

13TH MAY, 1909

PRESENT:—

HIS EXCELLENCY THE GOVERNOR, SIR FREDERICK DEALTRY LUGARD, K.C.M.G., C.B., D.S.O.

H. E. COLONEL DARLING, R. E. (General Officer Commanding).

HON. MR. F. H. MAY, C.M.G. (Colonial Secretary).

Sir HENRY BERKELEY, K.C. (Attorney-General).

HON. MR. A. M. THOMSON (Colonial Treasurer).

HON. MR. W. CHATHAM, C.M.G. (Director of Public Works).

HON. MR. A. W. BREWIN (Registrar-General).

HON. MR. F. J. BADELEY (Capt-Superintendent of Police).

HON. DR. HO KAI, B.M., C.M., C.M.G.

HON. MR. WEI YUK, C.M.G.

MR. C. CLEMENTI (Clerk of Councils).

Minutes

The minutes of the last meeting were read, and confirmed.

Papers

THE COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table the following papers: Financial Statement for the year 1908, Report of the Police Magistrate's Court for the year 1908, Report of Queen's College for the year 1908, Report of the Kowloon-Canton Railway, British Section.

Financial Minutes

THE COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table Financial Minutes Nos. 13 to 17 and moved that they be referred to the Finance Committee.

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

Financial

THE COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table the report of the Finance Committee (No. 2) and moved its adoption. In doing so he said—In connection with this report I have to inform Your Excellency that on the vote for compensation for 26 opium divans closed this year being brought before the Committee, one official member and two unofficial members raised the question as to whether this compensation would be paid by the Imperial Government. I explained that His Majesty's Government had promised to pay a portion at any rate, of such loss as may be incurred in the letting of the Opium Farm from 1 March next, but that such loss did not include losses incurred during the current year owing to the closing of opium divans. The Committee, Sir, did not oppose the vote, which was passed.

HIS EXCELLENCY—Gentlemen, in connection with what the hon. Colonial Secretary has just said regarding the criticism which was made at the last finance meeting on the vote for \$11,000 odd compensation to divan licensees, I would remind you that on the 11th March last I read to the Council the words of the despatch from the Secretary of State which referred to this subject, and which you will find on page 9 of *Hansard*. The Imperial Government deferred closing the whole of the divans at once, as they had originally announced their intention of doing, and they promised that they would proceed gradually with the policy which His Majesty's Government had decided to adopt. They also agreed to pay a substantial part of any loss which might accrue to this Colony through the carrying out of that policy. But they made this condition: that "whatever compensation may be found to be equitably due to the holders of these licenses will be provided from Colonial funds;" that is to say, the licensees who would no longer have a renewal of their licenses during the current year. It was part of the arrangement that was made with the Imperial Government under which we were to receive a substantial part of any loss which might occur in this Colony; and secondly that we would retain the bulk of the divans for the

current year until the farm contract should expire on 31st March next. We cannot repudiate our part of the pledge, and yet claim the fulfilment of the promise made by the Imperial Government; the two things hold together.

His Majesty's Government described the obligation which we undertook of paying the licensees, together with the decrease in the number of chests which the farmer should be allowed to draw, as an earnest of our co-operation in the policy of His Majesty's Government. When I made the announcement in the Council of the decision arrived at by the Imperial Government it was received with applause by hon. members, and I think that in view of the consistent attitude which His Majesty's Government has adopted with regard to this question, and in view of the large sacrifices made by India and by other Colonies, that we have no ground of complaint that any undue burden has as yet been laid upon the Colony by the adoption of this policy.

I would remind you that the Colony of Hongkong has repeatedly declared itself ready and anxious to support the Imperial Policy. The honourable and learned unofficial member of Council, who is not here to-day (Hon. Mr. Pollock), remarked or, at any rate, inferred in the debate last May, that provided His Majesty's Government gave effect to their policy *pari passu* with China, he was in favour of supporting it. The senior unofficial member, speaking in the name of the Chinese, went even further, and advocated the abolition of all divans in the Colony. The Chamber of Commerce, which is represented by an hon. member who is not here this afternoon, drew up a resolution which I was asked to forward to the Secretary of State, to the effect that while deprecating any sudden and drastic measures, they would loyally support a policy of gradual reduction. I trust, gentlemen, that this explanation is sufficient, and that the Council will not desire it should be understood by His Majesty's Government that this Colony is unwilling to make any effort or sacrifice to carry out the policy it has declared itself ready to support, or that we desire to repudiate the views which have been recorded in this Council, and of which the Secretary of State has been informed.

