

14TH DECEMBER, 1892.

PRESENT :—

His Excellency the Governor, Sir WILLIAM ROBINSON, K.C.M.G.

Hon. G. T. M. O'BRIEN, C.M.G., Colonial Secretary.

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

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

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

Hon. F. A. COOPER, Director of Public Works.

Hon. R. M. RUMSEY, R.N., Harbour Master.

Hon. C. P. CHATER.

Hon. HO KAI.

Hon. T. H. WHITEHEAD.

Hon. E. R. BELLIOS.

Mr. F. H. May, Acting Clerk of Councils.

MINUTES.

The minutes of the last meeting were taken as read and confirmed.

THE APPROPRIATION BILL, 1893:

PROTEST FROM THE UNOFFICIAL MEMBERS.

The COLONIAL SECRETARY—I have the honour to bring up the report of the Finance Committee No. 12 of 1892 and lay it on the table.

Hon. C. P. CHATER—Before we proceed with the business of the day I beg to lay on the table in accordance with notice given at the last meeting of the Council by the hon member who represents the Chamber of Commerce, a protest with regard to the Appropriation Bill for 1893 from the unofficial members.

HIS EXCELLENCY—You move that the protest lay on the table?

Hon. C. P. CHATER—Yes.

The Clerk then read the following protest, which was laid upon the table:—

We, the undersigned, unofficial members of the Legislative Council of Hongkong, both nominated and elected, desire to place on record our unanimous

protest against the Appropriation Ordinance for 1893, entitled "An Ordinance enacted by the Governor of Hongkong, with the advice and consent of the Legislative Council thereof, to apply a sum not exceeding two millions two hundred and fifty-six thousand three hundred and seventy-five dollars to the Public Service of the year 1893," numbered 2 of 1892 and published in the *Hongkong Government Gazette* of the 3rd instant as having been passed by this Honourable Council on the 30th day of November, 1892, and as having been assented to by His Excellency the Governor, in the name and on behalf of the Queen, on the 3rd day of December instant.

We protest against the inclusion in that Ordinance, contrary to the unanimous votes and opinions of all the unofficial members of the Council in the Finance Committee and in the Committee of the Council, of large sums for the salaries of the Civil Servants of the Colony in excess of the amounts voted and approved by all the unofficial members in the Finance Committee and reported to the Council, and far in excess of what, in our opinion, are necessary or of what the Colony can reasonably afford to pay.

We protest against the Colonial Secretary and the official members of Council voting in Committee of Council, and in the Council on the third reading of the Bill, in support of votes for their own salaries in excess of the amounts approved by us in Finance Committee as reported.

Members of Council are legally incapable of voting on questions in which they are directly pecuniarily interested. They are disqualified on principle and by the law of Parliament formally declared in a recent case in England, and we protest and declare that the votes of the official members of Council on the Appropriation Bill, so far as the question of official salaries was concerned, were null and void and of no effect.

We claim that the amendments proposed in Committee of Council for the reduction of official salaries to the scale in force in 1890 were duly carried by a majority of legal votes; that the votes recorded against the amendments were null and void and ought not to have been counted; and that the Appropriation Bill ought to have been reported and passed with these amendments.

For the reasons above given we formally and unanimously protest against the so-called Appropriation Ordinance for 1893 as published, and declare it not to

have been duly passed by this Honourable Council and not to be law.

Dated Hong kong, this 13th day of December, 1892.

(Signed) C. P. CHATER.

" HO KAI.

" T. H. WHITEHEAD.

" E. R. BELLIOS.

KOWLOON AND YAUMATI RATES.

The COLONIAL SECRETARY—Having laid on the table the report mentioned in item one of the list, I now beg to move the resolution number 2 standing in my name. Hon. members will remember that additional provision has been made this year for payment for certain gas lamps and other plant at Kowloon, and in our estimates for 1893 they will find an item of \$3,??00 provided for the payment of the cost of gas. It is now proposed to rate these districts which will benefit by the gas; to impose on them the usual percentage which is imposed for the cost of lighting in other districts. I move the adoption of the resolution.

The COLONIAL TREASURER—I beg to second the motion. I do not suppose that there will be any objection from our transpontine neighbours. They will only have to pay the same rate for gas as we do on this side of the harbour.

