

8TH MARCH, 1893.

PRESENT : —

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

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

Hon. W. M. GOODMAN, 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. E. R. BELLIOS.

Hon. J. J. BELL-IRVING.

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

MINUTES.

The minutes of the last meeting were read and confirmed.

ABSENCE OF HON. T. H. WHITEHEAD.

His EXCELLENCY—I may mention that at a personal interview the other day I granted Mr. Whitehead ten days' leave of absence in order that he may visit the Tonkin mines.

PAPERS.

The COLONIAL SECRETARY—I have the honour to lay on the table the reports for the year 1892 of the Sanitary Surveyor, the Superintendent of the Fire Brigade, and the Head Master of Victoria College.

NOTICE OF MOTION.

The REGISTRAR-GENERAL—I beg to give notice that at the next meeting of the Council I will move the following resolution:—

"Whereas by Section 20 of Ordinance 11 of 1890 it is enacted that Part II. of 'The Women and Girls' Protection Ordinance, 1890' should only continue in operation for a period of two years from the coming into operation of that Ordinance or such further period or periods as might from time to time be determined by resolution of the Legislative Council; and whereas the said Ordinance came into operation on the 6th day of April, 1891, by virtue of a Proclamation duly issued under Section 34 of said Ordinance by the Officer then administering the Government, which Proclamation was published in the *Gazette* of the 4th April, 1891; and whereas it is desirable to further extend the period during which the said Part II. of the said Ordinance shall be in operation: It is this day resolved by the Legislative Council of Hongkong that Part II. of 'The Women and Girls' Protection Ordinance, 1890' shall continue in operation until further notice."

THE TREASURY FRAUDS.

Hon. C. P. CHATER—In accordance with notice duly given I beg to ask the following questions : —(1) What is the total amount, so far as

has been ascertained to date, of the loss occasioned to the Treasury through the defalcations of A. F. Alves, late clerk and accountant therein? (2) Over what period of time these defalcations extended so far as is at present known? (3) Was the defaulter guaranteed in any way and, if so, how; by whom, and to what amount? (4) When were the defalcations first discovered and when were steps taken for the arrest of the defaulter; is it a fact as stated in the newspapers that Alves was allowed time during which he was able to make away with the books and accounts incriminating him and to escape from the colony?

The COLONIAL SECRETARY—Sir, I answered these questions, and the next one, on the list at the last meeting of the Council, as your Excellency was anxious to afford the Council, and especially the hon. members who had given notice of the questions, the earliest possible information. As that meeting was a special meeting held with closed doors to consider the jury list it was arranged that these questions should be asked again in the ordinary course at the present meeting, and again answered by me so that the usual publicity might be given to the questions and answers. The answers to the questions are as follows:—(1) \$59,000. (2) From 1888 to 1892 inclusive. (3) No. (4) The local auditor discovered two discrepancies in the accounts in the forenoon and afternoon of Saturday, January 28th. On the following Monday circumstances transpired which threw grave suspicion on Alves. There was reason to believe on the afternoon of the next day, Tuesday, that he had absconded and steps were then taken immediately, by telegraph and otherwise, to procure his arrest. No steps were taken before then in that behalf. The question whether he was allowed time is ambiguous as different meanings may be attached to the word "allowed." The course of events was as stated and it may be gathered from the statement that he had time and that he availed himself of it to abscond. Certain books are missing from the Treasury and it is presumed that he has made away with them.

Hon. C. P. CHATER—With your Excellency's permission I will ask on behalf of the hon. member who is absent (Hon. T. H. Whitehead) the following question of which he gave notice: —Will the Government appoint a Commission, composed in the main of persons unconnected with the Government service, to investigate and report publicly on the management of the Treasury department and on the circumstances connected with A. F. Alves' defalcations?

