submit.

Hon. HO KAI seconded the motion for the second reading.

Hon. P. RYRIE—I move as an amendment that the Bill be re-committed. I do so entirely in the interests of people who have talked about the matter to me and who are not satisfied with the Bill as it now stands. If the Bill should be re-committed I think something might be introduced which might remove the objections to the Bill. I may be wrong, but still that is my opinion. I do not wish to take up the time of the Council unnecessarily, but the public are not satisfied with this Bill. I do not know personally any reason why they should be dissatisfied with it—(laughter)—but they are dissatisfied, and I think it will be as well to see what can be done in re-committing the Bill. What it is they want I do not quite know myself. (Laughter).

Hon. T. H. WHITEHEAD—I rise to second the motion made by the senior unofficial member, and I would explain that I did not ask for a division on the second reading in consequence of the fact that the senior unofficial member informed me before coming to the Council that certain amendments had been drafted, that he had seen them, and that they would remove objections and render less obnoxious the measure we are now discussing. In the belief that these amendments would be brought forward in committee, I did not move the Council for a division on the second reading.

Hon. J. J. KESWICK—A remark has been made by the hon. gentleman who proposed the resolution and by the hon. gentleman who seconded it with reference to certain amendments it was proposed to introduce into the Bill. I think it would be very desirable I should mention what those amendments were at once, and explain that so far certainly as one or two of them were concerned they could be much more properly introduced into the Bill which the Brokers' Association themselves are bringing forward, as I understood from my hon. friend opposite (Hon. T. H. Whitehead.) One of these amendments was that brokers should not sign for the concerned. Another one was in reference to the three months period, or the two months period—I will stand corrected by my hon. friend opposite, as I have not the memorandum before me—within which sales forward should be allowed. Another amendment was with reference to the point of the insertion of no numbers at all in the contract, that is to say that if a broker happen to sell shares and no numbers are stated in the contract that should be the look-out of the person

to whom he sells. These are all the amendments I have heard of. If any gentleman has any recollection of any others I will be glad if he will kindly assist by memory in the matter. I may now say I am still of opinion that it would be very desirable and a very good thing to have any defects pointed out which may exist in the Bill, and especially if it is likely to prove a hardship or to affect harshly any one in any way, but I do not see how it can, and therefore I should be very happy to see the brokers themselves bring forward their Bill that has been so much talked about and to have it placed side by side with this one on the statute book. But I am not aware that recommitment of this Bill will serve any useful purpose and I therefore beg to move that it be read a third time.

Hon. T. H. WHITEHEAD—I think if the Bill were re-committed I should be able to convince the hon. member that one or two amendments could be introduced which would remove the hardship, the Bill may otherwise entail on perfectly innocent persons.

HIS EXCELLENCY—I cannot see myself why the time of the Council should be further wasted. This Bill has practically been before the colony for a year. We have given unlimited time to its discussion and I purposely allowed longer than usual between our meetings in order to give full opportunity for its discussion. The Bill was read a second time without a dissentient vote and the hon. member who has seconded the amendment seems entirely at a loss as to what he is going to do in the matter. I think under the circumstances we should now proceed to the third reading. Any amendments would much more properly form part of the Bill of which we have heard so long and which is promised by the Brokers' Association. That Bill was within the knowledge of the Officer Administering the Government this time last year, when the Council adjourned for a short recess, and he specially called attention to it when he stated that he had received a promise that a Bill should be brought forward by the Brokers' Association and that it would be brought forward during the year 1890. We are now in the middle of the year 1891 and we are still promised this Bill and nothing more. Under these circumstances I am against further delay.

The Council then divided on Hon. P. Ryrie's amendment with the following result:—

FOR.	AGAINST.
Hon. T. H. Whitehead	Hon Ho Kai
Hon. P. Ryrie	Hon. J. J. Keswick
	The Surveyor-General
	The Colonial Treasurer
	The Registrar-General
	The Acting Attorney-General
	The Act. Colonial Secretary
	H. E. the Acting Governor

Hon. T. H. WHITEHEAD—As an amendment, sir, I rise to move that this Bill be read this day three mouths. This Bill was introduced on the 21st July, 1890. The first reading was seconded

by the hon. member who is now absent from the Colony on leave as no other unofficial member was present and as he was desirous that the subject should be thoroughly discussed and threshed out though he was opposed to the principle of the Bill. At the first reading the then Attorney General is reported to have said:—