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

Wireless Station at Pratas Isles

HIS EXCELLENCY—The honourable and learned member who is absent from Council to-day (the Hon. Mr. Pollock), asked on March 11th whether the Government could make any arrangements for signalling typhoons by wireless telegraphy from the Pratas Islands, and whether the Government had any information to communicate on this subject. In reply, the Hon. Colonial Secretary informed the Hon. Member that if he would repeat his question in three or four weeks' time I hoped to be able to reply more fully. The Hon. Member has not formally repeated his question, but I take it hon. members desire the information. The reason why this Government is unable to take any steps—putting aside the question of cost—to erect a wireless station on the Pratas Atoll is because the islands are claimed by China. I have, however, acquainted the Chinese Government through the British Minister at Peking with the importance which would attach to a Typhoon Signal Station on the island, not merely to Hongkong but to the Southern Coasts of China.

Workmen's Cars

THE COLONIAL SECRETARY moved the following resolution:—"Resolved that the Resolution regarding the running of Workmen's Cars by the Hongkong Tramway Electric Company, Limited, now known as the Electric Traction Company of Hongkong, Limited, passed by the Legislative Council on the 21st day of June 1906 be, and the same is hereby, rescinded."

In doing so he said—In that resolution, Sir, provision was made for the running of certain workmen's cars in the early morning. These cars, Sir, have been found not to be patronised by the class for whom they were intended, and accordingly it has been suggested that a system of punch tickets at a rate of two cents a ride should be afforded to workmen and others between the hours of 5.30 to 7.30 in the morning and 4.30 to 6.30 in the afternoon. It is hoped, Sir, that these punch tickets will be availed of to a larger extent than were the cars. The Government at the same time reserves the right, if the punch tickets are not a success, to revert to the workmen's car system.

HON. DR. HO KAI—Sir, I am not opposing the resolution, but I want to know whether the arrangement which the Hon. Colonial Secretary has told us of, viz: the institution of punch tickets, is on record; and if so, whether it is binding on the Company. Otherwise, after we have passed this resolution the Company may vary the conditions with regard to the punch tickets, and where would we be then? I desire therefore to know whether it is on record, and whether it is binding on the Company. If it is binding, I will be one to support the resolution.

THE COLONIAL SECRETARY — The arrangement is on record in writing. Of course if the Company went back on the arrangement, the remedy would be to re-impose the workmen's cars, but I think there is no danger of that. The Company desire to give this the fairest chance.

The resolution was agreed to.

Kowloon-Canton Railway.

HIS EXCELLENCY — Gentlemen, before proceeding to the business of the day, I propose to make a statement regarding the progress of the railway. There is, amongst the papers laid on the table this afternoon, a report by the chief resident engineer, and in connection with that report you will no doubt notice that the various departmental reports which have been laid on the table this afternoon are not in the usual form. They do not bear the heading "Laid before the Legislative Council" but are headed "Appendix" with a letter of the alphabet. The reason of the alteration is that we propose in future to somewhat condense these departmental reports and publish them as a small volume, which will be laid as one document before the Council. In order however to avoid delay, such reports as are already printed have been laid this afternoon.

On February 6th last I made a statement to the Council as to the progress and the financial position of the Canton-Kowloon railway. And again, when introducing the estimates on 24th September last, I reported such progress as had taken place in the interval, and I promised that I would make an annual report to the Council, as regards both the finances and the progress

of the railway, the liabilities which we are incurring in respect of it and the way in which those liabilities are being met. I much regret the delay in presenting this annual report. I had hoped it would be ready at one of the earlier meetings of the year. We have no resolution this year before Council to vote the money required for the construction of the railway during the year because, under the new financial instructions, which have been lately received from the Colonial Office, the requisite funds for the construction during the year are included in the annual estimates. I propose, however, to follow the course I did last year, and to give you as full a statement of events connected with the railway as I can, to make as clear as possible the nature of the expenditure and the prospects both as regards time and cost of completion. In so doing I hope that I shall be able to amplify the report of the chief resident engineer, and explain the significance of the figures.

