

22ND NOVEMBER, 1899.

PRESENT:—

Hon. H. E. POLLOCK (Acting Attorney-General).

Hon. R. MURRAY RUMSEY (Harbour Master).

Hon. F. H. MAY, C.M.G. (Captain Superintendent of Police).

Hon. A. M. THOMSON (Colonial Treasurer).

Hon. R. D. ORMSBY (Director of Public Works).

Hon. C. P. CHATER.

Hon. Dr. HO KAI.

Hon. T. H. WHITEHEAD.

Hon. E. R. BELLIOS, C.M.G.

Hon. WEI A YUK.

Hon. J. J. KESWICK.

Mr. R. F. JOHNSTON (Acting Clerk of Councils).

The CHAIRMAN—As honourable members are aware, the object of this meeting of the Finance Committee is to consider the items in the Estimates under the head "Public Works Extraordinary." At the last meeting but one of the Finance Committee at the request of the honourable unofficial members the consideration of these items was postponed.

MEMORANDUM FROM THE UNOFFICIAL MEMBERS.

The Hon C. P. CHATER—Mr. Chairman, before we proceed with these items in rotation I may mention that the unofficial members have given this matter their utmost care and attention and have come to the conclusion that a memorandum from them to the Council would be the right thing to do. This memorandum I have here now, and

having submitted it to you and obtained your permission I will now place it upon the table. I may also mention, Mr. Chairman, that it is signed by all the unofficial members with the exception of the honourable member who represents the Chamber of Commerce. He will no doubt in due course explain to you the reason why he has not signed it.

The memorandum in question reads as follows:

"Memorandum by the undersigned unofficial Members of the Legislative Council of Hongkong, regarding the Estimates for Public Works Extraordinary of 1900.

"1.—We have carefully studied the estimates for the coming year in the light of His Excellency the Governor's speech at the meeting of the Legislative Council held on the 11th October last, and it is with great satisfaction we observe that, notwithstanding the large expenditure which has already been incurred in connection with the taking over of the New Territory, there will still remain a balance of revenue over expenditure of no less than \$400,000 (including last year's balance) at the end of the current year.

"2.—When this is taken in conjunction with the fact that within the past five years the resumption of Taipingshan has been carried out at a cost of over \$850,000, defrayed entirely out of reserve, and of which but a fractional part has as yet been returned to the Treasury, the result is still more satisfactory.

"3.—Fortunately, the sales of land have been large, and have in a great measure enabled this surplus to be attained, and we desire to impress upon His Excellency the necessity for expending during the coming year this surplus upon current and important Public Works within the limits of the colony exclusive of the New Territory.

"4.—Whilst we are ready to concede that certain of the contemplated works in the New

Territory may be defrayed out of the general revenue, we are most decidedly of opinion that the principal works for developing it should be provided for by a Loan.

"The public works in this island have been long deferred for want of funds, and now that they are available for proceeding with the most important of these works we feel bound to deprecate, in the strongest manner, any proposal to divert such funds to any other purpose whatever.

"5.—In his speech His Excellency alluded to the works which had been approved by the Public Works Committee as among those to be undertaken next year and paid for out of the surplus. A reference to the list of these works shows that the three most important are connected with extensions of the Waterworks.

"6. The necessity for undertaking these works immediately has been demonstrated by the repeated introduction, year after year, of the intermittent supply, which occurs just at the period when an abundant supply is most urgently needed, namely, when plague begins to make its appearance. Though extensions have recently been carried out, experience has shown them to be insufficient, and a reference to the statements published monthly in the newspapers shows that the consumption is ever on the increase. From the latest return, this increase amounts to 8 per cent. over the corresponding period of last year, and no time should therefore be lost in carrying out further extensions.

"7.—The construction of roads is also a matter of great importance. The rapidity with which sites have been taken up along the roads recently constructed is the best proof not only of the necessity but of the sound policy from a financial standpoint of proceeding with the roads projected.

"In connection with this subject it may be worth considering whether the Government should not give the utmost encouragement to any scheme for connecting the centre of Victoria with the eastern or western suburbs by tramways in order the better to provide for the expansion of the city and the provision of house accommodation.