"There is no doubt that this Bill will require very serious consideration for it is well known that there is in this colony a very large business done in the selling and purchasing of shares on what is known as time bargains. Up to the present moment these transactions have been looked upon as perfectly legal and have been recognised by the Courts of Justice. The effect of the Bill would be to a great extent to stop these transactions or at least to render them very uncertain indeed, as such contracts are declared void. One of the questions which therefore may be asked is whether this measure is not too stringent, for notwithstanding abuses which have taken place, there has been a very large amount of these transactions which are perfectly legal. When two persons have come to an agreement with respect to shares, and when they are both able to carry out their contracts, when the time comes for the purchase, is the legislature to step in and stop the effect of it because matters have not turned out favourable to one of the parties? Again, will this Ordinance have the effect of stopping such business? If this measure is contrary to public opinion or in advance of public opinion, we may see the spectacle of the legislature having passed a law which is being openly violated every day, and I think that would have a very demoralising effect."

Now, sir, I do not believe, if passed, that this Ordinance will have the effect of remedying the evil which exists, and therefore on that ground I am opposed to it. If an effective remedy can be found, however, and if the opportunity offers, I shall be only too glad to come here and support it. The Chamber of Commerce at the general meeting held on the 18th of last month, specially called at the instance of the hon. member the mover of this Bill, condemned the Bill by a large majority. Every member of the committee of the Chamber of Commerce with the exception of the hon. member the mover of the Bill voted against it. The senior unofficial member refrained from voting altogether. After the adverse decision of the Chamber of Commerce it may be considered perhaps expedient to postpone the Bill in its present form until public opinion is more nearly educated up to it. It seems that a copy of the Bill and the memorandum from the Attorney-General dated 25th August last were sent forward to the Secretary of State for the Colonies. The second paragraph of the memorandum states that "two or three large operators and moneyed men if they sell for a

future date can no doubt in Hongkong rule the market." He then goes on to say that the property of bon fide shareholders is thus lowered and bona fide shareholders are prejudiced. This is a simple matter of opinion and I do not agree with it. In the third paragraph the learned Attorney-General refers to the fact that many young men have been ruined by speculation in shares. Surely this is not a matter for legislation by this Council but rather a question of moral influence. If the heads of houses and offices strictly insisted, as I believe some do and as I believe the Government also do, on stopping their employees from engaging in share transactions, we should not have to be reminded of the ruin of so many young men. I fear that many young men have followed the example of those in higher positions, who should have suggested a less dubious course by their actions. I believe I am correct in stating that the Government do not permit their employees to speculate in shares. We see the effect of this in the fact that the personnel are in no way involved in the ruin which has fallen on a certain section of the community. Surely if we who could and should do so adopted similar restrictions a like result would follow, but as long as we ourselves are steeped in the same vice we can hardly expect those under us to keep clear from the infection. Further the Attorney-General says this Bill will not interfere with legitimate business or speculation and he refers to certain cases of embezzlement by clerks which have come under his notice at the Criminal Sessions and which he says had their origin in excessive and rash speculation in shares. I believe that the public gambling which is tolerated in Kowloon City is far more responsible for these unfortunate events that have happened than any speculation in shares, or at all events the two have gone hand in hand. In the last paragraph but one the Attorney-General refers to what has come under his notice as Official Assignee and further on gives it as his opinion that the only serious objection to the Bill is that it is a restriction on the freedom of contract. I maintain that to limit time contracts to one month or even two months would have a far better effect and be far more likely to eradicate the evil complained of than this Bill will. In the letter which I addressed to your Excellency while this Bill was in committee I gave certain illustrations which I think show very clearly that should this Bill pass into law very great hardship and very great injustice would result to perfectly innocent men. For instance, on the 1st July Anderson sells 100 Dock shares and gives the numbers, say 400 to 499, to Brown for 25th September. Brown sells the same 100 Docks to Campbell for 25th September, Campbell sells the same 100 Docks to Dickson for 25th September. Dickson sells same 100 docks to Evans for 25th September, Evans sells same 100 Docks to Fraser

