

11TH NOVEMBER, 1909

PRESENT:—

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

HIS EXCELLENCY MAJOR-GENERAL R. G.
BROADWOOD, C.B., A.D.C. (General Officer
Commanding).

SIR. F. H. MAY, K.C.M.G. (Colonial
Secretary).

HON. MR. F. A. HAZELAND (Attorney-
General).

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

HON. MR. P. N. H. JONES (Director of
Public Works).

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

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

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

HON. MR. E. OSBORNE.

HON. MR. E. A. HEWETT.

HON. MR. MURRAY STEWART.

HON. MR. W. J. GRESSON.

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

MR. C. CLEMENTI (Clerk of Councils).

Minutes

The minutes of the last meeting were read
and confirmed.

Congratulations to Sir F. H. May.

HIS EXCELLENCY—Gentlemen,—Before
proceeding with the business of the day, I
propose to read to the Council a telegram
which I have received from the Secretary of
State. It is as follows:

"It gives me pleasure to inform you that His
Majesty has been graciously pleased to
approve of conferring the Knight Commander

of the Order of St. Michael and St. George
upon Mr. May."

(Applause.) This news has already been
made public in the Press, but I take this
opportunity of reading the telegram in order
that I may place on the records of the
Legislative Council the fact that the member
who with one exception has assisted in the
deliberations of this Council for a longer
period than anyone here present has been
awarded this honour by His Majesty. I am sure
that I voice the feeling of every member of this
Council and of the Colony at large when I say
that in our opinion no honour conferred on this
occasion by the King in any part of the Empire
can have been better deserved than the one
which has been conferred upon the Hon. Mr.
Colonial Secretary. (Applause.)

THE COLONIAL SECRETARY—Sir, I beg
to express my appreciation of the terms in
which your Excellency has been good enough
to refer to the honour which has been
conferred upon me.

Condolences With Japan.

HIS EXCELLENCY—I have also to inform
the Council that immediately on receipt of the
news of the dastardly outrage by which one of
the foremost statesmen of Japan was deprived
of his life at the hand of an assassin I
telegraphed the sympathy of this Colony with
our ally in their great loss. I received in reply
the following telegram from His Majesty's
Ambassador at Tokyo:—

"The Japanese Government desire me to
convey to you their deep gratitude for the
sympathetic message with respect to the
lamented death of Prince Ito."

Financial Minutes

THE COLONIAL SECRETARY, by
command of His Excellency the Governor, laid
on the table Financial Minute No. 51, and
moved that it be referred to the Finance
Committee.

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

Financial

THE COLONIAL SECRETARY, by command of H. E. the Governor, laid on the table the report of the Finance Committee (No. 17), and moved its adoption.

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

Byelaws

THE COLONIAL SECRETARY moved that the approval of the Council be given to the byelaw made under sub-section 35 of section 16 of the Public Health and Buildings Ordinances, 1903-09, with reference to the prevention of mosquito breeding.

THE DIRECTOR OF PUBLIC WORKS seconded, and the motion was agreed to.

THE COLONIAL SECRETARY moved that the approval of the Council be given to byelaws made under section 16 of the Public Health and Buildings Ordinance, 1903-09, with regard to slaughter-houses and slaughter of animals.

THE DIRECTOR OF PUBLIC WORKS seconded, and the motion was agreed to.

The Coinage Problem

The following resolution was standing in the name of the Hon. Mr. Stewart:—"That in the opinion of this Council the issue of a new subsidiary coinage convertible at par would not be successful unless the use of all other subsidiary coins were prohibited in the Colony, and that, in the circumstances, it is undesirable to deal with the matter except as part of a comprehensive scheme of local currency reform."