I will deal first with the expenditure, and I am sorry to say it is not an exhilarating subject. We first of all had an estimate by Mr. Bruce which amounted to \$5,053,274. That estimate, as I explained in my former statement, was a very rough one. It was based on a very rough preliminary survey; it included no calculation of quantities and many important items such as rolling stock, workshops, etc. were not included. It was however accepted as a rough estimate by my predecessor when the railway was first begun. The first detailed estimate that we had from the chief resident engineer, appointed by the consulting engineers, was in June 1907. That amounted to \$8,003,642. It did not include any provision for rolling stock or for workshops, because at that time it was impossible to know exactly what rolling stock would be required, and whether or not we should require any workshops. At the end of the same year [December 1907], a further estimate was submitted to the Council, which amounted to \$9,860,283. Provision for rolling stock had been inserted, and the estimate also included the cost of the resumption of the deep sea wharf in the neighbourhood of Blackhead's Point, but it still did not include any provision for workshops as the subject was still under discussion. The provision made in that estimate for land was also somewhat vague, since no final decision had been taken regarding the site for the terminal station.

The estimate which is included in the papers laid this afternoon, amounts, as you will see, to \$11,004,128. This includes workshops and all items, but it is still possible that the cost of land resumption may not be fully adequately provided for, as all matters in connection with that subject are not yet finally concluded. The excess of this estimate over the one which was laid before the Council in December last amounts to \$1,143,845, if you turn to column E. on page 10 of the report [in which the figures in italics represent savings], you will see that of this sum \$996,409 represent cost of tunnels; \$120,000 is due to the inclusion of the item workshops, and there remains a balance of \$27,436 which is distributed over various items. But you will see also in this latest estimate that there is a great variation of the figures from those contained in the estimate of last year. There is a saving of \$82,400 for rolling stock, and of \$51,700 for ballast and permanent way, making a total of \$134,000 saving on these two items. This is met by an excess of \$90,000 on salaries and \$43,000 on accounts, making \$133,000. Bridges show an excess of \$47,261; half of which is met by savings on various items, and the other half goes to complete the total excess in the estimate of \$1,443,845. These large over and under estimates are most unsatisfactory, and they show that the figures which have been supplied have not been reliable.

But at the same time I would remind you that the mere fact of inaccuracy in estimates does not mean a reflection on British engineering skill. It is due partly to the fact that we are engaged in constructing a tunnel such as has not been undertaken in this part of the world before, and the conditions of which both as regards labour and as regards explosives were extremely difficult to foresee. The variations under the estimates are also in part due to the fact that all the data of the railway were not known, and indeed are not known fully yet. Even had the railway been in the hands of contractors many items would of necessity have been excluded, for which supplementary estimates would have been required.

We have however to face the fact that this tunnel will cost nearly a million more than the estimate given to us at the end of last year, and that in spite of the fact that the engineers had

acquired already a year's experience in dealing with the conditions under which the tunnel had to be constructed. During the year that is passed, the quality of the labour has greatly improved. The coolies have become more efficient, and understand the work better. We have been able to engage a number of coolies returned from South Africa who have been trained as miners, and have been a great acquisition to the work in the tunnel. There has been less sickness and fever. The tunnel has been found to be approximately 44 feet less in length than had been anticipated, owing to an error in the original triangulation. These causes have reduced the cost per foot in a very remarkable degree. You will see on page 2 a very striking statement in this connection. The heading cost per foot in 1907 was \$184, which has been reduced to \$70.04. The enlarging in 1907 cost \$275, which has been reduced to \$140.86; the bricking in was \$221 and has been reduced to \$113.54. If it were not for these very large reductions per lineal foot the excess would have been something I dread to calculate.