"8.—The importance of housing the Police Force suitably is one that should not be overlooked, and the provision of quarters for the married members of the force should be made as soon as practicable. Meantime we welcome the proposal to erect a Police Station for the Western District, which has long been greatly needed.

"9.—Another work of the most urgent importance for the well-being of the colony is the provision of adequate Latrine accommodation throughout the city, which we regard as one of the measures to be adopted for combating plague. We are of opinion that at least six latrines should be proceeded with at once, two of which should be for women. There can be no doubt that such provision will tend to make the houses of the poor more wholesome, and will thus have a salutary effect on the health of the community

generally.

"10.—Two minor works which we desire to see carried out without delay are the completion of the improvements of the Recreation Ground at Happy Valley, and the provision of a proper chair shelter at the Peak.

"11.—As regards the former, a considerable area of land has been sold in recent years in the immediate neighbourhood, on which houses have been built, and the improvements referred to will, it is hoped, tend to overcome the malaria for which this district has had a bad reputation in the past, besides rendering the ground available for purposes of recreation.

"12.—The chair shelter may be said to be a necessity from a humanitarian point of view. In the city, coolies can generally find refuge from sun or rain beneath the numerous verandahs and trees, and at Kowloon a shelter has been in existence for some years; but at the Peak, where the effects of the weather are much more severely felt than elsewhere, there is absolutely no protection whatever except what is provided by the present open matshed.

"13.—The desirability of at once proceeding with the construction of the new Law Courts has been alluded to in His Excellency's speech. Seeing that this work will take several years to complete, it cannot be too strongly urged that the work should be put in hand immediately.

"The projected new Post Office is even more urgently needed. We are of opinion that this work should on no account be delayed until the completion of the new Law Courts, but that its construction should be commenced at the same time if possible.

"14.—We are pleased to note that there is a likelihood of the Jubilee Road being proceeded with ere long—a work which we regard as of considerable importance in providing an outlet for the ever growing population.

"15.—With these large and important Public Works in prospect, irrespective of those required in the New Territory, we view with concern His Excellency's remarks regarding the staff of the Public Works Department. It is stated in His Excellency's speech that the Estimates provide \$96,000 more than was expended by the Department on Extraordinary Public Works in 1898, but these Estimates provide only a moiety of the sums which we consider should be expended to enable the works referred to being carried out with despatch, whilst some of them are totally unprovided for.

"16.—In view of this we are surprised to find that notwithstanding the great amount of additional work which must be entailed on this Department by the New Territory, the Public Works Estimates actually show a diminished

expenditure as compared with 1899. We are still further surprised to find that the contemplated reduction is in the Engineering Staff, which is surely rather in need of augmentation on His Excellency's own showing.

"17.—When we consider that in 1890 a sum of \$94,420 was voted for this Department as compared with \$91,402 in the Estimates under consideration, we are still further convinced of the inadequacy of the present staff.

"18.—That this Department, with which the vital interests of the colony as regards sanitation, water supply, and development generally are so inseparably bound up, should undergo reduction at such a time, we consider a serious matter, and we earnestly urge upon His Excellency to take immediate steps to put the Department on a footing commensurate with its extended duties.

"19.—We would suggest to His Excellency the desirability of appointing a Committee to investigate and report on the question of the staff of the Public Works Department, and we make this proposal because, as we have already stated, the policy hitherto has been to starve our Public works, and we recognize the importance of providing a staff sufficient to carry on the large works now impending."

The CHAIRMAN—Does the honourable member who has not signed the memorandum wish to make any explanation?

The Hon. T. H. WHITEHEAD—I prefer to leave my remarks until later on.

The CHAIRMAN—With regard to this memorandum, which the senior unofficial member allowed me to see before this meeting, I will lay it before His Excellency the Governor, who will no doubt deal with it at the meeting of the Council to be held to-morrow.

The Hon. C. P. CHATER—It was the intention of the honourable members that a copy of the memorandum should be forwarded to the Secretary of State for the Colonies.

The CHAIRMAN—I think there can be no doubt whatever that His Excellency will forward a copy to the Secretary of State for the Colonies. As I have said, I will lay it before His Excellency, who will no doubt deal with it to-morrow, when the estimates will be finally considered. I propose, if honourable members are agreeable, that we now proceed with the various items.