Resolution carried *nem. con.*

THE PROPOSED LOAN.

The COLONIAL TREASURER—I have the honour to bring up for first reading a Bill entitled An Ordinance to declare the terms and conditions applicable to Loans authorised to be raised by the Government of Hongkong and to provide for the creation of Inscribed Stock. This Ordinance does not appear to be one which should reasonably lead to much debate. It prescribes the manner in which inscribed stock is to be raised should that method be decided upon for raising a loan. It has been drafted in England upon an approved model, and I trust this Council will find it unnecessary to make many if any alterations in it. It presupposes a desire for a loan in the colony, and that that desire does exist I have little doubt. The hon. member who represents the Chamber of Commerce in his speech on 13th October, 1890, expressed himself as follows:—

"The finances of the Colony may be regarded as fairly satisfactory, but economy is necessary in view of the extra military contribution, the almost certain decrease in opium revenue, and the considerable increase in the salaries of officials, which latter I think the public will be very glad the Secretary of State has sanctioned, in view of the fact that this increase will or should be an incentive to greater efficiency in the different departments. The extraordinary public works expenditure is, I think with your Excellency one which is somewhat unjust towards the present ratepayers and should be provided for by means of a loan. Future generations will derive as much benefit from these public works as the present taxpayers, and I heartily agree with your Excellency that

posterity should pay its fair share towards them."

I wish to refer for a moment to the report of the Finance Committee dated 21st March, 1892, the wording of which as far as I can as certain appears to be somewhat misleading. Speaking on behalf of that Committee, and I believe I may say for the whole of it, we had no intention of committing ourselves to anything beyond an expression of opinion that, looking to the balance of assets remaining at that time and to the comparatively small deficit which was expected to exist at the end of 1892, a loan did not appear to us necessary for the service of that year; but we fully recognised the fact that in future years large deficits might be expected, and we only deprecated borrowing so long as sufficient revenue could be obtained from ordinary sources plus the proceeds from the sale of land at *reasonable* prices to meet the expenditure on approved public works. That we have reached the point at which a loan is desirable is, I think, self-evident. The balance of our assets is exhausted. Our expenditure at the end of the year will be three lakhs beyond what has been derived from the revenue. That this is no extraordinary state of affairs in the history of the Colony is evident from the report which I prepared for the Committee appointed to consider the advisability of raising a public loan. In 1883 the balance of total expenditure over revenue was \$27,000; in 1884, \$400,000; in 1885, \$300,000; in 1886, \$618,000; in 1887, \$440,000; in 1888, \$274,000. In 1889 and 1890 there was a balance of revenue over expenditure due to the fact that opium was bringing us in a large amount, and that the expenditure on public works had fallen off considerably. In 1891, the revenue derived from opium fell, and the expenditure on public works increased, and the balance of total expenditure over revenue was in that year \$423,783. At the end of this year I estimate it will be \$315,000. On the other hand the balance of our revenue over ordinary expenditure has, with the exception of one year, been of a satisfactory nature. In 1883 it was \$152,000; in 1884, nil; in 1885, \$172,000; in 1886, \$207,000; in 1887, \$304,000; in 1888, \$256,000; in 1889, \$519,000; in 1890, \$493,000; and last year, \$157,000. This year the balance of revenue over ordinary expenditure is estimated at \$268,000. It thus appears that our deficits are not due to our ordinary, but entirely to our extraordinary public works. If we wish, and I think there can be little doubt that the Colony does wish, to carry out to the end the extraordinary public works we have in contemplation, and which will be for the improvement of the Colony, I do not see how this Colony is to avoid following the example set by most civilised nations of borrowing money. The prospective increase to our revenue from the works referred to is an extra inducement for proceeding with them rapidly, and for this purpose it is eminently