Obviously it is beyond my personal control whether or not the estimate formed by the engineers is adequate. The staff has been reduced wherever it has been possible to do so without detriment to the efficiency of the work. The medical arrangements, which are practically carried out by Government, have increased greatly in efficiency. Everything, in fact, that the Government has been able to do to promote economy has been done.

The cost of the tunnel—I speak of the big tunnel only; you will of course recollect that the provision under "Tunnels" includes four smaller ones as well—is estimated as you will see in the report, at \$3,000,000. Its length is 7,212 feet, which works out at \$416 per foot; that is to say \$2,196,342 a mile, or in round figures about £200,000 a mile. If we add to that the cost of laying the permanent way and the proportionate share for the tunnel's length of the general charges of the railway, you will see that the cost of this tunnel is not far short of one-third of the total cost of the railway. Its $1\frac{1}{4}$ miles of length are equal to about $9\frac{1}{2}$ miles of ordinary rail. As regards the special difficulties which

have been met with, and which are held accountable for the large increase in cost, I refer you to the report, in which you will see what the chief resident engineer has to say on the subject. The excess over the estimate of December 1907 is in part due to the fact that we are completely lining the tunnel throughout. It had been hoped that in certain sections, where the rock is exceedingly hard, lining might have been dispensed with. On Mr. A. J. Barry's late visit however it was decided to line it throughout, but with a reduced number of rings of brickwork in those sections where the rock was hard, because the stratum was full of faults and it was feared that the vibration would bring pieces of rock down on top of passing trains.

Of the other tunnels the only one which has given any difficulty, and on which any extra cost has been incurred is the Taipo tunnel, where heavy landslips were experienced owing to the slushy clay which formed the hillside. This necessitated very elaborate timbering at great cost. Its length is 924 feet, of which 573 feet had been driven, and 158½ feet lined on 31st December last.

The other excesses to which I specially alluded—\$90,000 for salaries, \$43,000, for accounts—include the cost of the salary for a portion of the year of an expert whom we hope to obtain from India to organise the work of opening the line for traffic and to advise us on several subjects, including the negotiation of the joint working agreement with the Canton section. The loss on exchange is largely responsible for the excess in these two items. Prior to 1908 no staff had been provided for accounting. Such accounting work as had required to be done had been done by the chief resident engineer and his staff. The third excess of which I spoke—\$47,261 for bridges—arises in part from the increased size of Gascoigne Road bridge, which is due to the fact that it crosses the junction of two roads instead of crossing one of them at right angles. This matter was settled by my predecessor shortly before he left. The increased cost was not shown in the 1907 estimates, because it was not at that time known what the cost of the iron work in England would be. The cost of the construction of this bridge has been let to contract to Messrs. Leigh and Orange as

part of the agreement to which I will shortly allude. Under this head of bridges also, a final decision has been taken regarding the bridge over the Taipo river, which has been a subject of much discussion, and it was finally settled by Mr. Barry. The situation in which it has been placed involves well foundations in the Taipo river, at considerably more cost than had been anticipated by its former location. Sam-chun bridge is also costing something more than anticipated originally. It has been raised higher, owing to information which we received from the engineer of the Chinese section as regards flood levels in the Sam-chun valley, and it has been made with double girders for a double line.

Hon. Members will desire to know whether I have any information to add to my reply of September last to a question asked me by the member who then represented the Chamber of Commerce in this Council as regards certain defective bridges. I said in reply that I had directed that an examination of the bridges in question should be held by the Director of Public Works and Mr. Williams, the engineer of the Naval Docks. Their report, together with the comments of the chief resident engineer was forwarded to the consulting engineers and so far I have had no reply from them. The result was that Mr. A. J. Barry, who already contemplated a visit to the Far East, was directed to inspect the Kowloon-Canton Railway on behalf of Messrs. Wolfe, Barry & Co., and to report to them. His report has no doubt by this time reached them, and I await their authoritative letter before I can make any official statement to Council. But I am aware of the conclusions at which he arrived. Briefly, I can say he agreed with the eminent engineers who reported to me on that question, and that he adversely criticised the principles on which one or more of the bridges had been constructed. The matter is a highly technical one, and according to the memorandum issued by the Colonial Office, technical responsibility for work undertaken by the consulting engineers rests upon them. Direct intervention by the Colonial Government is only justified in case of urgent necessity. If the Government believes the quality of the work to be unsatisfactory it will be beneficial for it to intervene. In my judgment such an occasion had arisen. Under the system upon which this railway

