

17TH JULY, 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. A. M. THOMSON, Acting 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. J. J. KESWICK.

Hon. T. H. WHITEHEAD.

Hon. E. R. BELLIOS.

Mr. A. Seth, Clerk of Councils.

MINUTES.

The minutes of the last meeting were read and confirmed.

PAPERS.

The COLONIAL SECRETARY—I have the honour, sir, to lay on the table the report of the Assessor on the assessment for 1893-94, also the blue book for 1892. I must apologise to the Council for the lateness of the date of presenting the blue book. The delay has been chiefly caused by certain consequences of the discovery of the defalcations in the Treasury.

GRIEVANCES OF GAP ROCK LIGHTHOUSE KEEPERS.

Hon. T. H. WHITEHEAD gave notice of the following question:—Has the attention of the Government been directed to a letter in the *China Mail* on Saturday, 15th instant, on the subject of the lighthouse keepers at Gap Rock? Have the lighthouse keepers complained to the Harbour Master or to the Government direct in respect of their pay and position? Is there any connection between these complaints and the unsatisfactory condition of the working of the Gap Rock signalling arrangements? If any such complaints exist, will the Government direct the Commission appointed by His Excellency the Governor on 19th June last to investigate and report on the working of the Gap Rock Lighthouse, the telegraphic communication therewith, &c. &c., also to investigate and report on these complaints?

THE LOAN AND EXCHANGE.

Hon. T. H. WHITEHEAD gave notice of the following question:—What is the net amount in sterling which has been received by the Crown Agents in London in respect of the recent Hongkong Gold Loan? Has any portion been remitted to Hongkong, or drawn for by the Colonial Government, and if so at what rates of exchange? How is the balance in the hands of

the Crown Agents invested? If invested, what rate of interest is it earning? And what instructions have the Colonial Government sent to the Crown Agents since the closing of the Indian Mints to the free coinage of silver as to the disposal of the balance of the loan?

FINANCE.

The COLONIAL SECRETARY—I beg leave to bring up the report of the Finance Committee No. 4 and lay it on the table. The Committee unanimously agreed to the expenditure of \$6,000, recommended by your Excellency, being the unexpended portion of the Government contribution to the reclamation in front of Marine Lots Nos. 95, 98, 105.

THE GOVERNOR'S PEAK RESIDENCE.

Hon. E. R. BELLIOS—I have much pleasure; your Excellency, in proposing the following resolution:—"That the Secretary of State be requested by telegraph to come to an early decision on the question of an expenditure of \$60,000 for the erection of a residence at the Peak for His Excellency the Governor." With your permission, sir, I wish to make a few remarks on the motion, though as the Council has already on a former occasion affirmed the necessity for a suitable residence for the Governor at the Peak by voting the sum of \$40,000 for the purpose it is unnecessary for me now to go into the question at much length. Nevertheless, as there seems to be some division of opinion as to the desirability of sanctioning the proposed outlay at the present moment, I think it proper to give my reasons for the course I have adopted. Hongkong is not singular in providing hill quarters for its Governor: India maintains handsome mountain residences for the Governor, the Netherlands Indies also provide a sanitarium on the Java mountains for the Governors of that great Colony; and in several other Colonies summer seats are maintained for the use of the Governor. In Hongkong it is a matter of both prudence and policy to do so, not only in the interests of the Governor's health, but also because he is therefore less likely to take frequent leaves of absence to spend in England or Japan. Only those, however, who have lived at the Peak for an entire summer can fully appreciate the importance of a Peak residence for the Governor, for they alone can tell the difference it makes in rendering the tropical heats endurable and even pleasant by ensuring cool and refreshing slumber every night. Having conceded this, the next point is whether it is desirable that the Governor should continue to occupy a rented house which is inadequate for his wants unsuited for purposes of entertaining, and which is generally speaking inferior to