desirable that as little time as possible should be lost in arranging the necessary preliminaries. The Bill itself, in section 2, states that the Governor may issue inscribed stock. If he decide to do so, by section 4 such stock shall be issued by the Crown Agents, and by section 5 it will be redeemable within fifty years. In section 6 interest is declared payable half-yearly and a sinking fund of $\frac{1}{2}$ per cent. half yearly is provided for, to commence at such time as shall be decided upon. The first sub-section of section 7 enacts that "if the price of the inscribed stock be below par at the time when the contributions are received the Crown Agents shall, if practicable, purchase therewith the inscribed stock in the market and shall cancel in the register the stock so purchased." By the word "par" in this sub-section (a) I presume it is intended to mean the price of the stock at the time it is issued and not 100 par. If it were 100 par, it might not always be to our advantage to purchase it even though it did fall below par. If inscribed stock is issued at $3\frac{1}{2}$ it is probable it will always be below par. If it were issued at 93 it probably would not be to our interest to purchase if it were to rise to 99. By section 9 all expenses of or incidental to the management of the sinking fund, or to the repayment of the principal moneys borrowed, shall be paid out of the sinking fund. These expenses, so far as I am aware, are nominal. The Crown Agents' commission on loans, as fixed by the Secretary of State, is $\frac{1}{2}$ per cent. on the issue and repayment, plus $\frac{1}{4}$ per cent. which it is customary to allow for tenders made through brokers. There is also $\frac{1}{2}$ per cent. for the payment of interest. The Secretary of State in a circular despatch, which was laid on this table I believe, stated that he understood this arrangement compared favourably with the charges of leading bankers for like services. By section 10 the Governor may authorise the conversion of existing loans into inscribed stock. Section 11 permits the issue of extra stock to such an extent as will, when added to say £100 of $3\frac{1}{2}$ per cent. inscribed stock standing in the market at 93, enable it to be exchanged for £100 of 4 per cent. debentures at, say, 103. Section 16, it will be observed, states that "nothing in this Ordinance shall prevent the raising of loans in Hongkong under such terms and conditions as shall be specified in any Ordinance authorising the raising of such loans." With these remarks I have the honour to move the first reading of the Bill.

The COLONIAL SECRETARY seconded.

Bill read a first time.

The COLONIAL TREASURER—I beg to move the first reading of a bill entitled An Ordinance for raising the sum of £200,000 by loan for the purpose of defraying the cost of certain Public Works." There will probably be a considerable difference of opinion as to the relative merits of borrowing in gold and in silver, and

as to the advantages to be derived by our sinking fund being invested at a low rate in gold-using, or at a higher one in silver-using, countries. With regard to the latter I think it very improbable that the Secretary of State would allow the Colony to invest in any other species of funds than that in which it was permitted to invest on the last occasion. With regard to the relative merits of gold and silver, I am fully alive to the disadvantage of borrowing in one metal while interest and sinking fund have to be accumulated in another, and if there were no counterbalancing advantages there would be little difference of opinion as to which metal to adopt. But the counterbalancing advantage is the considerably lower rate at which we can borrow in England as compared with here, and hon. members if they will work the figures out will see that if the difference amounts to 1 per cent. we will gain steadily until the dollar drops to 5d. below its price at the time of the issue of the loan. As regards paying off our loan and the loss that might occur it must be remembered that our paying off is effected by a sinking fund of 1 per cent. per annum, to last over fifty years. That is what would be affected by any future large drop in the dollar. It has also to be remembered that the purchases we have to make in England from the Crown Agents are not made in silver but in gold. It thus appears that we have to weigh the possibility of a large prospective loss, which might equally be a large prospective gain, against the certainty of the considerable loss which would at once result from borrowing in silver in the Colony. For these reasons I must express myself in favour of borrowing in gold, and, if it is decided to do so then, for the reasons given by the Crown Agents, I am of opinion that we should adopt the proposal to issue inscribed stock at $3\frac{1}{2}$ per cent. as the best method of raising a loan. The sinking fund is proposed to be deferred for three years as the public works will not be at once productive. I beg to move the first reading of the Bill.

The COLONIAL SECRETARY seconded.

Hon. T. H. WHITEHEAD—Sir, I rise to move that this Bill be read this day three months. I do so on the following grounds—

The COLONIAL SECRETARY—Sir, I rise to a point of order. I believe it is unusual here, as it is certainly unusual in the House of Commons, to oppose a Bill on the first reading. The first reading is a mere matter of form the intention of which is to give hon. members due notice of the scope and provisions of the measure. It is usual to defer any opposition which it may be found necessary to make to the measure till the second reading. I would suggest to the hon. member that it would be more convenient if he were to follow the usual course in respect to the present Bill.