for 25th September, Fraser sells same 100 Docks to Graham, and so on. Such transactions are constantly taking place. All goes well until the beginning of August, when Brown through unforeseen causes gets into difficulties and his financial position becomes critical or he absconds. Anderson is aware of the altered position, but having sold a particular 100 Docks and given numbers he cannot do anything to protect himself should the market be going against him. He has to wait patiently until 25th September, on which date Brown fails to fulfil his part of the contract or he may have absconded. If loss results Anderson has to suffer and claim on Brown's estate. Campbell cannot get delivery of the identical 100 Docks he bought, and he cannot legally tender any other 100 Docks to Dickson. Dickson cannot deliver to Evans. Evans cannot deliver to Fraser, nor Fraser to Graham. What is the result? Great inconvenience, perhaps injustice, litigation, and serious loss to perfectly innocent men through no fault of their own. In the above case, admitting that all goes well, it is I think, most improbable that delivery could be obtained of the identical 100 shares and that they could be again tendered in fulfilment of the various contracts on the contract date, 25th September. Time would not permit and if the identical shares were not tendered on the contract date the contract would become void. The same persons as above mentioned enter into contracts with each other early in July for 100 Steamboat shares, Nos. 400-499, delivery 5th September. Through some cause Anderson's account with his bankers gets out of order. His 100 Boats are pledged to the Bank, the Bank has full control over them and power to sell if the margin is not maintained. The margin is not forthcoming and the Bank sells the shares for cash and credits Anderson's account with the proceeds. Brown, Campbell and the others are unable to fulfil their contracts through Anderson's failure to deliver, the Bank for its own protection having quite legally and within its right sold Anderson's identical 100 shares for cash. The result of Anderson's failure to deliver to Brown renders Brown unable to deliver to Campbell, and so on and the others are prevented from fulfilling their contracts and the result may be great injustice, great hardship, litigation, and possible serious loss to innocent men. Anderson may sell delivery three months ahead 100 shares in a Bank, a Steamboat Company, a Rope Company or any other Company and give the numbers. He owns the shares, he has paid for them, but the scrip still stands in the name of, say Smith. Through some accident to Smith the Bank or Company in question declares the said shares forfeited, the Bank or Company having a prior lien upon the shares. These identical shares have changed hands several times after Anderson sold them. Anderson though

still solvent being prevented from delivering all the others interested must suffer though perfectly innocent men. In the case of the death of a Large share operator there must be delay in the fulfilment of contracts, more especially where the numbers of shares are entered therein, as in most instances considerable time elapses before letters of administration can be obtained, and if the identical earmarked shares are not tendered on due date the contract is broken. Where no numbers are required to be given shares of any numbers can be tendered. There must be other equally good arguments against the measure, and I am convinced it will tend seriously to make men who are now honest become dishonest in the event of the market not going in their favour. In fact if numbers are not given in contracts and such contracts in the eye of the law are null and void I say this legislation is bad, and offers a premium to dishonesty. If bulls and bears cannot fight their own battles and take care of themselves, and it is absolutely necessary for Government to interfere in the matter, and also to interfere with the freedom of contract, which necessity I submit has not yet been proved, let contracts for shares be limited to a period of one month, no numbers to be given. This would lessen if not eradicate the evil complained of. In certain instances that might work some hardship, for this reason, that shares are bought freely and to a great extent in the London market and may not arrive here within the month, and therefore it might be well to limit the time to two months. With your Excellency's permission the Counsel for the Brokers' Association was heard before this house and laid before the members an able and powerful address on the whole subject, and he adduced substantial arguments and reasons against the Bill in its present form. Having in the natural course of Banking business some opportunity of observation and knowledge of the interior working of share transactions, I certainly think and believe that this measure if passed into law will have a most serious effect on perfectly innocent men. I would refer your Excellency to the telegram received from Lord Knutsford in connection with this proposed measure. His Lordship says, "If the unofficial members of Council agree I have no objection." I therefore take it that if the unofficial members do not agree his Lordship is not in favour of the proposed legislation. In face of the adverse decision of the Chamber of Commerce, and I also believe that a very large section of the community are opposed to this measure, I trust your Excellency will see your way to postpone the third reading for three months longer. Before sitting down I might point out that if this Bill is passed and comes into operation on the 1st October next it will be a most serious matter for many of those concerned in share transactions. I have reason to believe that shares have been bought on the London market for

delivery here for 25th Oct. and 25th Nov. and also at the end of the year. A large number of these shares will change hands between now and the 31st December, and if this Bill comes into force on the 1st October it will entail great hardship on perfectly innocent men.

HIS EXCELLENCY—The amendment does not appear to have a seconder, it therefore falls to the ground.