several private residences. I maintain that the Queen's representative should be suitably housed in a manner consonant with his dignity and in a space sufficiently large to admit of his holding social functions on a proper scale. The question of renting or buying one of the existing houses at the Peak for a Governor's residence was, I know, gone into very carefully by Sir William Des Voeux, and after examining all those on offer and considering the possible sites, he decided that a new house ought to be built on the site of Mountain Lodge. That site is the most elevated, commands the finest views, enjoys the most bracing air, and owing to its altitude cannot be overlooked. The grounds are so extensive that with a little extra cutting down here and filling in there a plateau can be formed as large as, if not larger than, that on which Government House stands, and which would not only furnish space for a handsome and commodious residence but would leave room for several tennis courts, besides ground for gardens. The proposed house would be roomy and adapted for the entertainment of any distinguished guests who may be passing through this Colony. Having ascertained at the last meeting of this Council that the plans of the building were open to inspection I have since carefully examined them, and find that the house is very properly designed to meet all requirements of a gubernatorial summer residence. It will contain the usual reception rooms and eight bed rooms. The structure is to be of red brick, the woodwork of teak, and iron beams will be used to ensure strength and durability. Servants' quarters on a sufficient scale are also provided. In short it will be thoroughly suited for the purpose. Then comes the question of ways and means. As you know there is a difference of \$20,000 between the sum originally voted for the purpose and the estimate of the cost of the proposed building. Now I admit that that is a considerable sum in itself, but subtracted from the large revenue of this Colony it is a mere trifle, and it would be paltry to take exception to it. There is a point where economy ceases to be a virtue by degenerating into parsimony. I am afraid that by haggling over the matter we will make this a case of the kind. The rent of the House at present occupied by the Governor is \$2,400 per annum; but $3\frac{1}{2}$ per cent interest on \$60,000 would only yield \$2,100 a year. It is true that money can be employed in this city for business purposes at 7 and 8 per cent per annum, but to this Government it is only worth $3\frac{1}{2}$ because they borrowed at that in the past and can borrow at the same figure in future. Moreover, if this Colony had lakhs of dollars at its disposal, it could not employ them at any advantage, as the local Banks are in the habit of doing. The Government must rest content with the 2 per cent credited to their current account by their bankers. For these reasons and on these grounds, balancing rent against interest—unless

we could tell the Governor that we are in straitened circumstances. we cannot afford it, the colony therefore will not pay rent for the, house you are now occupying in the hill-district, —I do not see how any money can be saved or any economy effected by denying the Governor a new house at the Peak. I need not go into the question of upkeep as I believe the Government undertake all repairs needed at "Craigieburn." As you are aware the erection of a new Mountain Lodge was deferred on account of the vote of \$40,000 being found insufficient for the purpose. Now this in my opinion, very necessary work can be carried out. I find, without recourse being had to a special loan. At the opening of this session there was laid on the table the budget estimate for the current year showing surplus revenue over expenditure of a handsome sum of money. I understand that notwithstanding the fall in exchange this expectation will be partially if not wholly realized. In that case we can fully afford to contribute from the revenue of this Colony a sum of \$60,000 for the erection of a new Government House at the Peak. That this house will have to be built sooner or later, there is not the least doubt. I contend that the present is a good time. The present is the proper time inasmuch as the building trade is dull and the work could be done more cheaply, more efficiently, and more thoroughly than in a time of boom. Moverover, the materials of Mountain Lodge could be utilized to some extent, whereas if left exposed to damp and rot much longer they will become worthless. As the building would take, I understand, some eighteen months to construct I think no further time should be lost, and under all the circumstances I hope my colleagues will consider it right and deem it prudent, as it would be graceful, to vote unanimously for the resolution.

The COLONIAL SECRETARY—Sir, the hon. member has asked me to second his motion and I have much pleasure in doing so in order to give an opportunity for it to be discussed. It would be out of order if the hon. member had not obtained your Excellency's previous permission to move it, but the necessary permission having been given with a view to eliciting the opinions of the unofficial members on the subject, the motion is now properly before the Council. It is not a Government question and your Excellency does not wish to be understood to take any personal interest in it. A residence at the Peak for the Governor during the hot months is an absolute necessity. The house which is at present hired for the purpose is in many ways most unsuitable, and for the purposes of entertaining and accommodating distinguished visitors to the Colony it is quite impossible. The question is whether it is proper that the Colony should provide a more suitable residence for the Governor at a cost of \$60,000. On that question I understand

your Excellency desires to offer no opinion, but perhaps it may be permitted to me to observe that the house at present occupied is not one which colonies of smaller pretensions than Hongkong would be content to provide as a residence for the Queen's representative. I would suggest to the hon. mover that, with the leave of the Council, he alter the form of his motion so as to run as follows:—"That an expenditure of \$60,000 for the erection of a residence at the Peak for His Excellency the Governor is desirable when funds to meet it are conveniently available." My reason is this. The estimated revenue for the current year shows a surplus of only some \$7,000 over the estimated expenditure exclusive of the items which are chargeable against the loan. We have already agreed to a supplementary expenditure of some \$38,000 for public works extraordinary which will be chargeable against current revenue, and of a sum of £500 sterling in connection with the Imperial Institute: or say \$42,000 in all. The hope which I expressed in moving the Supply Bill that my estimate of revenue would be exceeded bids fair, I am glad to say, to be realised. But in view of the supplementary expenditure to which I have just referred and of the serious fall in the value of the dollar I am not prepared to say that we have a certain prospect of a surplus sufficient to justify the Secretary of State in immediately sanctioning on a telegraphic application the contemplated expenditure of \$60,000. If the hon. member will adopt my suggestion—

Hon. E. R. BELLIOS signified his assent.