HON. MR. STEWART said, in moving the resolution:—Your Excellency, in speaking to the resolution of which I gave notice at our last meeting I shall not detain the Council long. I propose to do little more than indicate my reason for bringing it forward. Manifestly it refers to the scheme for the issue of a new subsidiary coinage propounded by an unofficial member in the debate on the Estimates—a proposal to repudiate after a

certain date all the existing subsidiary coinage circulating outside of the Colony, to redeem the amount circulating or held in the Colony on the same date; and to issue a new subsidiary coin, convertible at par to any extent, but only legal tender up to two dollars; these coins to compete for public favour with those issued from the Canton Mint, the circulation of which in the Colony was not to be prohibited. Hitherto I have held with those who consider repudiation unjustifiable, redemption impracticable, and prohibition impolitic. The way the hon. member put the case for his contention, that we are not bound to redeem, shook the first of these opinions a little, but by now it has resettled in its old foundations. Having thought over the matter, I consider that the proposal to repudiate, however attractively it may be presented, is, after all, indefensible; and further that, in any case, new subsidiary coins would not cure the inconveniences at present complained of, unless the concurrent use of Chinese subsidiary coins were prohibited. In other words, I think that the scheme propounded would not work. It is here that opinion differs. On the one hand it is contended by the hon. member that the fact of his proposed new coin being convertible at par would cause it to drive out the competing Chinese coins. On the other hand it is held that the Chinese coin would still be in demand among the poorer section of the population, who would always prefer to receive in exchange for a dollar, say, for the sake of argument, eleven Chinese ten cent pieces instead of ten British pieces. It is this view of the probabilities which the first part of the resolution asserts. The point is debateable. I don't propose to discuss it. It is impossible to do so except at great length. And the hope of reaching finality is too slight to justify that. Currency questions are perhaps the most intricate of all the questions about which people freely dogmatise, and legislation dealing with them is notoriously apt to lead to most unexpected results. Ours are peculiarly intricate owing to the complex relation created by contact between ancient and modern conditions of life, between two distinct and well-defined states of civilization, with standards of wealth so far apart that the unit of currency of the one is regarded as subsidiary coin by the other.

I need not remind the Council that the notes issued by the Provincial Government Treasury in Canton are payable in 20 cent pieces. I need not remind you that the shares of the Kwangtung section of the Canton-Hankow Railway are issued in exchange for 20 cent pieces, that, in fact, the capital of that great undertaking is 20 cent pieces—a fact so astonishing to the English mind that when the local Branch of the China Association advised the London Committee of it, the Chairman was afraid to mention it at the Foreign Office lest it should turn out to be a ridiculous mistake on our part. This only shows that the inhabitants of a country in which wealth is fairly widespread have difficulty in appreciating the currency needs of a country rich naturally but so thickly populated that the vast majority are very poor. This is important to remember, and it is sometimes forgotten in discussing the local currency problem. As I have said, I do not propose to discuss it now. Local currency problems have been to the fore ever since the birth of the Colony, and they are not likely to be solved by exhaustive and exhausting speeches delivered in one afternoon. Moreover, it is not really necessary, to the practical purpose I have in view, that the Council should endorse an opinion which may be regarded as academic. I am only concerned to elicit an expression of opinion upon the merits of the proposed scheme as a whole. On the occasion of its promulgation your Excellency said that the Government would consider it. Doubtless you have done so. If, after consideration, the Government does not intend to carry out the hon. member's recommendations, it appears to me to be desirable in the public interest that a statement to that effect should be made. For this reason. Part of the scheme being to redeem the existing coin circulating or held in the Colony, obviously, if the belief were to gain ground that the scheme had any chance of being adopted, our coins would tend to flow back into the Colony in inconvenient quantities, with the result that, eventually, in the case of nothing being done, they would still further depreciate. To prevent this the Government, if they have no intention of redeeming at par the coins held locally, should say so. The belief that it is important to dissipate a possible misleading idea, calculated to encourage speculation, is my main reason for bringing forward this resolution. I must confess that it is perhaps not particularly well designed for the purpose, and, if the statement which I