THE HON. T. H. WHITEHEAD PROPOSES AN AMENDMENT.

The Hon. T. H. WHITEHEAD—I beg to move that the vote in the 1900 Estimates for "Public Works Extraordinary" be referred back to the Departments concerned for reconsideration and to be remodelled, The Treasurer's

Financial Returns in their amended form which accompanied the draft Estimates are unintelligible and cannot be correct. The final settlement of the Appropriation Bill should be postponed until these accounts are cleared up. The assets available for Public Works Extraordinary in 1900 are much larger than the amount in the Estimates proposed to be expended. I respectfully submit that the money proposed to be voted is not properly applied, as there are many very urgent and most important works omitted but which demand immediate attention and should be specially provided for. The actual assets available at the end of 1900 is the estimated surplus on 31st proximo—say \$400,000, plus the estimated surplus revenue over the ordinary expenditure during next year—say \$436,000, or an aggregate of \$836,000. According to the Estimates there is only to be expended during 1900 the sum of \$331,100. on Public Works Extraordinary. I think the Government would have been fully justified in asking the Council to sanction the expenditure of say 5 or even \$600,000. The Public Works are, in order of their importance and urgency, latrines, shelter for chair-coolies at the Peak, the speedy extension of our means of obtaining, storing and distributing water, a Post Office, &c. More public latrines and the extension of water supply are absolutely necessary for the welfare of the community. Yet on latrines it is proposed to spend only \$5,000; only \$15,000 for increasing the water supply; nothing at all on the chair-coolie shelter at the Peak, and nothing on a New Post Office. The latrines should be put in hand and finished before the end of next year. I earnestly urge that a vote be taken for the full amount requisite to complete them during 1900. I regret to note the reduction in the staff of the Public Works Department. It should be increased and not reduced. In reply to a question in connection with jerry buildings put to the honourable Director of Public Works on the 4th of October last, the honourable member said:—"I have read the articles referred to and think there is foundation for the allegations. The powers possessed by my Department are defined in the Ordinances 15 of 1889 and 25 of 1891. An officer of the Department, assisted by an overseer, inspects building works in progress. The exceptional amount of such work in the colony at present makes an increase in the staff necessary if this work of supervision is to be thoroughly performed. The matter is engaging the attention of the Government." The staff of the Department should be increased. If the staff is not strong enough it would be true economy to obtain additional engineers equal to carrying out urgently needed and important public works, as was done with the Tytam Reservoir. If the staff is not sufficient to do what is necessary it is not too late to vote a considerable temporary or permanent increase. I suggest that a vote be asked for extraordinary staff. I do not propose at present to move, as I had intended at one time to do, the rejection of the votes for Public Works in the New Territory, as they ought to be gone on with. I think, however, that the large outlay

for Police Stations, roads, &c., necessary for the opening up of the New Territory for profitable use should be met by means of a Silver Loan. It would be inequitable and impolitic to charge the colony's revenue with the cost of developing the New Territory, acquired as much in Imperial as in Colonial interests—inequitable because the present generation will derive small benefit therefrom; impolitic inasmuch as the diversion of the colony's revenue will retard the construction of urgently needed public works already unduly delayed. It is my intention to submit to the Council a resolution on the subject of a Silver Loan at no very distant date.

The CAPTAIN SUPERINTENDENT OF POLICE—Will members have an opportunity of looking over this memorandum?

The CHAIRMAN—Certainly. It has been laid on the table and will be made public.

The Hon. Dr. Ho Kai—I think it is the rule that in committee a motion need not be seconded and that anyone can speak on the motion.

The CHAIRMAN—That is so.

THE HON. DR. HO KAIS VIEWS.