Hon. T. H. WHITEHEAD—I have very little to say, and with your Excellency's permission I desire to say that little now.

HIS EXCELLENCY—It would certainly be out of order. You will be able to say it on the 28th. It is simply a formal matter, the first reading of the Bill.

DEATHBED MARRIAGES.

The ACTING ATTORNEY-GENERAL—I rise to move the second reading of a bill entitled an Ordinance to amend the Marriage Ordinance, 1875. It will be within the recollection of the Council that when this Bill was before the Council on its first reading I briefly explained its objects and reasons. I then stated that the chief object of the Bill was to offer relief to certain scruples of the Roman Catholic Church in Hongkong. As a matter of fact, however, the Bill is general in its form and any Christian Church can make use of its provisions. On this occasion I will very shortly refer to the actual provisions of the Bill itself and the conditions under which a deathbed marriage is allowed to take place. In section 2, which sanctions marriage between people who have lived together in unlawful connection, I propose when we go into Committee to make some slight alteration in the language, and to substitute for "lived in unlawful connection" the words "lived together in unlawful concubinage." These marriages are only to take place under certain definite conditions. The first is that the parties are to be able to signify their consent to the marriage, and to do so in the presence of two witnesses. Then with regard to minors such marriage is not to take place, except either is a widow or a widower, unless the consent, the necessary consent, of those who stand in the position *in loco parentis* is obtained. Then no marriage shall be valid which, on the ground of kindred or affinity, would be invalid in England. The Bill as originally drafted, I may remark, provided that a marriage so solemnised should be specially registered in a schedule appended to the Bill. That seems, however, to be incomplete because if it is to be registered some notice must be given to the Registrar because it is his function to register the marriage. Therefore when we reach the Committee stage I will propose an amendment which you will find printed in italics in sub-section *d* of section 2. Then there is a provision that no marriage celebrated under the provisions of this Ordinance shall be valid unless the conditions before mentioned are complied with. Then there is a further provision with regard to the effect of the marriage. The rule in this colony and in England is that a marriage revokes a will. The Secretary of State has directed that if this Ordinance was introduced there should be a provision inserted that a deathbed marriage should not have the effect of revoking a will. The Secretary of State has not exactly stated what his reasons are, but I could very well imagine myself that

a man might be under the influence of religious fervour and do possibly what his religious advisers or priests may tell him is his duty, and it is thought fit that a marriage under such circumstances should not revoke any previous provision which he has made possibly in good health for the benefit of his family or relatives. Then I think, sir, the Ordinance would be incomplete unless there were some penalties imposed for non-compliance with the provisions of the Bill, and I also think that a penalty should be attached to celebrating any marriage without due notice to the Registrar. With these remarks I beg to propose the second reading of the Bill.

The COLONIAL SECRETARY seconded.

Bill read a second time.

The Council then went into Committee on the Bill, the sections being taken seriatim. Only a few verbal alterations were made on the motion of the Acting Attorney-General. The following section as to penalties was added to the Ordinance: —(1) Whosoever shall knowingly celebrate any marriage in purported pursuance of this Ordinance contrary to or not in accordance with any provision thereof, and whosoever not being legally competent shall celebrate any marriage under this Ordinance, shall be guilty of a misdemeanour and upon conviction thereof before the Supreme Court shall be liable to be imprisoned for any term not exceeding 2 years with or without hard labour. (2) Any minister who after celebrating any marriage under this Ordinance fails to transmit the certificate thereof in accordance with section 1 (*d*) shall be liable on summary conviction by a Magistrate to a penalty not exceeding \$50.

The ACTING ATTORNEY-GENERAL—I do not propose to move the third reading of the Bill to-day as there is no great hurry to pass the Ordinance.

PROBATES. &C.

The ACTING ATTORNEY-GENERAL—The next item on the orders of the day is the second reading of a Bill entitled an Ordinance to provide for the recognition in the colony of probates and letters of administration granted in the United Kingdom. The objects and reasons are stated at the foot and I do not propose to do more than move the second reading of the Bill.

The COLONIAL SECRETARY seconded.

Bill read a second time.

The Bill then passed through Committee without alteration or comment and was then read a third time and passed.