hope to elicit is made, I shall be willing to withdraw it. The latter part, suggesting that, if anything is done, our local currency ought to be dealt with as a whole by some comprehensive scheme of reform, at least indicates that I am not opposed to change, as such. So far I have been against most schemes of currency reform put forward; not because they involved change, but because I was not persuaded that the changes proposed were for the better. For instance, I did not agree with the proposal made seven years ago to adopt pounds, shillings and pence as the currency of the Colony. That proposal was not new, any more than subsequent proposals to "go gold" were new. Pounds, shillings and pence were proclaimed legal tender here in 1845, but merchants ignored the Government's theoretical gold standard and wisely continued to conduct their operations in the currency most convenient to China's foreign trade, the fact being that they had no option in the matter if they wanted to see the trade prosper. Those who fondly imagine that currency problems would cease from troubling if only we had a gold standard, should dip back fifty years into the history of the Colony. They might then realise, what the Government eventually realised in the early 'sixties, that the wise thing to do was to adopt a currency of equal value with the currency in which the trade of Canton was being conducted. The Government of that day realised the identity of this Colony's commercial interests with those of the great trade centre of South China more clearly than many among us would seem to at the present time. It is just as important to realise that commercially we are part of China as to remember that politically we are not, a fact the significance of which, we have just been sharply reminded, is insufficiently appreciated in high places. Realisation of the former fact that commercially we are part and parcel of China leads to a cautious reception of currency reform proposals based upon the idea that the time has come for this Colony to take independent action. That time will not have come, it seems to me, until the present renewed prospect of the establishment of a uniform currency throughout China shall have faded. The

hope that in exchange for permission to raise the Custom duties the Central Government will discover a strong reason for strong action, may seem somewhat faint, but I submit that it is less faint than any hitherto held out. We shall doubtless be told that the Central Government is not strong enough to force a uniform currency upon the Provinces, even if it so desires. But it is not reasonable to be asked to believe one moment that the Central Government is powerless to do this, and to be told at the same moment that it is powerful enough to eradicate the opium habit in a few years throughout the length and breadth of the land. If that is possible, and the accredited authorities on Chinese affairs proclaim the fact, it must surely also be possible to perform the far simpler task of controlling a few Provincial Mints. All that is required is an adequate motive, and this may conceivably be supplied as suggested. Thus there seems more chance of reform than ever before, and, therefore, more than ever now should we exercise patience and wait and see what is to come. In the meantime it is incumbent on this Government to continue to work towards the rehabilitation of the subsidiary coinage in use by exerting its influence to combat the evils of over production by the Canton Mint. More than that I do not advocate at the moment. It appears to be still doubtful whether the anticipated uniform currency throughout China will be the tael or the dollar. Whichever it is, we should, if possible, adapt our currency to it, and, pending the Central Government's eventual choice, I do not think it would be wise of us to launch out independently. If, however, within a reasonable period, it would become apparent that, after all, the hope that I have dwelt on is not to be fulfilled, then we shall have to face the risks of independent action, and then a comprehensive scheme of local currency reform—dealing with our copper as well as with our silver coins—will receive my active support. But while these things are on "the knees of the gods" I have no particular desire that this Government should bind itself in any way other than by the declaration I have asked for, and simply in order that there may be subject matter before the Council to speak to, I move *pro forma* the resolution as it stands.

THE HON. MR. OSBORNE — The hon. member has wandered very far from the point

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HIS EXCELLENCY — The resolution has not been seconded.

HON. MR. HEWETT—Your Excellency, I informed the hon. member who represents the Justices of the Peace that I would be very glad to second his resolution. When I came into this room I was not aware of what he was going to say. I have listened to him with great attention this afternoon, and, in the main, I entirely agree with what he has said. I do not propose to take up the time of this honourable Council by going into the extremely vexed and complicated question of currency reform, but I will briefly state my reasons for supporting the hon. member. To begin with, a proposal was set forward by my hon. friend on my right (Mr Osborne) at a previous meeting that we should repudiate all British coin which has poured into Southern China for many years past. It appears to me that that would be an absolutely indefensible action. Personally I would look upon it as politically immoral, and I feel very sure that that view would be taken by His Majesty's Ministers at Home, supposing the scheme were before them. I have already stated in this Council that I think it inadvisable to continue the scheme for redemption started by your Excellency's predecessor. It has been given a fair trial for some years and is found to be costing the Colony a large sum of money without an adequate return. I also endorse the remarks made by the hon. member who moved the resolution that prohibition, as we now stand, of Chinese coinage is most inadvisable. As I have already stated on a previous occasion, I consider the attitude of the Government at present as the correct one. We know that for many years past the Government has carefully and anxiously followed the currency question, but I believe the moment has not yet arrived for any special action on the part of the Government. It is unquestionable, in my opinion—although there are others who do not agree with me—that our coinage, as trade now exists, cannot possibly be dissociated with that of the Chinese Empire, and I believe if any attempt of that kind was made it would inflict a very serious blow on the trade of the Colony. We must continue our trade with the