The ACTING COLONIAL SECRETARY—The motion before the Council at the present time is that the Bill be read a third time. The Bill was read a first time a very long while ago. The Bill was read a second time a considerable while ago. Every attention was given to the matter by Government and those who objected to its passage employed learned Counsel to specially address the house. He was listened to with every respect and every attention and his arguments were carefully weighed. Then we had letters appearing in the Press, expressing public opinion on the matter, while no hurry or undue haste was shown in passing the Bill through the various stages. The Bill came on in due course for second reading the time when a Bill usually meets opposition if any one is opposed to it. The Bill went through Committee with the rather unusual result that there was complete unanimity in this Council. In the ordinary course the third reading in such a case is a mere matter of form and this opposition, especially as no notice was given of it, is rather a matter of surprise at the third reading.

Hon. T. H. WHITEHEAD—It is not necessary to give any notice.

The ACTING COLONIAL SECRETARY—The hon. member has put before us a most intricate case; a most admirable case for a lawyer to deal with, if it were accompanied by a suitable fee. Bankruptcy, which is one of the main elements in the illustrations he has given, always causes inconvenience, loss, and trouble, not only to the man who has sold to the bankrupt but to the man who has bought from him, because the man who has sold to him does not generally deliver till he gets his money. I am unable to see that the cases put forward by the hon. member are any argument against this Bill. He seems to consider that the difficulty arises because the numbers are to be mentioned. I am not aware of anything to prevent the numbers being mentioned now and I am not aware that in many cases the numbers are not mentioned as a rule. I suppose that many shares are sold that are earmarked in such a way as to be identified and in the event of a man going bankrupt trouble and inconvenience always ensues to those who come afterwards. It seems to me that those who come afterwards would not be particular if the identical numbers could not be supplied to them. One would say, "I am very sorry, I cannot supply you with these numbers," and the man who had to take delivery would if he really wanted the

shares naturally say, "If you have not these get some others in the market." I cannot see in the intricate cases put forward by the hon. member any argument against this measure and I quite fail to grasp the difficulty and danger which he states would be occasioned by the operation of the Bill. I see no reason why the Bill should not pass, because in all these cases you must take the balance. If the passage of this Bill causes inconvenience in some, on the other hand would it not give great safety in many other cases?

Hon. T. H. WHITEHEAD—I do not think so; the market is practically dead.

The ACTING COLONIAL SECRETARY—The Council has paid great attention to this Bill and it is somewhat embarrassing when hon. members raise opposition to the Bill at this stage. The second reading is the usual time for such opposition and the Bill having passed its second reading unanimously and practically nothing fresh having been introduced in Committee, I see no reason why the Council should now stultify itself by throwing out the Bill on its last reading.

HIS EXCELLENCY then put the question that the Bill be read a third time.

Hon. T. H. WHITEHEAD asked that a division might be taken on the motion for the third reading.

The Council accordingly divided with the following result:—

AGAINST.	FOR.
Hon. T. H. Whitehead	Hon. Ho Kai
	Hon. J. J. Keswick
	Hon. P. Ryrie
	The Surveyor-General
	The Colonial Treasurer
	The Registrar-General
	The Acting Attorney-General
	The Act. Colonial Secretary
	H. E. the Acting Governor

The Bill was then read a third time and passed

#### THE WIDOWS AND ORPHANS PENSIONS BILL.

The ACTING ATTORNEY-GENERAL—The next item on the orders for the day is the committee on a Bill entitled an Ordinance to amend the Widows and Orphans Pensions Ordinance. I would ask for a further postponement as I understand the Colonial Treasurer desires to make some addition to the Bill and he has not yet received the necessary information to enable him to do so.

Agreed to.

#### THE OPIUM ORDINANCE.

The ACTING ATTORNEY-GENERAL moved the first reading of a Bill entitled an Ordinance to consolidate and amend the laws relating to the movement of raw opium within the Colony, and to the boiling and preparation of such opium within the Colony.

The COLONIAL TREASURER seconded.

Hon. T. H. WHITEHEAD—Sir, I have been consulted on this proposed measure, and the opium merchants and others are exceedingly

alarmed by the nature of the Bill. I think your Excellency might do well to postpone the first reading of this Bill until the opening of the the Council after the summer recess I think we have had enough if not a little too much of fresh legislation of late, and this matter is one of such importance that I think it would be desirable to postpone it until after the summer recess.

