

20TH OCTOBER, 1902.

PRESENT:—

HIS EXCELLENCY THE GOVERNOR, Sir HENRY A. BLAKE, G.C.M.G.

Hon. Colonel L. F. BROWN, R.E. (Senior Officer Commanding the Garrison).

Hon. F. H. MAY (Colonial Secretary).

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

Hon. Commander R. M. RUMSEY, R.N. (Harbour Master).

Hon. W. CHATHAM (Director of Public Works).

Hon. F. W. CLARK (Medical Officer of Helath).

Hon. Dr. Ho KAI, C.M.G.

Hon. WEI A YUK.

Hon. C. S. SHARP.

Hon. C. W. DICKSON.

Hon. G. W. F. PLAYFAIR.

Hon. R. SHEWAN.

Mr. C. CLEMENTI (Acting Clerk of Councils).

COMMITTEES.

HIS EXCELLENCY—I find, gentlemen, that inadvertently, in naming the various Committees, I removed from the Law Committee a gentleman who for several year has been on it—the Hon. Wei A Yuk. I suggest to keep him on the Law Committee and ask Mr. Playfair to take his place on the Public Works Committee, if he has no objections.

Hon. G. W. F. PLAYFAIR—Not at all, sir. I am only here for a short time anyway.

FINANCIAL.

The COLONIAL SECRETARY laid on the table the report of the Finance Committee (No. 13), and moved its adoption.

The COLONIAL TREASURER seconded, and the motion was carried.

PAPERS.

The COLONIAL SECRETARY laid on the table a return of Supplementary Votes taken to date during the current year.

THE TRAMWAY ORDINANCE.

The COLONIAL SECRETARY—Sir, in the absence of the Hon. Attorney-General, I beg to move the second reading of the Bill entitled an Ordinance to amend the Tramway Ordinance, No. 10 of 1902. The object of the Ordinance is to afford protection to telegraph cables and lines owned by the Admiralty and War Departments as well as to such as may be owned by the Colonial Government.

The COLONIAL TREASURER seconded, and the motion was agreed to.

The Council then went into committee on the Bill, and, there being no amendments, it was, when the Council resumed, read a third time and passed, on the motion of the COLONIAL SECRETARY, seconded by the COLONIAL TREASURER.

THE ESTIMATES.

The COLONIAL SECRETARY—Your Excellency has already explained to the Council that the ordinary expenditure will exceed the ordinary revenue by \$131,206,

and that the excess of public works extraordinary over land sales will bring the deficit up to \$712,306. It is satisfactory to note, however, that the revenue, exclusive of land sales, is estimated to exceed the revised estimates of 1902 by \$260,564. The estimated expenditure, however, for 1903, exclusive of public works extraordinary, exceeds the estimated expenditure for 1902 by \$950,624.80. This large excess is made up as follows:—

Charge on account of public debt	\$27,585.00
Pensions	20,400.00
Personal emoluments—	\$ c.
Exchange compensation	461,373.80*
Stipulated increments and	
increases to salaries	15,087.07
Increase due to salaries being	
fixed in sterling, and to fall in	
exchange	52,101.12
New appointments \$46,018.34	} 116,950.65
do. (plague staff) 51,393.00	
do. (Vic. hospital) 7,908.00	
do. (Bacto. dept.) 11,631.31	
Allowances	4,162.50
Items transferred from	
miscellaneous services	5,688.00
	<u>655,363.14</u>

Other charges—

General	81,567.60
Plague account	142,040.00
Chinese high school and	
other improvements in	
educational system	20,000.00
Victoria hospital	27,600.00
Bacteriological Department .	7,760.00
	<u>278,967.60</u>
Ecclesiastical	200.00
Military expenditure A	95,466.00
Public works, recurrent, chargeable to	
general revenue	114,000.00
Public works, recurrent, chargeable to water	
account	<u>51,000.00</u>
Total increase	\$1,242,981.74
Deduct decrease	<u>292,356.94</u>
Net increase	\$950,624.80

* \$120,000 provided for in 1902 estimates. Nett increase, \$341,373.80.