The Hon. Dr. Ho Kai—With your permission, then, I should like to make a few remarks. The honourable member who has just spoken has alluded to several important public works. I think you will find in full detail urged upon His Excellency in our memorandum. The honourable member for the Chamber of Commerce did not see fit to sign that memorandum, but all that he has urged you will find urged in the memorandum, the only difference being with regard to the relative importance of the different works. We regard all the works enumerated in the memorandum, and which he has also alluded to, as being urgent public works which should be undertaken at once. It is difficult to say which of them is more important than another. All we say is that everyone of them is of very great importance, and we urge upon the Government that they should spend the entire surplus they have in hand in the immediate execution of these public works. We also wish His Excellency to forward a copy of our recommendations to the Right Hon. the Secretary of State for the Colonies, so that the new Law Courts and the new Post Office should be at once taken in hand. I do not think there is any disagreement between the unofficial members with regard to the public works in question, which his refusal to sign would seem to indicate. I want to state this distinctly, because otherwise it may be thought that there was a split in the camp. Really we were unanimous on the subject, and I think the only reason for his refusing to sign was that he wished to put one public work as more important than another. With regard to the motion, I think it is useless. I believe that His Excellency the Governor is quite as

anxious as we are to forward public works, and as we have now a large surplus, which will fulfil the condition imposed by the Secretary of State for the Colonies—namely, that we must have a surplus of over \$100,000 before undertaking any extraordinary public works of any magnitude—every effort will be made to push them forward. We shall have a good balance next year and we have a balance already in hand of over \$400,000. and under these circumstances I think we are justified in desiring to have all the important public works gone on with at once. As I have already said, I think His Excellency the Governor is quite as anxious as ourselves that these public works should be taken in hand, and I think the memorandum just laid before the committee will receive every consideration from His Excellency and will receive his cordial support, so that I do not feel justified in supporting the amendment of the honourable member for the Chamber of Commerce.

The COLONIAL TREASURER—I should like to know how the honourable member for the Chamber of Commerce arrives at the balance of \$800,000.

The Hon. T. H. WHITEHEAD—According to the Governor's opening speech there will be a surplus at the end of this year of about \$400,000. The ordinary expenditure for next year is estimated at \$2,888,000 and the revenue at \$3,300,000. If you take the ordinary expenditure from the gross revenue you will find that there is a surplus of \$436,000 available for Public Works Extraordinary. \$400,000 and \$436,000 make up \$836,000 in the aggregate. If you refer to page six of the Estimates you will find the figures there. I submit that the Government would be justified in asking the Council to vote a much larger sum than \$330,000 for public works during the next year.

The CHAIRMAN—Do you think we should be justified in voting this \$436,000 surplus in addition to the sum of \$331,100? This in round figures would amount to about \$800,000.

The Hon. T. H. WHITEHEAD—I would not go so far as that, but I think the Government would be justified in asking \$600,000 instead of \$400,000.

The COLONIAL TREASURER observed that the revenue being larger than the expenditure the money would be still in hand and would be available for supplemental votes during the year.

The CHAIRMAN—Although no account is taken of it in the Estimates, the surplus, as the Colonial Treasurer has pointed out, will be available. His Excellency the Governor, in his opening remarks, informed the Council that it was his intention to expend that surplus on public works. That remark was made by His Excellency in his opening speech to the Council, as honourable members will remember.

The Hon. T. H. WHITEHEAD—I quite recollect His Excellency's statement and remarks, but all the same I think the Government would be justified in asking the Council to vote the increased amount which I have mentioned.

The CHAIRMAN remarked that it was impossible to bring forward an estimate showing an expenditure in excess of the revenue.

The Hon. T. H. WHITEHEAD—But in the one case it is practically an assured surplus, whereas you are dealing with one far distant which might not be realised. There being such a large balance at the end of this year together with the balance from last year would justify the Government in asking the Council to expend that money in the course of next year on urgently needed public works which have been unduly delayed.

The CHAIRMAN—His Excellency the Governor, as I have informed the Council, purposes to proceed with these urgent public works and to apply to the Council for supplementary votes. I noticed that in the memorandum prepared by the unofficial members the "policy of starving public works" is referred to. It is only fair to point out that the delay in carrying out public works has in a great measure been due to the fact that the colony has been called upon to meet very heavy unforeseen expenditure owing to the frequent visitations of plague, and this unforeseen expenditure has been met without any corresponding increase in taxation. Money which if these sad events had not occurred would have been available for public works had to be expended in measures taken to check the epidemics of plague.