The COLONIAL SECRETARY—Sir, a Commission has been appointed in connection with the Treasury defalcations. The scope of the Commission is to ascertain and report (a) the amount of the defalcations, (b) by what

person or persons they have been committed, (c) what other person or persons, if any, may by neglect of duty or otherwise have directly or indirectly contributed thereto, and (d) the causes that rendered the defalcations possible and those that prevented their earlier detection; also to advise what steps should in the opinion of the Commission be taken in order as far as possible to prevent the recurrence of defalcations and to ensure their prompt detection if committed. I may mention, sir, that the Commission comprises a majority of nonofficials.

WHARVES AND PIERS ORDINANCE.

The ATTORNEY-GENERAL—I have the honour to move the first reading of a Bill entitled an Ordinance to provide means for ascertaining the amounts to be paid by way of compensation in respect of the wharves and piers along the line of the Praya Reclamation, to fix the periods for the payment thereof, and for other purposes in connection therewith. It is not usual to make any statement on the first reading of a Bill, and I have only to say a very few words in connection with this Bill, in order to explain to the Council why I am now reading a Bill for a first time bearing a similar title to one which was read a second time at the last meeting of the Council. It will be in the recollection of hon. members that there was some dissatisfaction with the Bill in the condition it was in at the second reading. It was rather suggested that Mr. Danby, a well-known civil engineer in this town, should be associated with the Director of Public Works in the task of assessing the values, and I myself suggested that I thought that at the next meeting I should be able to produce that alteration and bring forward a Bill which might be acceptable to all hon. members. When I came to make the alterations, however, I found that they were so many that I thought the best way, and the way which would give most notice to everybody, would be to introduce the Bill for the first time in a new form. I do not intend, with your Excellency's permission, to entirely drop the other Bill, but I hope that you will sanction letting the second reading stand over for the present, and if hon. members think that this is the best it will be unnecessary to proceed with it. As in this Bill two gentlemen are appointed, and also an umpire, to decide the amounts to be apportioned, it will not be necessary to have any elaborate provisions as to appeals, because if we have two valuers in whom the wharf and pier owners and occupiers have confidence, and if we have also an umpire whose name does not appear in the Bill but who will be named before

the Bill is finished, it seems to me that we shall do away with a great deal of litigation, and as in any case the cost of litigation would have to come out of the \$180,000 we shall have a larger portion of that sum available for the compensation which the private wharf owners and pier owners along the line of reclamation are entitled to.

Hon. E. R. BELLIOS—I do not know whether I am in order, perhaps I am, but on the principle that every labourer is worthy of his hire I wish to propose that Mr. Cooper's name be included in the category of those gentlemen who come in for remuneration under this Ordinance.

HIS EXCELLENCY—That is a matter which can properly be dealt with when the Bill is in Committee.

The COLONIAL SECRETARY seconded the Attorney-General's motion.

Bill read a first time.

THE VOLUNTEER BILL.

The ATTORNEY-GENERAL—I have the honour to move the third reading of the Bill entitled an Ordinance to provide for the establishment of a Volunteer Force and to empower the Governor to raise a special force of Coast Defence Volunteers in the event of anticipated war. The only doubt I had in my mind was whether I should ask your Excellency to allow me to recommit the Bill in order to take out the proviso in Section 8 that this section (providing for an annual inspection of the corps) shall not apply to the Coast Defence Volunteers. But when I come to look at the last part of the Bill, part 6, I find that it specially provides therein that the provisions of the other Sections of Parts 1 to 5 of this Ordinance shall apply only so far as they are not inconsistent with the provisions which specially apply to the Coast Defence Volunteers. As the Coast Defence Volunteers are only to be engaged for six months unless war is declared it will be unnecessary to provide that there shall be an annual inspection of them. Section 8 will therefore read as it now does and it will not be necessary to re-commit the Bill. If it is desirable at any time that an inspection of the Coast Defence Volunteers should be held there is nothing in the statute to prevent its being held. It is only provided that the *annual* inspection shall not apply to the Coast Defence Volunteers.

The COLONIAL SECRETARY seconded.

Bill read a third time and passed.

ADJOURNMENT.

HIS EXCELLENCY—We have no further business, gentlemen. I propose to adjourn the Council until this day fortnight, March 22nd.