With regard to the item "exchange compensation," it is necessary to explain that the large sum mentioned is due (1) to the grant of exchange compensation on the whole of the salary instead of half at the beginning of this year, (2) to fall in exchange, and (3) to the fact that the exchange compensation due to each officer now appear on the estimates, whereas formerly only such sum was shown as was estimated to be sufficient to pay the exchange compensation due to officers in the Colony, the loss in exchange in paying the salaries of

officers on leave in gold being debited at the end of the year to loss in exchange. The actual amount which will be paid this year in the Colony in exchange compensation is estimated at \$334,000. The actual increase therefore is only \$127,373.80. With regard to the items in the estimates which figure as "sterling salaries," I would beg leave to offer the following remarks. The suggestion to fix salaries in sterling emanated with the Governor of Singapore, the object being to grant an increase of salaries while at the same time effecting a compensating saving in leave pay and pensions, which for officers appointed prior to July, 1897, are fixed at 4s. and 3s. 8d. to the dollar, and for officers appointed subsequent to that date at 3s. to the dollar. As the Secretary of State desires as far as possible to treat Hongkong as if it were one Service with the Civil Service in the Straits Settlements, the suggestion was referred to this Government, but, as was natural in dealing with such a matter, confidentially. While the matter was still under consideration, the grant of exchange compensation on the whole instead of half the salary of those officers entitled to it was made, with the concurrence of the Unofficial Members of Council. That was at the end of December last. The effect of such grant was that it placed officers in receipt of exchange compensation on a sterling basis as regards their salaries. The Secretary of State then adjusted the sterling salary scheme, which was laid on the table of Council at the first opportunity after its receipt in the Colony. The effect of the scheme will be that ultimately, when all officers come under it, a slight saving will be effected in salaries. The aggregate of the maxim of salaries published in the scheme is £54,153, against £55,498 for the dollar salaries of the same officers, converted into sterling at 3s., the rate at which exchange compensation is drawn. Whether there will be a saving in pension and leave pay depends on whether the officers who retain the privilege of 4s. and 3s. 8d. join the scheme; ultimately, as these officers die off, there will be a saving. There will be no increase in pensions where there is no increase in salary, for the sterling pension on a dollar salary at 3s. will be found to be the same rate as the sterling pensions on a sterling salary of equivalent value. With these few remarks, I beg to move the second reading of the Bill, and when the Bill has been read I will move that it be referred to the Finance Committee, when any further explanations or information that may be desired will be given.

Hon. G. W. F. PLAYFAIR—I should like, sir, to take exception to the principle on which the Colonial accounts are based. For years past what may be called capital expenditure—that is to say, re-productive expenditure—has been debited to revenue, making this present generation pay for future generations. Similarly with land sales, they have been credited to income, and some years ago they were very heavy. The proceeds of these sales, instead of being credited to outstanding indebtedness and

to directly pay for capital expenditure, were, as I say, credited to income; and these accounts are consequently misleading, because in one year you may have large land sales and at the end of that year people will think the Colony's income is booming while it may not be so, and the ordinary income may be perfectly normal. In the same way with regard to capital expenditure, in one year there may be very large items—items for water-works, or expensive fancy sites for Government offices—and all these swell the expenditure, whereas the ordinary expenditure may be perfectly normal. In fact the position is a little chaotic. You may be likely to starve for necessities in the midst of plenty. That is the reason why I would ask the Government if they would not alter the accounts so as to keep the ordinary expenditure separate from what I have called—it may be a misnomer—capital expenditure and income. There are many cases, I am sure, in which requisitions have been declined on this score—that there was no money. I am not one of those who think that the Colony is at all bankrupt, but if you have a heavy capital expenditure in one year it makes people think that the Colony is verging on bankruptcy when it may not be so. I think if I ask that a return be made for the last ten years showing the difference between extraordinary and ordinary expenditure and income, it will support my argument.

The COLONIAL TREASURER—Any one who understands the accounts will see that the ordinary is kept apart from the extraordinary income, and so with the expenditure. Land sales are put down by themselves. It is very easily seen how much is ordinary and how much extraordinary revenue and expenditure in any one year. As regards the return the Hon. Mr. Playfair asks for, I may say, sir, one has been already prepared and it will show all the items so that people reading them can easily understand them.

Hon. R. SHEWAN—I agree with Hon. Mr. Playfair that revenue derived from land sales should be capitalised, because you are selling the future. It is not really revenue upon which you can count every year. With regard to the other points in the estimates, I believe that I shall be in order, sir, in criticising the revenue as well as the expenditure side?