is being constructed the consulting engineers are responsible for the conception, and execution of the design in accordance with the intentions of the Government, and are further responsible that the estimates are adhered to. The chief resident engineer is the nominee of the consulting engineers. He is responsible to them for the technical conduct of the work. I do not disguise from you that I have a misgiving that there will be some addition to the estimates before us in consequence of these defective bridges, but I trust that the addition will not be a large one. You will see for yourselves what the chief resident engineer says on the subject in his report on page 4.

I have dealt in considerable detail now with the items that involve excesses in the estimates. There remains those items under which large savings are shown, Ballast and permanent way show an estimated saving of \$51,700, rolling stock, \$82,400. As regards the former you will find on page 5 a full explanation of the over-estimate by the chief resident engineer, to which I have nothing to add. As regards the over-estimate of the rolling stock, it is partly due to a decrease in home prices, and partly to the fact that less rolling stock than was anticipated has been ordered. On Mr. Barry's advice the original order was somewhat reduced. The rolling stock is calculated to last till the end of 1911, but the chief resident engineer informs me that when the line is opened to Canton it will be insufficient, and will have to be augmented. We cannot, however, say exactly what quantity of rolling stock we shall require until the working agreement has been negotiated with the Chinese. I may add too, that the carriages will cost something less than half what had been estimated, for the amount placed on the estimates had been calculated on the basis of the carriages for the Shanghai railway, and we find by adopting a less expensive model we can reduce the cost from about \$4,000 per carriage to \$1,900.

As regards earthwork;—under the estimate of December 1907 the chief resident engineer already anticipated a saving of \$140,504 on the estimate made in the previous June. Out of this saving, and further anticipated savings, \$35,000 will be required in order to effect reduction in the height of the bank in the big cutting at the head of Hunghom Bay. This

cutting is about 210 feet deep, and the engineers consider that looking to the very friable nature of the ground it is unsafe to allow the bank to stand without some further precautions to avoid landslips which may block the line for a period of several months. \$110,000 are devoted to the prolongation of the sea wall from the storm water outlet to Blackhead's Point. This had long been decided upon but it was not included in the December estimates because no definite decision had been arrived at as to its exact location. It had originally been intended to continue the wall in a straight line to Blackhead's but it was set back in order to effect a substantial saving by constructing it in shallower water. \$40,000 are also required, which I hope will be met from these savings in earthwork, for cutting off the corner on Signal Hill in order that the railway may obtain a proper curve in approaching Kowloon Station.

I turn now to the more pleasant task of reporting the progress which has been made upon the railway during the past year. I think we can describe it as satisfactory on the whole with the exception perhaps of the big cutting at Hunghom and the reclamation for the station yard which are let to contract to Messrs. Leigh and Orange. As there was a prospect that the time for this would be much exceeded we entered into negotiations with the contractors in order to obtain the use of what is called the "overland route" construction line which they have made and also to secure access to certain areas of the reclamation in advance of the completion of the contract. By obtaining running powers over the construction line we shall facilitate the opening of the railway at a very much earlier date than would otherwise have been possible. In return we have allowed them twelve months' extension of the time for the big cutting which, as I have said, will not delay the opening of the railway. It will be opened over the "overland route" and they have consented that the penalties for exceeding the contract time shall be trebled. We have also given them two new contracts at rates which will be remunerative to them, viz., the Gascoigne Road bridge and one in the neighbourhood of Yaumati Station. It will now be possible to open the line before the big reclamation is completed.