MEDICAL REGISTRATION.

The ACTING ATTORNEY-GENERAL—I beg to move the second reading of a Bill entitled an Ordinance to amend the Medical Registration Ordinance, 1884. Honourable members will find that the objects and reasons of the Ordinance are detailed at the foot. The provisions of the Ordinance are not very important until you come to section 4. The subsection 2 re-enacts

in somewhat different language the section. I think it is 2, of the old Ordinance of 1884. That Ordinance read somewhat in this way. "This Ordinance shall not operate to limit the right of Chinese practitioners to practise medicine or surgery or to receive, demand, or recover reasonable charges in respect of such practice." I do not know exactly what right before that date Chinese practitioners had; they certainly had no right, as far as I am aware, statute by law and it seemed to me and several others who considered this Bill that the language of the section might be somewhat improved. Then, again, there are these words, "practise medicine or surgery." To the practice of medicine there seems to be no objection, but "to practise surgery" seems to be rather a curious statement, as there is no such thing really among the Chinese as surgery, and what we propose to do is this. "This Ordinance shall not be deemed to prohibit Chinese practitioners from practising medicine or treating surgical cases according to Chinese methods or from demanding or recovering reasonable charges for services rendered by them in respect of such practice." The next amendment is a purely technical one. The Medical Ordinance was passed in 1884. At that time the Acts in force were 21 and 22 Victoria, chapter 20, and 31 and 32 Victoria, chapter 39. Shortly after 1884, when the Ordinance was passed, an extending Act was passed which amended the Medical Act of 1858, repealed the Act of 31 and 32 Victoria, and made various alterations in the law. The section deals with the admission of medical practitioners registered under the Medical Acts of England, and therefore the old Act of 1858 having been altered and the Act 31 and 32 of Victoria repealed and a new Ordinance enacted, it was necessary to make in this particular section references to this new Act. We now come to the more important provisions of the Bill. These really deal with two classes of persons, colonial and foreign practitioners. In the law as it stands at present applicants for registration from other colonies have simply to prove their registration, and by producing such proof to the satisfaction of the Colonial Secretary they become entitled to registration in this colony. Applicants under the 13th section, I think it was, then holding diplomas from any University or College, had to prove to the satisfaction of the Medical Board the granting of the diploma and that it was granted after a course of study equivalent to the minimum course required in England. The present Bill makes this alteration. Instead of the matter being referred to the Colonial Secretary as regards colonial diplomas, it was thought it would be more desirable that the qualifications of applicants should come before the Medical Board, and in all cases where the practitioners who wish to be registered come from the colonies, or hold foreign diplomas, they must

prove that they are of good character and have passed through a course of study equivalent to the minimum required in England. It is, I think, quite obvious that persons who come here from foreign countries and other colonies, and of whom nothing may be known should produce some certificate or some evidence of their character. We do not know whom we might get here otherwise. And it would certainly be detrimental to any person who should come under their care if the practitioner was given to habits of intemperance. You will also notice that in sub-clause (b) the Hongkong College of Medicine for Chinese is specially mentioned. Well, there was some question as to whether they came under the definition of "College, University, or other body," and it was thought desirable that they should be specially named in the section. At the present moment, I am sorry to say, the examination through which they go there is not equivalent to the minimum course required in England, and therefore for the present they cannot be registered under the Ordinance, but I hope hereafter that their qualifications may be so far improved as to admit them to be registered as medical practitioners. It was suggested that we might possibly register an intermediate class; by licensing those students who have passed through examinations as an intermediate class, but after very considerable thought and care the conclusion was come to that it would be undesirable to have a sort of men who were not really doctors, who were not really licensed under the home Acts or under the local Ordinances and were not fully qualified to deal with Europeans and all classes of the people. The remaining amendments proposed are necessitated really by the two clauses which are introduced in sub-section 4. They are of a formal and technical nature. I beg to move the second reading of the Bill.

The COLONIAL SECRETARY seconded.

Bill read a second time.

The Council went into Committee on the Bill.