HIS EXCELLENCY—Certainly.

Hon. Mr. SHEWAN, resuming, said—Then there is a suggestion I should like to make, and it is with reference to the report which was made by the Commission on Chair-coolies and Ricksha-coolies. If I am right, I understand

the chair-coolies pay a fee of only \$2 per annum whereas ricksha-coolies pay \$72 per annum. I would suggest that some revenue might be derived from increasing the fee of chair-coolies. The Commission reported—"The evidence also shows that the coolie will pay a considerable sum for the goodwill of a public ricksha." Now, if in addition to paying \$72 per annum he will pay a considerable sum for the goodwill of a ricksha, it seems to me that the chair-coolie also should pay a considerable sum for his licence without regard to the goodwill. It was stated in evidence that a chair-coolie could make from \$60 to \$80 a month, and one coolie, I believe, admitted that over and above his living expenses he made a profit of \$10 a month. If that is so, I quite see why no coolies care to do private chair work. If you offer them \$9 a month to pay for living expenses while outside they can get \$10 over their living expenses, there is no inducement for them to work for private people; so I would suggest that you should raise the fees of public chair-coolies very largely, that there may be less inducement for them to work publicly and more inducement for them to go with private people. As for the official salaries, I have never been one of those who object to increase of salaries. I quite agree that you should pay good salaries for good men, and I do not think that the salaries put down in the estimates are at all too large, but I certainly think the Government should see they get good work in return. The only objection I make to this item is that I do not agree that the salaries should be paid in sterling. The currency and revenue of this Colony are in silver dollars, and I do not think you should take any cognisance of any other currency. If you like, have your currency in the Colony in sterling and then pay your salaries in sterling, but I think to collect your revenue in silver dollars and pay your servants in gold is unbusinesslike, illogical and inconsistent. The only argument that I can find when I looked up *Hansard*, in favour of paying sterling was that the Straits Government were doing it. What have we got to do with the Government of the Straits? Another point to show the worthlessness or little value of the argument of officials against payment in silver is that I believe the majority of the officials to-day will take their salaries in silver and not in gold. Of course I quite understand that the new Civil servants have to take payment in sterling. The old ones, I understand will take it in silver, and I do not blame them for doing so, because if silver should rise and they took their salaries in gold they would be getting less dollars; but I think that the outcry against the payment in silver was not so serious as it seemed to be at the time. The only other point I wish to draw attention to is that in the Commission (on which I had the honour to sit) on the Public Works Department, we made a special point that the estimates should only be for work which there was reasonable probability of carrying out during the year. I

would ask the Hon. Director of Public Works if he expects to accomplish all the work he estimates for? In former years the work was not all carried out, and the estimates in that respect were rather misleading.

THE DIRECTOR OF PUBLIC WORKS—The estimates, sir, have been very carefully considered with a view to the point that the hon. member on my right has raised, and it is anticipated that the works included in the estimates will be accomplished. I may mention, sir, in connection with these works, that there are some heavy indents for machinery and pipes from England, and it is anticipated that these should arrive in the Colony in time to be charged and paid for out of next year's estimates.

HIS EXCELLENCY—With regard to the Hon. Mr. Playfair's remarks, his first observation, I think, resolves itself into a suggestion that in the case of these works there should be a loan instead of revenue. On this matter of public loans I may say that the Secretary of State for the Colonies and the financial advisers at home are, and I think very properly, extremely averse to a Colony like this finding itself face to face with a very large debt, because we are unlike other colonies in that we are dependent upon a very large shipping trade and derive a considerable amount of money from the ordinary traffic of the port. But we must remember in looking at the Colony that the Imperial Government are ultimately responsible as guarantors of every Crown Colony and therefore, being so, I think the Imperial Government and their advisers are extremely careful that a Crown Colony shall not find itself by any possibility in the position of being obliged to appeal to the Imperial Government for assistance. Therefore it is felt that it is much safer, and on the whole much more sound, that the Colony should pay as it goes. That I think is at the bottom of the suggestion made by the hon. member—that we should borrow instead of increasing the revenue for given expenditure. The Hon. Colonial Treasurer has explained to you that the ordinary and extraordinary revenue and expenditure are indicated, and I think they are very clearly, in the accounts. The proceeds of the land sales are supposed to be devoted to the payment of public works extraordinary. They are not sufficient in this case. I think it is under the circumstances allowable that for these water-works we should secure a loan, and I hope the Secretary of State will give us authority to do so. With reference to the observations of the Hon. Mr. Shewan, these were a little discursive as to the question of chair-coolies. I would only remind the hon. member with reference to that, that while it was shown at that Commission that one