The COLONIAL TREASURER—I might explain that a fresh Bill is absolutely necessary on account of the decision of the Supreme Court, which took every one by surprise and entirely upset the former Ordinance; and that this Bill, if passed at all, should pass at once. Tenders for the new Opium Farm have to be called for within a month and persons who intend to tender are approaching me already with reference to the position the Government intend to take up with regard to the next letting of the Farm.

HIS EXCELLENCY—In any case there could be no harm in reading this Bill a first time to-day. It will then be published in the Gazette, and time for consideration will be allowed, as has been done with all legislation of recent date.

Bill read a first time.

#### THE SUPPLEMENTARY ESTIMATES FOR 1890.

The Council went into Committee on the Supplementary Appropriation Bill, 1890.

The ACTING COLONIAL SECRETARY—It will be in the recollection of hon. members that on the last occasion we made progress to this extent, that all those items which had been voted before and which are marked by an asterisk were passed, and further, all those items which deal simply with difference of exchange were passed. There remain the other matters, which are chiefly excesses in contingencies, which I shall be very happy to explain if any hon. member wishes.

#### *The Audit Office.*

Hon. T. H. WHITEHEAD—The first item is the Audit Office, which shows an increase of \$1,477,161. I think no audit can be efficient which is not conducted in Hongkong. It seems an extraordinary proceeding to audit one side of the accounts here and one side at home. When the estimates were considered the unofficial members disapproved entirely of the vote and I still feel strongly opposed to it. It seems an extraordinary thing how the amount could have increased as it has done.

The ACTING COLONIAL SECRETARY—As regards the present method of audit, I cannot be held responsible for that; indeed, I believe it was established by the Secretary of State. I can only go in to the question of the items that are down here, and I can well understand the hon. member asking for information why the sum of \$10,000, which was the amount estimated, should have been exceeded. I can only point out that the local Auditor came out here in the early part of the year, and before he came the audit was conducted under a different system. There

were various clerks employed in the department and when the Auditor arrived he had first to get into harness so to speak to understand the work and take it over, and therefore in the early part of the year the old staff were necessarily kept on. I have spoken to the Auditor, and he tells me there is no reason to suppose the estimate of \$10,000 will be exceeded in future and that the ratio of that sum was not exceeded during the latter part of the year. For part of the year there was the old staff and also the expense of the Auditor's coming out. Since he arrived one of the clerks of the old staff has unfortunately died; the other three have been transferred to other departments and are doing other work. Therefore there is no reason to apprehend that in future years the amount estimated will be exceeded but when a change of that kind takes place; with the two systems overlapping for a time and the expense of the Auditor coming out and receiving some salary during the time occupied by his passage, you will necessarily have a slight excess.

*The Observatory.*

Hon. T. H. WHITEHEAD—In connection with the Observatory there is an excess of \$732 for new instruments. I trust these instruments will give some useful results because lately, in this last storm we had. I very much fear the instruments were very defective, or something was defective, because the warnings given by the Director were far from satisfactory.

The ACTING COLONIAL SECRETARY—As regards the item mentioned by the hon member, it has not been the desire of the Council to give too free a hand in the way of instruments. It would be easy at the beginning of the year to put down some sum we know must be spent for instruments, chemicals, books, and tide tables for the Observatory, and if a large sum were voted at first there would be no excess, but very often if a large sum is voted there is a tendency to spend it all, even though it be more than what is necessary. The sum originally voted not being sufficient is the reason of the excess. In a climate like this instruments and chemicals deteriorate very much and require to be replenished oftener than might be the case elsewhere.

*Medical.*

Hon. T. H. WHITEHEAD—There seems to be an enormous increase in the expenditure for the Medical staff. The actual increase is \$14,800.

The ACTING COLONIAL SECRETARY—The hon. member will find if he looks at the Colonial Surgeon's report that they have had a great many more patients this year than in former years. Of course we only have one side of the account here; we don't show the receipts. The receipts are very much increased and I would call the special attention of the hon. member to the report of the Superintendent of the Civil Hospital for 1890, laid on the table at the last meeting. Amongst other things he will find in

that report the following:—"Not only have I been unable on many occasions as reported last year to provide private patients with the accommodation requested, but have been actually compelled through want of room to refuse patients admission desirous of being treated in this hospital." In 1890 the number of first-class patients was 39 the previous year it was 12 and in 1888 it was 6 only. Of second class patients there were 162 in 1890, 32 in 1889 and 13 in 1888. The increase is enormous and I think it is much to the credit of the staff. It shows that the admirable treatment patients receive in the hospital is being fully appreciated by the community and the demand for space is now greater than the supply available. The sum received as fees has been very considerable. (The hon. member was proceeding to look for the figures of the fees received.)