Hon. HO KAI—I beg to move an amendment to section 2. The amendment I wish to move is to leave out the words "according to Chinese methods." The reason I move this amendment is apparent if I explain to the members of this Council the principal result if this section be allowed to pass as it is. The result would be that those who have studied Chinese medicine would have a free hand in dealing with Chinese patients in this Colony, whereas those who have had a far better training in Western medicine, and yet who are not considered by their fellow professionals of the Western world as having attained such a high standard as they themselves, would be driven from the colony and be unable to exercise their craft after many years' study even among their own fellow countrymen. I do not think the Government have exercised an unwise discretion in allowing the Chinese to practise their own system of medicine and surgery among

their own people. In the present state of the colony I think it would be dangerous to provide otherwise. The Chinese should be exempted from the operation of this Ordinance for some time longer. I hope the time may come when we may be able to pass an Ordinance that all Chinese practitioners here, whether practising among the Chinese according to the native or European method, should be men who have proved themselves to have studied the subject and not merely holding themselves out as medical practitioners without having gone through any course of study whatsoever. At the present moment I wish the Government would consent to deleting these few words to enable those students who have studied European medicine in the Hongkong College of Medicine for the past five years and also at the Manson Memorial Hospital at Formosa or at Tientsin or anywhere else to practise. We have a student from the Tientsin College of Medicine as house surgeon in our hospital to practise surgery and medicine according to European methods. Why should this man, who has gone through a course of study, though not considered by the Medical Board of this colony to be equal to the minimum required by the British Act, be excluded from practising medicine among the Chinese population here, whereas on the other hand they are allowed Chinese who have learnt only Chinese medicine free scope? I hope the Government in dealing with this subject will consider the principle involved in that clause. There than is an old proverb that half a loaf is better no bread.

Hon. T. H. WHITEHEAD—I rise to second the amendment. I think the arguments adduced by the hon. member who represents the Chinese have good reason in them and that he has made out a good case for deleting these four words.

The ACTING ATTORNEY-GENERAL—If I understand the hon. member, what he means to say is this. There are certain Chinese, educated Chinese, who have gone through a course of instruction here or somewhere else who have learnt European methods of treating cases. If that is so—and I see that the hon. member bows his head—this section does not affect them at all. The section indeed has nothing whatever to do with that class of people. The reason why the alteration was made in the wording from that employed in the old Ordinance was because the Medical Board said there was really no such thing as surgery among the Chinese. That is the whole reason for the alterations in the old section. If the hon. member really wants to have a different class of people such as he has proposed—that these students should be allowed to treat cases by European methods—you will have to have a different section altogether, and the question will have to be very seriously considered. But I think the whole question has been considered

already. The Medical Board made some suggestions as to having an intermediate class, but the Government decided that they could not admit it. Therefore I should certainly oppose alterations of that kind in this section, and if any other class of practitioner is to be introduced by amendment the matter must be considered at the proper moment.

Hon. HO KAI—I think the hon. member misunderstands my meaning. What I wish to say is that the result of the clause is to exempt Chinese practitioners who are practising medicine and surgery according to the Chinese methods from the operation of the Ordinance, but I say why not exempt also those Chinese who have learnt European medicine and allow them to practise among the Chinese according to the European methods?

The ACTING ATTORNEY-GENERAL—That is the very point that the Government has decided was a principle it could not admit.

Hon. HO KAI—I did not know that.

The ACTING ATTORNEY-GENERAL—I would propose, in order to concede to the hon. member as far as possible, that the clause be left over until the next meeting of the Council in order that I might be quite sure of the grounds I have stated. I will look up the papers again, but I am fairly confident that that was the decision of the Government—not to admit any intermediate class for Europeans or Chinese.

The clause was then left over.

INTESTATE ESTATES.

The ACTING ATTORNEY-GENERAL—There is one other short Ordinance which is down on the orders of the day. I have to move the second reading of a Bill entitled an Ordinance to repeal Section 45 of Ordinance No. 8 of 1860 and to amend Schedule A to Ordinance No. 1 of 1883. The objects and reasons are fully set forth in the footnotes. The first section of the Ordinance repeals section 45 of Ordinance No. 8 of 1860 which dealt with probate and administration. The section provided for the taking of accounts of intestate estates. For upwards of 20 years the section has been ignored and the accounts of these estates have been regulated by departmental instructions. These instructions do not require statutory sanction, but so long as the old section remains they are inconsistent with the law. There is another slight amendment which has been made by the Ordinance in the schedule to Ordinance No. 1 of 1883 dealing with distraints for rent. It is proposed to raise the housekeepers' fee from 25 cents to 50 cents per day. The fact of the matter is that where distress has been put in it has been impossible to find a respectable Chinaman to take charge for the sum named. I move the second reading of the Bill.