coolie had been known to earn a large amount of money in a month, it was stated, as I think he will remember, that the average life of a ricksha-coolie is three years. As regards the question of what we have to do with Singapore, we have a good deal to do with it. On the treatment of public officials in this Colony and the question whether their payment is equal to the payment in Singapore depends the question whether you get at least an equal share of the best men who pass the examination or whether you receive the remainder, the best men naturally going to the Colony in which they have the best pay. Therefore the Secretary of State in considering the whole matter came to the conclusion that he did arrive at, entirely for the purpose of securing that Hongkong will not be second in the choosing of its Civil servants, or as the choice of Civil servants, but shall have equal advantages with Singapore. I am glad to have heard the statement of the Hon. Director of Public Works. If things go right and if we get the additional men out, I think there is reasonable prospect, having regard to the increase of the staff of the Public Works Department, that the money will be spent. I know I hope myself it will be spent, and I shall be very much disappointed if it is not. (Applause.)

The Bill was read a second time and referred to the Finance Committee.

CHINESE EMIGRATION.

The COLONIAL SECRETARY moved the second reading of the Bill entitled an Ordinance to amend the Chinese Emigration Consolidation Ordinance, 1889. The object of the Bill, he said, was to increase the revenue, and if read the second time he would propose that it be referred to the Finance Committee.

The COLONIAL TREASURER seconded, and the motion was agreed to.

The COLONIAL SECRETARY then moved that the Bill be referred to the Finance Committee, and this motion was also seconded by the COLONIAL TREASURER and agreed to.

THE DOGS ORDINANCE.

On the motion of the COLONIAL SECRETARY, seconded by the COLONIAL TREASURER, the Bill entitled an Ordinance to amend The Dogs Ordinance, 1893, was read a second time and referred to the Finance Committee.

PROPERTY IN HONGKONG.

The same course was followed in respect of the Bill entitled an Ordinance to repeal the Land Registry Office (Fees) Amendment Ordinance, 1902: and to amend Ordinance No. 3 of 1844 entitled "An Ordinance to provide for the Registration of Deeds, Wills, Judgments, and Conveyances affecting real or immovable property in Hongkong."

LIQUOR LICENCES.

The COLONIAL SECRETARY—I beg to move the second reading of the Bill entitled an Ordinance to amend The

Liquor Licences Amendment Ordinance, 1900. The object of this Bill is to increase the revenue, and I think that hon. members of this Council will agree that since more revenue is required a fitter subject for taxation than alcoholic liquors could not be found. The only way we have at present of increasing the revenue from alcoholic liquors is to increase the fees for the various licences. The fees for Chinese wine and spirit shops, sir, have been graduated in such a manner that those shops in the City, which do a much larger amount of business than those in the outlying districts, are taxed accordingly. I beg to give notice that when this Bill is considered in committee I shall move that in Clause 3 the words "30th day of November" be inserted as the day upon which the Ordinance will come into operation.

The COLONIAL TREASURER seconded, and the motion was agreed to.

The Bill was referred to the Finance Committee, on the motion of the COLONIAL SECRETARY, seconded by the COLONIAL TREASURER.

STAMP ORDINANCE.

The COLONIAL SECRETARY moved the second reading of the Bill entitled an Ordinance to amend the Stamp Ordinance, 1901. He said— The fees under the Stamp Ordinance are in the majority of cases the same to day as they were in 1868, and having regard to the great fall in exchange it seems requisite that they should now be increased.

The COLONIAL TREASURER seconded.