Hon. T. H. WHITEHEAD—I think that explanation is quite sufficient and satisfactory.

The ACTING COLONIAL SECRETARY—If you want the figures I can let you have them. This is not unprofitable expenditure.

*Roads, Streets, and Bridges.*

Hon. T. H. WHITEHEAD—I observe there is a small excess in the cost of maintenance of roads in Kowloon. I think it would have been an advantage if we had had an excess on this side. I have been here seven or eight years and I have never seen the roads in a worse state.

The SURVEYOR-GENERAL—What roads do you refer to?

Hon. T. H. WHITEHEAD—Queen's Road and others.

The SURVEYOR-GENERAL—I think hon. members will admit that considering many of the roads have been opened three or four times during the last year instead of being in a bad state they have been kept in a good state, which has been done by having a first-rate practical overseer to look after them, and I think great credit is due to him, considering the number of times they have been opened up, for the comparatively good condition in which the roads have been kept.

Hon. P. RYRIE—They have been at the Praya for I don't know how long. They take it up and fill it in and take it up again.

The SURVEYOR-GENERAL—That is for the drains and water pipes.

Hon. P. RYRIE—Pottinger Street has been in a most fearful state for months.

The SURVEYOR-GENERAL—This excess is in no way connected with the Water and Drainage Department operations, and the opening of the streets to which the hon. member opposite refers has been caused by the necessity of laying the water pipes and drains.

Hon. T. H. WHITEHEAD—My question is with respect to the state of the road irrespective of the drains altogether. All along from the Victoria Hotel to the east I have never seen it in such a state, and I suggested it might be well

to spend a little more money on this side as well as on the Kowloon side.

The SURVEYOR-GENERAL—I do not think it would have been desirable to spend much money on that road seeing it was about to be opened up for laying the new sewer.

Hon. P. RYRIE—Well, they are a long time about it.

The SURVEYOR-GENERAL—I am not saying the contrary, Mr. Ryrie, but if we had spent a lot of money on that road six months ago it would have been thrown away.

Hon. P. RYRIE—You might break your neck going from my hon. friend's (Hon. T. H. Whitehead) office to the Praya any evening.

#### EXTRAORDINARY PUBLIC WORKS.

Hon. T. H. WHITEHEAD—We now come to extraordinary public works, and I observe the amount estimated for last year was \$699,000 and the amount expended \$397,507 I have had the curiosity to go into the amounts voted for the last few years and I find that in 1887 the amount voted was \$760,000 and the amount expended \$744,820, the salaries of the Public Works Department being \$49,000. In 1888 the amount voted was \$636,000, and the amount expended \$530,870; salaries \$62,000. In 1889 the amount voted was \$635,426, and the amount expended \$374,551; salaries \$58,000. In 1890 the amount voted was \$699,700 and the expenditure \$397,507, and salaries had risen from \$49,000 in 1887 to \$75,000 in 1890. I have not got the figures for this year, but the salaries for 1891 are estimated at something like \$90,000. It is a most extraordinary state of affairs and I should like some explanation as to how it is that these large sums are asked for public works and only half the amount expended, and not only that, but the salaries have about doubled in the last four years.

The SURVEYOR-GENERAL—I am not prepared at this present moment to go into the very large question opened up by the hon. member—I think notice should be given of that—but if the hon. member wishes for any information as to any particular item I shall be very happy to give the best information in my power.

Hon. T. H. WHITEHEAD—The figures are so very startling that I think the Council is entitled to some explanation.

The SURVEYOR-GENERAL—If the hon. member asks questions as to any particular item I will be glad to answer him.

Hon. T. H. WHITEHEAD—These supplementary estimates are placed before us and the figures are so very startling that I think we are entitled to some explanation.

The SURVEYOR-GENERAL—They don't come in as supplementary estimates. Every item in this list has already been before the Council and passed by the Council. They should all have been marked by an asterisk.