The COLONIAL SECRETARY seconded.

Bill read a second time.

The Bill then passed Committee, was read a third time and passed.

THE COLONIAL SECRETARY ON THE POSITION OF THE
COLONY.

The COLONIAL SECRETARY—Sir, the orders of the day having been disposed of, I beg leave to move the adjournment of the Council, and I take the opportunity to make a brief statement which will not detain the Council more than a few minutes. In speaking to the Supply Bill in Committee I observed that while it was my desire to treat the unofficial members of the Council with all possible courtesy, still certain allegations having been made in the Finance Committee and in the Committee of the Council which were not justified by facts and which were eminently calculated to prejudice the credit of the colony at a singularly inopportune juncture, it was my imperative public duty to state the real facts and so repair as far as I could the injury which the credit of the colony had received through the action and statements of the unofficial members. Had I not done so to the best of my humble ability I should have consulted my own ease and my desire to avoid hurting the susceptibilities of the unofficial members, but I should have failed in my duty. Since then the matter has been very fully discussed in the local press, and it must be a gratification to this Council and to all who take an intelligent interest in the welfare of the colony to find that the position which I endeavoured to establish remains not only secure but practically unassailed. Leaving on one side a good deal of personal abuse of myself which has no bearing on the question, not even an attempt has been seriously made to traverse my arguments or to challenge the accuracy of my figures. I had shown that the general indications pointed to the condition of the community, taken as a whole, being sound and progressive, and in particular I had shown that the revenue instead of dwindling had steadily increased, that up to date it had more than sufficed to meet the ordinary expenditure of the colony, and that for 1893 the very cautious and moderate estimate of revenue showed a surplus over the unusually large estimate of ordinary expenditure for that year. That was the statement which it was my duty to make, and that statement the Council will be glad to find remains absolutely unshaken. It has in fact received some corroboration from the mention of the fact that as regards the only branch of our trade which we have any direct means of measuring—that portion, namely, of our trade with China which comes under the notice of the Commissioner of the Imperial Chinese Maritime Customs—that officer's returns show that there has been a decided increase; and from the mention of the fact that it is a matter of common notoriety that if our proposed loan were offered locally the whole of it would be readily taken up on the spot. The hon. member who represents the Chamber of Commerce may perhaps recollect that I also observed that I was almost tempted to ask—

Hon. HO KAI—Sir, I rise to order. I do not know whether the hon. the Colonial Secretary is in order. Is he speaking to anything on any order of the day?

HIS EXCELLENCY—No, the orders of the day have been disposed of, but he is quite in order in speaking to the motion for the adjournment of the Council on any matter which does not touch the orders of the day.

The COLONIAL SECRETARY (resuming) —I was saying, Sir, that the hon. member who represents the Chamber of Commerce may perhaps recollect that I also observed that I was almost tempted to ask whether the unofficial members were really in earnest; and my impression that the reasons for their action were different from those ostensibly advanced has been strengthened by a consideration of the persistency with which, in connection with this question of the reduction of salaries, he has dwelt upon what he is pleased to term the unfortunate mistake committed by your Excellency in not acceding to his request for the appointment of a retrenchment committee. He dwelt on it in supporting the motion for reduction in the Finance Committee, he recurred to it in speaking to the same motion in Committee in Council. I can only infer that there is some connection, not very apparent at first sight, between the two motions—I mean his motion for the appointment of a retrenchment committee and the motion for the reduction of salaries—and that he intends to convey that if the former had been granted the latter would not have been made. That is difficult to understand. The contention of the unofficial members of Council was that the financial condition of the Colony was such as to require the immediate reduction of certain salaries. Now, either this was the case or it was not the case. If it was the case it was the hon. member's duty to move or support a motion for the reduction, amongst other measures, and the fact of your Excellency's having acceded to his previous motion, if you had done so, could in nowise absolve him from that duty. On the other hand, if it was not the case, I fail to see how he could be justified in injuring the credit of the colony merely because your Excellency had declined to accept his previous motion. No amount of investigation by a retrenchment committee could alter the actual facts of the financial position. Those facts it was perfectly easy for him to ascertain for himself without the aid of any retrenchment committee. I am very reluctant to credit that either without having taken the trouble to ascertain them, or in spite of having ascertained them, if he did so, he was satisfied to injure the credit of the colony out of pique at your Excellency's having refused his previous application. It will give me very great pleasure if he can suggest an alternative explanation, for at present I am unable to place any