Hon. G. W. F. PLAYFAIR—Your Excellency, I would ask that the second reading of this Bill be postponed until after the Financial Estimates have been gone through. There are several reasons for which I ask this. One is with regard to bank cheques; I would ask that the duty be made four cents. You may remember, when the Chancellor of the Exchequer in England last spring tried to double the bank cheque duty there, what an uproar there was, and he had to withdraw it. There is not much public opinion in Hongkong, but what there is we try to voice. Therefore I suggest that four cents is quite enough. Then, sir, as to the receipts. There are many cases in the Colony in which receipts are not stamped amongst the Chinese, as the Senior Unofficial Member probably will know. Any Ordinance is an immoral Ordinance if it helps to make people immoral, and the more the public have to do with this receipt stamp business the more immoral you help to make them. As to deeds of assignment, which you propose to assess at \$75, the Attorney-General will be able to tell you that that can be concluded by agreement for \$1.50. These are simply points that occur to me why I should ask you to postpone the second reading of this Bill.

The Hon. C. S. SHARP supported the suggestion.

The COLONIAL SECRETARY—I should like to say, sir, that the ordinary expenditure next year will exceed the ordinary revenue, and there is every reason therefore why increased taxation is necessary. The proposals now before the Council have received very careful consideration, and were an Ordinance like this to be postponed, involving as it does an estimated increase of nearly \$84,000, it would upset the calculations that have been made. The hon. member who first spoke indicated certain items which he says are excessive. I must say, sir, that a receipt fee of 2 cents and fee on cheques of 2 cents at the present rate of exchange cannot be regarded as anything but ridiculous. Two cents is about the equivalent of a farthing. Five cents is the equivalent of a penny. The charge proposed does not therefore seem to be excessive, and it is what we are accustomed to at home. As to the Chinese evading the tax imposed by the receipt duty, it is an offence against the law and any person doing so is liable to be prosecuted. I know it is said they evade it, but no evidence has been brought forward to show that they do, and it is for those dealing with them to take care that they are not imposed upon in that way. Personally so far as my dealings with Chinese shop-keepers are concerned, I find they use receipt stamps like anybody else.

Hon. R. SHEWAN—I only wish to say that I am quite willing to support my unofficial friends in asking for a postponement of this Bill, but I am not with them in some of the suggestions they make. With regard to a deed of gift for instance—which Hon. Mr. Playfair objects to being taxed at \$75—I think it is quite reasonable, because as a rule it is only intended to avoid paying the full tax to the Government on the property which is passed over; so that I do not think in that case, as you are only aiding and abetting the persons who are making this deed of gift perhaps not exactly in defrauding the Government but at least in depriving the Government of their full taxes, that \$75 is out of the way. With regard to deeds in which no money consideration is named, these again are a means of depriving the Government of their proper taxes and should also be heavily taxed. As to bank cheques, I am quite with the Government in saying that if they will not agree to 2 cents for cheques and other orders for money, including compradore orders, they should make it 5 cents for cheques only, because that is much simpler and easier to deal with than a 6-cent charge.

His EXCELLENCY—But these are matters which can be threshed out in Committee. What is wanted here is the approval of the principle of the Bill.

The COLONIAL SECRETARY—To postpone this Bill would mean the postponement of the estimates. It is already late in the year, and the Bill should be on its way home if we expect to get on with public works at an early date next year. Moreover there is the question of raising a loan that your Excellency has mentioned, and the Secretary of State cannot take that subject into consideration until he has

before him the estimates for next year and the approved proposals—approved by this Council—as to how the amounts are to be met. It is extremely difficult to devise any form of taxation that will hurt nobody or will not be distasteful more or less to some member of the community. I may say, sir, that the Government have been at some pains to select such subjects of taxation as would be least distasteful to the community, and I trust that hon. members will see their way to facilitate the passage of this Bill.

His EXCELLENCY—I am very anxious always to meet the wishes of members, especially of unofficial members, of this Council; but I think that hon. members will see that everything is hung up until the draft estimates go home. I should be very glad if the Finance Committee would deal with this question as soon as possible, so that we may know where we are.

The second reading was carried.

On the motion of the COLONIAL SECRETARY, seconded by the COLONIAL TREASURER, the Bill was afterwards referred to the Finance Committee.

His EXCELLENCY—That is all the business to-day, gentlemen. I propose to adjourn the Council till Thursday next. Meantime I hope you will have considered those proposals and will be able to lay reports on the table and then we will be able to send these things all by the next mail.

The Council adjourned.

FINANCE COMMITTEE.