The tunnel progress has been good. On 31st December 1907, 2,100 feet had been driven and 465 feet had been lined, and on 31st December last 5,644 feet had been driven and 2,730 lined. The progress in 1907 was 40.27 feet per week. Last year it was 68.15, an increase of some 60 per cent. in spite of the fact that during the great part of 1907 we were working on four faces whereas in 1908 we were working on two only. I have already told you how greatly the cost per foot has been decreased in addition to this increased rapidity. We hope the headings will meet within the next two or three days. For this work very great credit is due to Mr. Waite, the tunnel superintendent. We hope the tunnel will be lined and finished by the end of the year and that the permanent way will be laid and the line opened over the "overland route" by May 1910.

We found it advisable to have a small flag station at Taipo market in order to attract some additional traffic, and a small station will also be built at Lo-fu ferry near the frontier. The jetty at Taipo will be lengthened so as to carry it into deep water, and by this we hope to acquire considerably more traffic from across the bay. The cost of these three items (which were not included in the last estimate) is small and will be met, without increasing the estimates, by abolishing high platforms at the small intermediate stations, since they are not considered necessary. After much discussion with Mr. Barry when he was here it was decided that the small workshops which would be necessary should be placed on Crown land at the head of Hunghom Bay. It is considered that the building and plant will not cost more than \$120,000, which is now included in the estimates.

After very carefully weighing the great advantages to be gained against the cost involved with the advice both of the consulting engineers and of Mr. Barry (who studied the question on the ground), it was decided to locate the terminal station on the land to the North of Salisbury Road where it would be near the various piers where passengers and baggage would be landed, and more central. It would leave the deep water anchorage free for ocean going steamers, and the reclamation for goods yard and shunting sidings. This will involve some land resumption which I think

well worth the cost in order to acquire the advantages which I have described. It is not possible to say what the cost of these resumptions will be because the matter will involve some adjustment between the Colonial Government and the Railway accounts.

The report of the medical officer is very satisfactory. Malaria, beri-beri, and dysentery at the tunnel have decreased by 50 per cent. This is due to better organisation and to better methods. The number of coolies employed per day on the railway throughout the year was 3,244. Both sections—our section and the Chinese section—are now well advanced, and we hope before long to undertake negotiations for a joint working agreement.

I think, gentlemen, that covers all the points on which you are likely to feel interested in the work during the past year and the prospects in the future—(Applause).

Demonetization of Postage Stamps

THE ACTING ATTORNEY-GENERAL moved the first reading of a Bill entitled An Ordinance to demonetize Postage Stamps bearing the Head of Her late Majesty Queen Victoria.

THE COLONIAL SECRETARY seconded, and the motion was agreed to.

Children's Ordinance Amendment

THE ACTING ATTORNEY-GENERAL moved the First reading of a Bill entitled An Ordinance to amend the Law with respect to Children and Young Persons.

THE COLONIAL SECRETARY seconded, and the motion was agreed to.

Larceny Ordinance Amendment

THE ACTING ATTORNEY-GENERAL moved the first reading of a Bill entitled An Ordinance to amend The Larceny Ordinance, 1865.

THE COLONIAL SECRETARY seconded, and the motion was agreed to.

Public Health Ordinance Amendment

THE ACTING ATTORNEY-GENERAL moved the second reading of the Bill entitled An Ordinance to amend The Public Health and Buildings Ordinances 1903-1908.

THE COLONIAL SECRETARY seconded.

Life Insurance Companies Ordinance Amendment

THE ACTING ATTORNEY-GENERAL moved the second reading of the Bill entitled An Ordinance to amend The Life Insurance Companies Ordinance, 1907. In doing so he said: The bill effected certain amendment in the Life Insurance Ordinances recommended by the actuaries.

THE COLONIAL SECRETARY seconded, and the motion was agreed to.

The Council then went into committee to consider the Bill clause by clause, and on Council resuming the Bill was reported as having passed through Committee.

Amendment of Code of Civil Procedure

THE ACTING ATTORNEY-GENERAL moved the second reading of the Bill entitled An Ordinance to amend The Code of Civil Procedure. In doing so he said—Its principal purpose is to secure uniformity in the mode of procedure. It also provides for the payment by a plaintiff of the cost of keeping a defendant in gaol. At present, a creditor who imprisons a debtor on execution judgment has to pay for the keep of the debtor in prison, but for some reason no similar provision was made that a plaintiff should bear the cost of the keep of the defendant whom he imprisons in order to compel him to answer a complaint against him. This bill makes that necessary provision.