other intelligible construction upon his observations. The maxim "Grievances before supply," affords no explanation, for naturally I should not complain of any statement of grievances. What I do complain of is the misstatement of the financial position of the colony. I therefore offer him this opportunity for explanation and disclaimer, and I hope he will avail himself of it. If at the same time he will go a little further and—now that it has been shown that the financial position of the colony did not require the reduction of salaries—will admit that he regrets that the motion was made, it would be a graceful act on his part and not unbecoming. I would even venture to say, Sir, that it would be only becoming and proper. My hon. friend—

Hon. C. P. CHATER—The business of the Council being finished, I will ask your Excellency to permit me to retire.

Hon. T. H. WHITEHEAD—I desire your Excellency's permission to do the same.

Hon. C. P. Chater and Hon. T. H. Whitehead then left the Chamber.

The COLONIAL SECRETARY (continuing) —My hon. friend the senior unofficial member in his reply to my speech in Committee made some endeavour to show that the revenue had fallen away. For the purpose of his comparison he went no further back than 1891, and as the revenue for the current year has of course not yet been ascertained he compared the ascertained result of 1891 with the estimate for 1892. If he will have a very little patience he will see the fulfilment of my statement that the revenue for 1892 will exceed that for 1891, as that for 1891 exceeded that for 1890, and as 1890 exceeded 1889, which in its turn produced a revenue largely in excess of that of any previous year. In contradiction or dispute of all the figures which I quoted he said not one single word. He also observed that besides demanding the immediate reduction of the additions granted to salaries under the general scheme of increase in 1891 the unofficial members had moved for the reduction of other items also, and that the total of the reductions desired by them amounted to a considerable sum. But what are those other reductions which they have moved? First, the abolition of the vote for cadets' salaries. This was obviously moved by way of protest against the Secretary of State, who had, as was stated in support of the motion, appointed a gentleman

who was not a cadet to the post of Gaol Superintendent. They must have known that the payment of the cadets' salaries was quite unavoidable, and they could not possibly have imagined that it was feasible to abolish the vote. In fact the hon. senior unofficial member himself stated that if your Excellency would give a certain undertaking they would agree to the vote, thereby clearly showing that their objection was not to the vote in itself. Second, the abolition of the vote for the Audit Department. This again must be regarded rather as an expression of dissatisfaction than as a substantive proposal, for they suggested no alternative, and it is hardly conceivable that they could be content to see no provision made for auditing the accounts of the colony. Third, the abolition of the second magistracy. The motion was withdrawn. Fourth, the reduction of the vote for the Volunteers by one half was proposed by one member : the motion was not even seconded. These, Sir, were all the other reductions asked for in the Committee of Council. In the Finance Committee the hon. member who represents the Chamber of Commerce moved the abolition of the office of the Assistant Harbour Master. His motion was not seconded. He also moved the abolition of the Registrar-General's Department *in toto* and the reduction of the salaries of the department by one half only, a somewhat hastily-conceived proposition which naturally found no seconder. These were the only motions for reductions made in Finance Committee in addition to those which were made in the Committee of Council. Thus it will be seen that the only possible reduction moved and maintained by the unofficial members was the reduction of the 1891 increases of salaries. As to that they were unanimous, so much so indeed that one member who was absent wrote to say that he would vote for it without having heard or waiting to hear a single word that might be said against it. But as I have already had occasion to state, that reduction would only produce a net saving of some £5,000 a year. Under these circumstances, Sir, I cannot but think that it is a matter for regret that the motion for the immediate reduction of certain salaries was made. With these observations I beg to move the adjournment of the Council

HIS EXCELLENCY—The Council will now adjourn until the 28th.