A meeting of the Finance Committee was held immediately after the Council, the COLONIAL SECRETARY (Chairman) presiding.

THE ESTIMATES FOR 1903.

The expenditure under this head is as follows:—

Charge on account of Public Debt	\$185,000.00
Pensions	187,400.00
Governor and Legislature	82,312.04
Colonial Secretary's Department	84,634.75
Audit Department	16,472.45
Treasury	47,631.00
Post Office	307,815.13
Registrar-General's Department	33,229.00
Harbour Master's Department	120,265.00
Lighthouses	41,379.00
Observatory	23,608.00
Botanical and Afforestation Department	33,070.05
Judicial and Legal Departments	135,505.80
Land Court, New Territory	38,498.00

Ecclesiastical	\$2,400.00
Education	148,152.19
Medical Departments	228,868.81
Bacteriological Department	19,391.31
Magistracy	37,340.00
Police	659,795.12
Sanitary Department	479,766.00
Charitable Allowances	5,260.00
Transport	3,000.00
Miscellaneous Services	127,819.00
Colonial Defences — Expenses of the Volunteers	53,979.08
Public Works Department	213,849.50
Public Works, Recurrent, Chargeable to General Revenue	382,000.00
Public Works, Chargeable to Water Account	99,500.00
Public Works, Extraordinary, viz:—	
Law Courts	\$50,000.00
Western Market	30,000.00
Harbour Master's Office	25,000.00
Survey of New Territory	37,000.00
Additional Reservoirs, Tytam Drainage Area	60,000.00
Kowloon Waterworks, Gravitation Scheme	250,000.00
Disinfecting Station in Kowloon	6,000.00
Quarters at ditto for Inspector	4,000.00
Extension of Inspectors' Quarters at Kennedy Town	1,000.00
Public Latrines and Urinals	10,000.00
Praya Reclamation—Government Piers	20,000.00
Praya East Reclamation—Government Share	2,000.00
Tai Po Road	8,000.00
City and Hill District Waterworks	9,000.00
Widening Conduit Road	3,000.00
Public Bath-house, Cross Lane, Wanchai	1,000.00
Government Offices—Extensions and Alterations	5,000.00
Two Temporary Markets—one opposite Sailors' Home and one adjoining new Harbour Office	7,000.00
Extension of Wanchai Market	3,000.00
City Waterworks—Public Fountains	10,000.00
City Waterworks—Peak Supply and Re- construction of No. 2 Tank	50,000.00
City Waterworks—Tytam Tuk Scheme	120,000.00
Reconstruction of Gullies	32,000.00
Cattle Depôt Extension	15,000.00
Post Office	20,000.00
Bacteriological Institute	10,000.00
Road from Sam-shui-po to Lai-chi-kok	25,000.00
Road from Kowlook Inland Lot 652, Hungghom, to Sixth Street, Yaumati ..	10,000.00
Public Bath-houses, Pound Lane, Tai- ping-shan	\$8,000.00
Resumptions of Insanitary Property	100,000.00
Store Account	100.00

Total, \$4,728,942.23

REMARKS.

Judicial and Legal Departments.—Hon. R. SHEWAN asked if a gentleman filling two appointments, one in an acting capacity, drew both salaries, or only half of each?

The COLONIAL TREASURER replied that according to rule such an official drew the full salary of his own appointment and half of that of his acting appointment.

Hon. R. SHEWAN asked further if it was a fact that one gentleman had acted in two or three capacities.

The CHAIRMAN said he knew of only one recent instance, that of an officer in the Colonial Secretary's office.

Hon. R. SHEWAN said he did not wish to make it a personal matter; he was merely desirous of knowing whether it was right that such should be the case.

The CHAIRMAN—It is very rarely that it happens. In exceptional circumstances it is sometimes necessary to appoint one officer to two posts. Such officer has to sacrifice much of his spare time to compass both sets of duties.

The COLONIAL TREASURER remarked that it was seldom nowadays one found an official filling two appointments.

Hon. R. SHEWAN—I am very glad to hear that.

Medical Department—Hon. G. W. F. PLAYFAIR asked if assistant surgeons were confined to Government work? and, on receiving a reply in the affirmative, pointed out that one assistant surgeon was receiving remuneration from the Chinese College of Medicine, which was not considered a Government department; this in addition to his own salary.