The COLONIAL SECRETARY—The object which he has in view will practically be attained, for if the unofficial members, or the majority of them, agree to the motion as so altered I have very little doubt that the Secretary of State will allow the proposed expenditure to be incurred whenever there may be funds available to meet it.

Hon. C. P. CHATER—Sir, before commenting on the hon. gentleman's motion, I may say that I was in hopes that he would reconsider his determination, and refrain from bringing it forward. When he first introduced the subject, I was obliged to point out to your Excellency that the hon. member was quite out of order in bringing forward a resolution without having given due notice of it, and I contend even now that he is infringing the rules of debate or the standing orders in bringing forward this motion, as I understand that unofficial members are not in a position to propose expenditure. As, however, the Government has accepted the hon. member's motion as in order, I presume that he has conformed to the letter of the law, and I therefore will not insist on that point. Now, sir, with regard to the motion itself, namely, that a telegram be forwarded to the Secretary of State asking him—or rather, as it is worded in the resolution "requesting"

him—to commit this colony to the expenditure of no less a sum than \$60,000 on the building of a house at the Peak, which is to be occupied as a residence for only three or four months in the year, I am, sir, wholly opposed to such a course being pursued. The hon. gentleman has made a very lengthy speech. He has gone into figures, and has tried to prove that it is more economical, and that it is more advantageous for the Government to build a Peak residence for the Governor than to rent or purchase a house. I should have thought that the hon. member, of all people, would have been fully aware of the disadvantages of building at the Peak—of the enormous depreciation which notoriously takes place in the value of properties in the higher altitudes almost immediately after completion. I do not think there is any building at the Peak to-day which is worth anything like its original cost. I would go further, and say that I believe there are not many houses which would fetch half of their original cost. Moreover, the constant and serious repairs which are always necessary to building in those regions almost entirely absorb the rentals received. Such, sir, I am sorry to say, is my own experience, and I cannot think that his could have been the reverse. But I am the more surprised that it is the hon. gentleman who proposes this expenditure, when I remember that he has always been the foremost in preaching economy, and was indeed, if I mistake not, the first to advocate that all official salaries should be cut down. The hon. gentleman has now adopted quite a different attitude. Before the Retrenchment Commission—for whose appointment he was as much responsible as any of us—has had time even to meet, the hon. gentleman proposes that a sum of \$60,000 should be expended on a Governor's residence at the Peak. The cause for this sudden change I cannot understand, in fact to me it is a perfect puzzle. As I said before, I would much rather the hon. gentleman had not brought forward this proposition, but having done so, I feel it my duty not to record merely a silent vote against the motion, but to express my strong views against this very heavy expenditure and the method by which he proposes to bring it about. I have also listened with great attention to the hon. Colonial Secretary, and from his remarks I learn—or at least I inferred—that if the vote is passed in its altered form it is not the intention of the Government to spend any large sum of money immediately, but when it is available, and then only. But, sir, that is not the point. The objection that I have is to committing the colony to this expenditure. Once that vote is approved of by the Secretary of State, and passed by this Council, the colony is committed to that expenditure, and; as far as I am concerned, after once the colony is committed, the sooner the expenditure is incurred the better. But I say that this is not a time for going in for the expenditure of so large a

sum of money in a building at the Peak. I think the time has not yet arrived. I think we have still rocks ahead. It was only this morning that in looking over the *Daily Press* I observed that the stamp revenue is considerably less than for the same half of the previous year. I also see that this tremendous fall in exchange is going directly or indirectly to hurt us in some way or another. The hon. Colonial Secretary has told us that, in spite of this fall, his budget will turn out fairly correct. I hope so sincerely, but there are other rocks ahead of us besides those I have mentioned. I do not know at the present moment whether the loan money has been brought out to Hongkong. If it has been brought out, then there is a direct loss of 8 or 10 per cent. That, however, is a matter to be seen to hereafter. Then there is another loss. This same exchange question has caused a material fall in the rupee rate between India and Hongkong, which means a rise in the value of opium, and a rise in the value of opium means a loss to the Opium Farmer, and a loss to the Opium Farmer means that when his contract is over he will ask for a considerable reduction. These, sir, as I have said, are rocks ahead, and while we have them in view, in my opinion, it is indiscreet to pledge ourselves to go into new expenses.