The ACTING COLONIAL SECRETARY—If hon. members will look at the Supplementary Estimates of former years they won't find

these items at all but it is the Secretary of State's desire they should be included and therefore they are all put in. This is a list of what was spent in 1890. With regard to salaries, I am not able to check them all without notice, nor am I aware that we are to-day discussing the salaries of public officers, nor can I see that they have anything to do with what sums of money were spent on public works in 1890. Whether the sums that are put down here were properly spent is a question for the Council, but the question of salaries does not seem to come in on the Supplementary Estimates under the head of extraordinary public works, which is simply a list of the extraordinary public works of last year and the amount spent on them. If there is any question asked about any item in this long list I am sure the Surveyor-General will afford every information in his power.

The Bill was reported and read a third time and passed.

#### THE SUNDAY LABOUR QUESTION.

Hon. T. H. WHITEHEAD—I rise to move the first reading of a Bill entitled an Ordinance to amend the Sunday Cargo Working Ordinance 1891. In support of that Bill I beg to lay upon the table copy of a memorial which has been signed by a large number of the shipping houses and mercantile firms and colonists in Hongkong addressed to the Right Hon. the Secretary of State and forwarded by your Excellency to Lord Knutsford by yesterday's mail. I also lay on the table copy of a despatch from the senior unofficial member and myself to the Secretary of State, dated 18th of last month. I have also just now received the draft of a petition or memorial which is now being signed by the Chinese firms and the Chinese hong in Hongkong, also addressed to the Right Hon. the Secretary of State, and which I am informed will be ready to be handed in to your Excellency in time to be forwarded to Lord Knutsford by next week's mail. The Bill is a very simple one. It only asks for the postponement of the Sunday Cargo Working Ordinance coming into force for two months and—

The ACTING ATTORNEY-GENERAL—It is not usual to make a speech on the first reading of a Bill.

Hon. T. H. WHITEHEAD—If I am out of order—

A consultation then took place between His Excellency said the Acting Attorney-General.

Hon. T. H. WHITEHEAD, interrupting the consultation, said that all he wished to say was that the Bill would work no great hardship to any one.

Hon. P. RYRIE—I beg to second the motion of my hon. friend on the right.

Bill read a first time.

The ACTING COLONIAL SECRETARY—The Government do not object to the first reading of this Bill, but they reserve to themselves full

right to consider the matter, to carefully look through these petitions, and to decide upon what course they will adopt when the Bill comes up for second reading. At present the Government makes no pledge as to what course they will pursue.

THE DAY OF MEETING.

Hon. P. RYRIE said that by the Standing Orders the Council should meet on Monday, and they were now meeting on Friday, which was a particularly inconvenient day.

HIS EXCELLENCY said the reason he had held the meetings on Friday was because he found that was the day on which the Council generally had met. Since it had been pointed out to him that Monday was the proper day he had been waiting for a good opportunity to alter the day from Friday to Monday and had intended to do it on this occasion, but in justice to the hon. mover of the Bill which had just been read a first time he refrained from doing so because to meet on Monday week would be placing the date beyond that on which the hon. member would wish the Bill to be read a second time, besides which he thought Monday week was a public holiday.

THE CENTRAL MARKET AND THE PUBLIC  
WORKS COMMITTEE.

Hon. T. H. WHITEHEAD—The report of the Public Works Committee has been laid on the table to-day. At last meeting of Council you asked us to meet early, which we did on Tuesday last. I then brought forward certain very important resolutions, which, however, did not find a seconder. I think that the matter, namely,

the Central Market, is one of such importance that before the Government sanctions the expenditure—

The SURVEYOR-GENERAL—I rise to order. It appears to me the hon. member is out of order.

Hon. T. H. WHITEHEAD—This report has been laid on the table.

HIS EXCELLENCY—I believe the hon. member is, strictly speaking, out of order. The proper time for him to have spoken would have been when the report was laid on the table, or by notice, but I have no wish to prevent the hon. member continuing.

Hon. T. H. WHITEHEAD—The subject matter of the report is of very great importance, and I think before the Government sanction the expense of the contract for the building to be erected over the foundation it might be well to have the matter brought up in this Council. I was under the impression that the Government had laid this report before the Council; otherwise I would not have referred to the subject.

The ACTING COLONIAL SECRETARY—The hon. member is quite right. I laid the report on the table. All the resolutions he moved at the meeting of the committee are set forth for those who wish to see them. They are all in print.

Hon. T. H. WHITEHEAD—It was my intention to have sent notice of a question or motion on this subject, but as time did not permit I could not do so. I only hope the matter will receive the attention of the Government.

ADJOURNMENT.

The Council adjourned.