The CHAIRMAN said he had no personal knowledge of the circumstances under which this gentleman was receiving the remuneration referred to, but promised to enquire into the matter.

Hon. R. SHEWAN suggested an increase in the rates attaching to the Government Civil Hospital, where nowadays it was cheaper to live than in a first-class hotel.

Hon. C. S. SHARP supported the suggestion, and proposed the following increased rates:— First class for outside patients (not Government servants), \$10; second class, \$5. First class for Government servants in receipt of salaries of over \$200 per month, \$7.50; second class \$4.

The proposal, which was seconded by the Hon. G. W. F. PLAYFAIR, was noted.

Strong representations were also made that although there is a Vaccine Institute here, the drug stores find it necessary to obtain their

supplies of lymph from elsewhere, principally from Shanghai and Saigon, whereby considerable sums were lost annually to the Colony.

The CHAIRMAN noted the point and promised it would be seen to.

Miscellaneous Services.—The Hon. G. W. F. PLAYFAIR said he had a point to raise which he thought was best introduced under this head. In his opinion, if the Government wanted to raise the revenue, the best way of doing it was to increase the sale of subsidiary coins.

Hon. Dr. HO KAI—Our experience in this Colony is that we don't get enough British subsidiary coins. (Applause.)

The CHAIRMAN said the Colonial Treasurer would doubtless look into the matter. Having regard to his nationality, he was sure that the Treasurer would not let an opportunity of making money go past. (Laughter.)

Expenses of the Volunteers.—Hon. G. W. F. PLAYFAIR—I think this is a very useless item, sir.

Public Works Department.—Hon. G. W. F. PLAYFAIR said they should not starve the Department, and recommended an increase of the staff.

Hon. R. SHEWAN asked if the recommendations of the Commission on the P. W. D. were to be adopted?

The CHAIRMAN explained that the recommendations of the Public Works Commission were based on the assumption that the Public Works Department would spend on Public Works Extraordinary a sum of about \$800,000 a year. Next year the Colony could not afford to spend such a large sum on P. W. E., exclusive of the Kowloon Water Works, which were being carried out by a private firm, and of the expenditure on machinery, etc., for other Water Works. Moreover, owing to the completion of the Praya Reclamation scheme, two engineers would be released from work on it and would be available. On these grounds the Secretary of State has not seen his way to approve the recommendations for increase of engineering staff; he had, however, approved the increases to the staff of overseers.

Hon. R. SHEWAN said it seemed to him that the Commission recommended a great deal more than two. Were they ever to get on with the plans of the new Clock Tower?

The CHAIRMAN replied that the Clock Tower would have to wait.

Hon. R. SHEWAN asked that the despatch to the Secretary of State and the reply thereto be laid on the table at next meeting?

The CHAIRMAN said that he would make known the request to H. E. the Governor.

A discussion ensued as to experiments regarding the material of which the pavements in the Colony should be constructed, and the CHAIRMAN informed the meeting that enquiries were now being made as to the asphalt used in Malta, which it was thought might be tried here.

Praya Reclamation: Government Pier.—The question of the erection of a covering for Blake Pier was brought up, and it was suggested that a temporary shelter might be erected.

The CHAIRMAN promised to note the suggestion.

Post Office.—Hon. G. W. F. PLAYFAIR thought \$20,000 too little to spend in one year.

The DIRECTOR OF PUBLIC WORKS said the plans were not yet prepared, and nothing could be done until they were submitted and approved of. The work was not such as lent itself to a great rate of speed in its execution.

Public Bath-houses.—In reply to the Hon. G. W. F. PLAYFAIR, the CHAIRMAN said the one mentioned in the vote was a permanent erection, and another was being constructed.

Public Works Extraordinary.—The DIRECTOR OF PUBLIC WORKS told the Hon. R. SHEWAN that, provided always he could obtain sufficient assistance the money voted under this head would be expended.

Hon. G. W. F. PLAYFAIR—That is the whole root of the matter—provided that you get sufficient assistance. That is what we have been driving at all summer. It is the opinion of the Colony that the Public Works Department is undermanned.

OTHER BILLS.

The following Bills, which had been referred to the Committee, were considered and recommendations noted:—The Chinese Emigration Ordinance, the Dogs Ordinance, and the Stamp Ordinance.

This was all the business.