HIS EXCELLENCY—Having the honour to occupy the position I do I think that I ought to be permitted to say a few words on this subject and I can do so speaking from a perfectly independent standpoint, because even if the colony does desire to build a new residence at Mountain Lodge, and it were commenced say next Christmas, it is not likely, as Mr. Belilios estimated, that the building would be completed very much before the termination of my tenure of office, a period to which, notwithstanding the immense distance of Hongkong from England and the terrible climate in spring and summer with which according to some people we are "afflicted," I may say I am not looking forward with unmixed satisfaction. I quite agree, however, with the hon. member who moved this resolution that a residence at the Peak is as necessary now as it was 20 years ago and I can certainly from two years' experience fully confirm what Mr. Belilios has said to the effect that Craighieburn is utterly inadequate not only for entertainment but for ordinary household and domestic accommodation. For the staff of servants, boys and coolies, of which at Craighieburn there are 40, it is quite inadequate. Even on ordinary occasions the space is far too limited for entertaining and it is certainly quite impossible to put up Archdukes, foreign Admirals, and the numerous distinguished visitors who are constantly arriving in this colony with letters of introduction from the Secretary of State and other persons at home. I quite agree also with Mr. Belilios that as in India, Ceylon, Mauritius,

and other Colonies, so in Hongkong I believe that in the future a great many residents will leave the lower levels during the summer and resort to the higher altitudes. When that takes place I hope that the value of property, to which Mr. Chater has referred rather lugubriously, will revive. I have not gone into the question as thoroughly as Mr. Belilios has done in regard to the economy which would be effected by building a house immediately—say within two years—but as it appears that the unofficial members are against any immediate expenditure as a Retrenchment Committee is about to meet, and as certainly a question of this sort ought not to be made a Government question, I would strongly advise the hon. member not to press his motion to a division, because if pressed to a division it might put my successor in a difficult position. When, at any time, he came to the Council and said that he required a house at the Peak the Council might say, "The question was settled two years ago in Sir William Robinson's time, and therefore we refuse to reopen it."

Hon. T. H. WHITEHEAD—Your Excellency, may I be permitted to add one or two words. I think there is not the least doubt whatever that all of the unofficial members would vote for a reasonable sum of money being expended on a suitable residence for your Excellency, or your successor, at the Peak. But the present, I think, is an inopportune time to incur an expenditure of \$60,000 for a residence, especially at Mountain Lodge. Mountain Lodge is very much exposed, the most exposed situation at the Peak, an outlandish, very much out-of-the-way place, nearly always in the mist, and several of your predecessors have condemned the site repeatedly. I myself have had the very greatest difficulty on a stormy night in reaching Mountain Lodge. In the time of H.E. Sir William Des Voeux on three or four different occasions within two or three weeks, out of dinner parties—consisting of from 18 to 24—no one turned up, and once or twice only one or two guests of that number were able to appear. The road to Mountain Lodge on a dark night is a very dangerous one and in stormy weather particularly so. The closing of the Indian mints to the free coinage of silver will hit this colony very hard in various directions, more particularly in regard to opium and the hitherto vast Indian yarn trade. It may adversely affect our revenue at no very distant date. I agree with most of the remarks of the hon. senior unofficial member. It occurs to me that there is very little doubt in regard to the desirability of having a Government House at the Peak, but I am convinced that Mountain Lodge is not the most suitable site. It should be central and convenient, while it is the very reverse. The senior unofficial member says that it is a puzzle to him that Mr. Belilios should bring forward this motion. It is no

puzzle to me sir. It would be a very excellent thing for the hon. member if a new Government House was erected at Mountain Lodge. It would be a very good thing indeed for the hon. member and would enormously appreciate the value of his adjoining property. (Laughter). If a motion come before this Council for a reasonable expenditure for a suitable residence at the Peak for the Governor of this colony I am perfectly certain that if the site and situation were central the unofficial members would vote for it. I certainly would.

HIS EXCELLENCY—Do you wish to reply, Mr. Belilios?

Hon. E. R. BELILIOS—I wish to make a few remarks, sir, in regard to what my hon. friend mentioned to the effect that Sir William Des Voeux was against the Mountain Lodge site. I think the hon. member on my right (the Director of Public Works) will confirm what I stated, that it was Sir William Des Voeux who after examining all the sites available decided that the Mountain Lodge site was the most suitable for a residence at the Peak.