The Hon. T. H. WHITEHEAD—But if it is the intention of the Government and His Excellency to expend that money, the staff of the Public Works Department instead of being increased is being reduced.

The CHAIRMAN—I am not aware that the staff of the Public Works Department is being reduced, and I should say that if public works are to be pushed on next year so far from the staff being reduced it would be absolutely necessary to increase it. That is a matter which will of course require consideration. If an increase is necessary that increase of course will have to be made in order to carry out the public works which are regarded as pressing.

The Hon. T. H. WHITEHEAD—But there is a surplus available and the Government, if it is seriously intended to carry out those works, should make the necessary provision for an increased staff. The Honourable the Director of Public Works on the 4th October admitted plainly that his staff was insufficient to properly superintend the construction of jerry buildings. In the course of the past year quite a number of jerry buildings have come down and there has been great loss of life. It is pitiable we should be here with a large surplus and yet make no provision for any increase in the staff of the Public Works Department.

The CHAIRMAN—As I have already pointed out, it is almost certain that this increase will be necessary, and it is not improbable that before long every honourable member will have an opportunity of giving his vote in favour of this increase. Has any other honourable member any remarks to make with regard to this amendment?

No one responded and the matter was put to the vote. The amendment was lost, no one voting for it but the mover.

THE NEW LAW COURTS.

The CHAIRMAN—We will now proceed to consider these items one by one.

The first item was "New Law Courts \$20,000"

The Hon. T. H. WHITEHEAD—I beg to move as an amendment that we substitute the words "new Post Office" for "new Law Courts." A new Post Office is absolutely essential, in fact indispensable. Although the present Supreme Court may be inconvenient in many ways, it is still possible to carry on business there, whereas it is not practicable to do so in the present Post Office premises.

The CHAIRMAN—I think there is a great deal in what the honourable member says as to the absolute necessity for a new Post Office—a necessity of which not only every member of this committee but of the community generally is convinced; but the difficulty is this —Can an arrangement be made to erect the new Law Courts on the site selected and the new Post Office simultaneously, if any scheme can be shown which will meet this difficulty I am perfectly certain the Government would be only too glad to carry it out.

The Hon. C. P. CHATER—Probably some arrangement might be made whereby the building of the Law Courts and the Post Office might be carried on at the same time. I think if you will look at our memorandum we refer to it there. In paragraph 13 we say:— "The desirability of at once proceeding with the construction of the new Law Courts has been alluded to in His Excellency's speech. Seeing that this work will take several years to complete, it cannot be too strongly urged that the work should be put in hand immediately. The projected new Post Office is even more urgently needed. We are of opinion that this work should on no account be delayed until the completion of the new Law Courts, but that its construction should be commenced at the same time if possible." Perhaps some arrangement might be arrived at whereby the Post Office and Law Courts could be proceeded with at once. I understand the honourable member opposite (the Hon. J. J. Keswick) will place before His Excellency some scheme where-by a portion of the City Hall

might be available for the purposes of a court house.

The CHAIRMAN—If any scheme can be drawn up and it can be shown that it will work satisfactorily the Government will be quite ready to entertain it, so that these two very urgent public works may be carried out at the same time and thus postponing one until the other is complete may be avoided. (Hear, hear.) Do you wish to have your amendment put?

The Hon. T. H. WHITEHEAD—Please. My amendment is that "The New Post Office" be substituted for "The New Law Courts."

On the amendment being put to the vote it was lost, and the vote was agreed to.

The following items were agreed to without comment:—Public Works Department Store, \$3,000; No. 7 Police Station and Branch at Kennedytown, \$12,000; Disinfecter Station and Quarters, \$7,000.

THE ALLOWANCE FOR PUBLIC LATRINES.

The next item was "Latrines \$5,000."

The Hon. T. H. WHITEHEAD—I am aware it is not possible to propose an increase, but I really think that the question of public latrines should be taken in hand and that this vote should be increased.

The CHAIRMAN—It is not within the province of this committee to propose any increase, as the honourable member has pointed out, but I think it is certain that next year the erection of public latrines will be pushed forward. The Government fully recognises the desirability and indeed the absolute necessity for these works being put in hand and carried out as quickly as possible. The sum here may appear small, but without doubt a much larger sum will be expended next year out of the surplus. This is a subject upon which His Excellency may touch tomorrow.