THE COLONIAL SECRETARY seconded, and the motion was agreed to.

The Council went into Committee to consider the Bill clause by clause, and on resuming it was reported that the Bill had passed through Committee.

Evidence Ordinance Amendment

THE ACTING ATTORNEY-GENERAL moved the second reading of the Bill entitled An Ordinance to amend The Evidence Ordinance, 1899. In doing so he said—This bill has been necessitated by the fact that section 40 of the Evidence Ordinance 1889 contains some errors in description. In that section the word "Governor" is used where the words "His Majesty the King" should have appeared. This Ordinance is intended to set right this and other modes of description which are not altogether inaccurate.

THE COLONIAL SECRETARY seconded, and the motion was agreed to.

The Council went into Committee to consider the Bill clause by clause. No amendment was made.

On the Council resuming, the Bill was read a third time and passed into law.

Amendment of Wireless Telegraphy Ordinance

THE ACTING ATTORNEY-GENERAL moved the second reading of the Bill entitled An Ordinance to amend The Wireless Telegraphy Ordinance 1903.—He said—The Bill is a very short one. Its object is to confer powers on the Governor to make regulations as to the use of wireless telegraphy by merchant ships, British or Foreign.

THE COLONIAL SECRETARY seconded, and the motion was agreed to.

The Bill passed through Committee without amendment and was afterwards read a third time.

Merchant Shipping Ordinance Amendment

THE ACTING ATTORNEY-GENERAL moved that the Council go into Committee on the Bill entitled An Ordinance further to amend the Merchant Shipping Ordinance, 1899.

THE COLONIAL SECRETARY seconded, and the motion was agreed to.

THE ACTING ATTORNEY-GENERAL stated that clauses 9 and 13 were reserved at the last meeting for consideration, but as he had amendments to propose to other clauses as well as these two clauses, the Bill would need to be reconsidered.

THE COLONIAL TREASURER pointed out that the members interested in shipping were absent and it might be as well to postpone consideration of the Bill.

THE ACTING ATTORNEY-GENERAL agreed, and consideration of the Bill was postponed.

The Peak Tramway

The last order of the day that the Council go into Committee on the Bill entitled an Ordinance for authorising the construction of a tramway within the Colony of Hongkong, was not proceeded with.

HIS EXCELLENCY—The Council stands adjourned until this day week.

FINANCE COMMITTEE.

A meeting of the Finance Committee was then held, the Colonial Secretary presiding. The following votes were passed:

Additional Office Accommodation

THE GOVERNOR recommended the Council to vote a sum of Five thousand four hundred and fifty Dollars (\$5,450) in aid of the vote Public Works Extraordinary, Extension of Old Stables to provide Additional Office Accommodation required for Public Works Department.

Stocktaking

THE GOVERNOR recommended the Council to vote a sum of Two thousand two hundred and thirteen Dollars (\$2,213) in aid of the vote Public Works Department, Other Charges. Fees, etc., for stocktaking of stores.

THE CHAIRMAN—This is to pay an outside firm for auditing and stocktaking the stores of the Public Works Department.

HON. DR. HO KAI—Is this to be an annual thing?

THE CHAIRMAN—It ought to be done at least once every two years.

Conveyance Allowance

THE GOVERNOR recommended the Council to vote a sum of Ninety Dollars (\$90) in aid of the vote, Medical Department, C.—Institutes, Other Charges, Bacteriological Institute and Mortuaries, Conveyance Allowance to Bacteriological Assistant.

Office Charges

The GOVERNOR recommended the Council to vote a sum of Two hundred and seventy Dollars (\$270) in aid of the vote, Colonial Secretary's Department and Legislature, Other Charges, Typewriter.

Launch Repairs

The GOVERNOR recommended the Council to vote a sum of Three hundred and two Dollars (\$302) in aid of the vote, Medical Department, A.—Staff, Other Charges, Health Officer of Port, Repairs to Launch.