HIS EXCELLENCY—I quite agree with you, Mr. Belilios. Do you wish the motion to proceed?

Hon. E. R. BELILIOS—I would rather proceed with the motion, Sir, and I adopt the altered form in which the hon. Colonial Secretary has put it.

THE COLONIAL SECRETARY—The motion now is. "That an expenditure of \$60,000 for the erection of a residence at the Peak for the Governor is desirable when funds to meet it are conveniently available." Any one therefore who votes against the motion expresses the opinion that it is not desirable to construct a residence at the Peak even when funds are "conveniently available" for it. There is no question of any expenditure at present and no expenditure would be incurred unless it came before the Council in the usual way.

Hon. T. H. WHITEHEAD—Might I ask whether the Government are satisfied that a suitable building cannot be erected for less than \$60,000?

HIS EXCELLENCY—The Director of Public Works can perhaps answer that question.

THE DIRECTOR OF PUBLIC WORKS—I think that \$60,000 is not by any means an unreasonable sum to expend on the building of a suitable residence for the Governor at the Peak. The plans have been laid before the Public Works Committee and there will be no expenditure incurred beyond what is absolutely necessary.

Hon. T. H. WHITEHEAD—I understand that this \$60,000 will be required for the erection of a house on the site of Mountain Lodge?

HIS EXCELLENCY—Yes.

Hon. T. H. WHITEHEAD—But would it not be possible to obtain a suitable and central site on more reasonable terms?

HIS EXCELLENCY—There is no other site anywhere. I wish to say before this question

is put to the vote that it is not a Government proposal, and the official members can vote as they please either against or for it.

The Council then voted as follows: —

FOR.	AGAINST.
Hon. E. R. Belilios	Hon. C. P. Chater
Hon. Ho Kai	Hon. T. H. Whitehead
The Harbour Master	
The Director of Public Works	
The Colonial Treasurer	
The Acting Registrar-General	
The Attorney-General	

Did not vote: —The Colonial Secretary and the Hon. J. J. Keswick.

THE ATTORNEY-GENERAL—I understand that the motion is that it would be desirable to have a Peak residence when funds are available?

THE COLONIAL SECRETARY—"Conveniently available"—that means when they can be easily spared.

THE CLERK OF COUNCILS—The motion is carried by a majority of 5.

THE STATUTORY DECLARATIONS ORDINANCE, 1893.

THE ATTORNEY-GENERAL—I have the honour to move the second reading of a Bill entitled "The Statutory Declarations Ordinance, 1893." The reasons and objects of the Bill were stated on the occasion of the first reading, but I should like to point out shortly why this Bill should be passed. There are a great many statutory declarations required in this colony for different purposes, such as trade marks, patents, and especially applications which come in occasionally for birth certificates. They are, however, frequently made by persons unacquainted with the Chinese language and I think it is very desirable that there should be some proper form provided. The forms which have been sent in to me from time to time are very faulty indeed. Sometimes the name of the interpreter who interpreted is omitted altogether and it would be impossible in after years to discover whether it has been truly interpreted or not. In this Bill I have provided at the end a schedule of forms which can be readily referred to and will ensure an uniformity in the forms used. The Imperial Act of William IV. is generally assumed to be in force in this colony as it was assumed to be in force in the Straits Settlements. Some few years ago doubts arose in the Straits as to whether it really did operate and an Ordinance was passed that it should be considered in force, and to have been in force. When I was reading the Act in connection with that Ordinance it occurred to me that it was possible that there might be some doubt as to its enforcement in this Colony. I consulted some gentlemen, whose names I need not mention, and I found that there was considerable doubt raised as to whether the Imperial Act was in force. I thought it would be well to settle the question by introducing an Ordinance putting the Act in force. When we

come to the committee stage I shall have a few words to add to section 5 and provide for penalties. With these remarks I beg to move the second reading of the Bill.

The COLONIAL SECRETARY seconded.

Bill read a second time.

Council went into Committee on the Bill and the slight amendment to clause 5 referred to by the Attorney-General was made.

Council resumed:

MASONIC BENEVOLENCE FUND INCORPORATION
ORDINANCE.

The ATTORNEY-GENERAL asked that the Bill be re-committed in order that a slight amendment might be made.

This was done and the Bill read a third time and passed.

ADJOURNMENT.

His EXCELLENCY—I propose to adjourn the Council *sine die*, as I cannot definitely fix a date.