The item was agreed to.

The following items were agreed to without comment:—Electric Lighting Government House, \$3,000; Forming and Kerbing Streets, \$10,000; Extensions of Gas Lighting \$1,000; Improvement of Gas Lighting \$2,000.

THE GOVERNOR'S PEAK RESIDENCE.

The next item was "Governor's Peak Residence \$15,000."

The Hon. T. H. WHITEHEAD—Before the new residence for the Governor at the Peak is gone on with would it not be possible to take in hand the chair shelter for the coolies at the Tramway Station? It is only a matter of \$4,000.

The CHAIRMAN—I think the chair shelter is a work which will be completed before the Governor's Peak Residence.

The Hon. T. H. WHITEHEAD—The Governor at all events is provided with a dry shelter whereas the poor chair coolies are not.

The CHAIRMAN—I do not think it is necessary to draw invidious distinctions between the housing of the Governor and the housing of the chair coolies. I think the proper housing of both is necessary, and I have no doubt the honourable member will be glad to see both properly housed.

The item was agreed to.

The following items were agreed to without comment:—Laying out Farm Lot No. 1, &c., Yaumati, \$6,000; Stores Account, \$100; Pokfulam Conduit Road, \$5,000; Praya Reclamation, \$10,000; Praya Reclamation, Government Piers, \$10,000.

GAOL EXTENSION.

The next item was "gaol Extension \$12,000."

The Hon. T. H. WHITEHEAD—May I ask what this extension is?

The CHAIRMAN—The honourable the Director of Public Works will explain.

The DIRECTOR OF PUBLIC WORKS—This is the balance of an old vote taken some years ago and which will be expended in putting up a new block of cells very urgently needed in the Gaol premises and covering over the exercise yard. It is really the completion of a scheme which has been going on for four or five years. It is not a new work. It is a re-vote of a balance.

The Hon. Dr. HO KAI—Is the extension in the old Gaol side?

The DIRECTOR OF PUBLIC WORKS—In the old Gaol side.

The item was agreed to.

The following items were agreed to without comment:—Sewerage of Victoria, \$5,000; Drainage Works, Miscellaneous, \$10,000.

QUARTERS FOR GAOL STAFF.

The next item was "Quarters for Gaol Staff \$41,500."

The Hon. T. H. WHITEHEAD—May I ask whether the plans have been approved of?

The DIRECTOR OF PUBLIC WORKS— Yes. This is a work also which has been delayed a little owing to the great difficulties as to the site. It is a work actually going on at present between the Magistracy and Wyndham Street. This is a re-vote of money which we have not been able to expend this year. The plans were passed I should think I am right in saying about 12 months ago.

The CHAIRMAN—Then they have been approved?

The DIRECTOR OF PUBLIC WORKS—Yes.

The item was agreed to.

The item "Swine Dépôt, Kennedytown, \$5,000," was agreed to without comment.

THE NEW POLICE STATIONS IN THE NEW TERRITORY.

The following were the items referring to the new Police Stations for the New Territory:— Police Station, Sai-kung, \$5,000; Police Station, Shan-tin, \$5,000; Police Station, Tsun Wan, \$5,000; Police Station, Starling Inlet, \$5,000.

The Hon. T. H. WHITEHEAD—In connection with the expenditure on public works, have

any definite instructions been received from the Colonial Office forbidding the raising of a silver loan to provide for the necessary works for the improvement of the New Territory?

The CHAIRMAN—You will remember that in my report on the New Territory I myself referred to the question of a loan. The proposal was not at the time approved by the Secretary of State for the Colonies, so I think I am right in stating that at the present the Secretary of State for the Colonies is not in favour of the raising of a loan.

The Hon. T. H. WHITEHEAD—Then the whole of the money for public works in the New Territory, without which it cannot be developed, is to be taken out of the revenue of this colony?

The CHAIRMAN—The only public works contemplated in the New Territory at present are the erection of police stations with a view to the proper policing of the Territory and the construction of the road from Kowloon to Shatin to improve communication between Hongkong and the New Territory. The Government do not contemplate at present any more works, but will allow time to lapse so as to see what works are necessary for further development.

The Hon. Dr. Ho Kai—I think when the Secretary of State was advised on the matter the actual on expenditure in the New Territory was not fully known to him—such as the amount for policing, which was afterwards amended.

The CHAIRMAN—The expenditure in the New Territory is certainly in excess of what was at first anticipated.

The Hon. Dr. Ho Kai—Had the Secretary of State known that he might have given a different decision.

The CHAIRMAN—I should not like to say what he would have done.

No other point was raised and the item was agreed to.

The items "Taipo Road \$30,000" and "Pier in Deep Water, Taipo, \$5,000" were agreed to without comment.

SURVEY OF NEW TERRITORY.

The next item was "Survey of New Territory \$20,000."

The Hon. T. H. WHITEHEAD—Have any arrangements for the survey been made?

The CHAIRMAN—Yes; complete arrangement have been made. The survey party has arrived from India and its members are now actually at work. Any more particulars which honourable members may desire the Director of Public Works will be glad to supply on application to him at his office.

The Hon. Dr. Ho Kai—Are the whole staff here?

The CHAIRMAN—Practically the whole staff

The Hon. T. H. WHITEHEAD—How long may they take to

complete their survey? Is it a question of two years?

The DIRECTOR OF PUBLIC WORKS—My estimate is two years. The gentleman who is at the head of the surveying party is not able to form an opinion as yet, but he has no doubt it will take more than one year. He has not seen all the country yet.

The CHAIRMAN—As I have stated, if any more information is desired as to this interesting work of survey, the Director of Public Works will be glad to give all information on application at his office, where all the papers are.

The item was agreed to.

The following items, amounting in the aggregate to \$73,000, and chargeable to water account, were agreed to without comment:— Taitam Waterworks Extension, \$15,000; City of Victoria and Hill District Waterworks \$27,000; Water Supply, Kowloon. \$20,000; Water Account, (Meters, &c.), \$5,000; Waterworks, Miscellaneous, \$6,000.

AN EXPLANATION FROM THE COLONIAL
TREASURER.

The CHAIRMAN—Gentlemen, we have now been through all the Estimates and we have considered them item, by item, and every item is recommended and will be brought up to-morrow in the Council; but before we break up the meeting to-day there is one subject to which reference was made at the early part of the meeting—the statement of assets and liabilities. I shall be glad if the Colonial Treasurer will give some explanation, as there seems to be some misunderstanding with regard to the statement.

The COLONIAL TREASURER—The misapprehension has arisen from the difference between the statement of assets and liabilities dated 13th March, 1899, and statement A, which is dated 29th September, 1899. The correct statement of assets and liabilities of the colony on the 31st December, 1898, is the one dated 13th March, 1899. That is a statement which stands by itself. The other statement is one which can only be taken in conjunction with the calculation on the front page. You will observe that the balance \$251,000 is carried over and amalgamated in this calculation. Statement A is exactly similar to the statement dated 13th March with this exception—that items of revenue and expenditure are omitted. These items revenue and expenditure will come in and have been taken into account in the estimated revenue and the estimated expenditure of the current year—the first two items in this calculation on the front page. It would be utterly impossible to have them coming into the balance of assets for 1898, as in that case they would appear twice over in the calculation. I think honourable members may take it that on the date this statement was made up \$376,618 was a fairly correct estimate, as far as estimates can be correct, of the position of the colony at the end of the year.

The CHAIRMAN—I thought it as well this statement should be made, as some misunderstanding seemed to exist.

The Hon. T. H. WHITEHEAD—Even that statement still leaves the return incomprehensible and unintelligible.

The CHAIRMAN—To you, Sir?

The Hon. T. H. WHITEHEAD—To me. One shows a balance of assets of \$251,000 and the other a balance of assets of \$213,000. Now either one or the other must be correct.

The COLONIAL TREASURER—I have already said that the

return dated 13th March, 1899, is the correct one. The other one must not be taken by itself but in conjunction with the calculation on the front page, as explained in my covering letter.

The CHAIRMAN—Has any other honourable member any questions to ask in regard to this statement? If not I take it that you comprehend the matter and are satisfied. That completes the business.

The meeting then separated.