southern part of China, and merchants doing that must deal with Chinese on terms of equal footing as far as their coinage is concerned. If they find that through legislation in the Colony trade is checked, they will remove their business to the treaty ports. The trade will continue, but the interests of Hongkong will suffer. It appears to me that the only thing to do now is for the Government to continue the policy, which I understand it has followed for some time, of endeavouring in every possible way to encourage currency reform in China, which, I think, is within measureable distance. I may be wrong there. If I am, then it will be open for the Government of this Colony to reconsider the circumstances. As a matter of fact, I think that it would in the circumstances be an enormous mistake and deal a serious blow at the material prosperity of the Colony were the Government to attempt this action. I will not take up the time of the Council further. As I said, I have only just heard the remarks made by the mover of the resolution. It is impossible for me—and I do not think it is at all necessary—to enlarge on anything he has said. I merely wish to support him in the main principles of his resolution.

HON. MR. OSBORNE—I thought, sir, that we were here to discuss questions concerning Hongkong, but we seem to be wandering away into Chinese currency affairs that have no bearing upon the point at issue, so I will endeavour to focus the debate back to the Colony's needs. The honourable member who has moved this resolution declares that repudiation of British coins is indefensible, and no doubt there are many who will be inclined to agree with him; indeed, it was only in regard to this aspect of the question, as I stated a fortnight ago, that I anticipated any exception being taken to my proposals. I will not argue the point; to do so would be of little advantage, because it is unlikely that unanimity would ever be reached. But I will meet his objection with a development of the original scheme, by which repudiation can be avoided and by which redemption can be effected without additional loss to the Treasury. I would suggest that the old coins be demonetised only so far as the public are concerned; that is to say, that they continue to be legal tender to Government and cease to be legal tender to others. The effect of this would

be that a certain quantity would annually return to the Treasury and could be melted down and re-cast into new coins. Our local exchequer by slow degrees gorged itself in the past with unwholesome profits from subsidiary coinage, and if redemption be the only acceptable avenue to reform, then let it in similar manner disgorge by slow degrees in the future. Meanwhile the new coin would circulate at par and be legal tender both to Government and the public. The honourable member fears that the Chinese will continue to use Chinese coins—that they will prefer eleven Chinese 10 cent pieces to ten British. That may or may not be so. Again I will not argue the point, except to say that if the Chinese prefer their own coins, it will be their own affair and does not in the least affect the main principle of my scheme, which is that a coin at all times worth its face value would be available to those who wish to use it; and in further answer to this argument I can only repeat what I said before that those who continue to accept depreciated coins will have no one but themselves to blame for any loss they may suffer.

HIS EXCELLENCY — Gentlemen, — The hon. member at the end of the table who represents the Justices of the Peace (Hon. Mr. Stewart) has told us that he is willing to withdraw his resolution if the Government will give him an assurance that they will not accept the scheme proposed by the hon. member on his left (Hon. Mr. Osborne), except as part of a large scheme of currency reform. I have given much thought to the scheme, as I promised that I would do, in so far as it was possible to give thought to a scheme of which only the very briefest outline was sketched by the hon. member in his Budget speech. I replied on that occasion that it did not seem as though the scheme afforded any grounds for belief that the introduction of the new coinage would oust the Chinese coin. He did not tell us on that occasion whether he anticipated that it would oust it or not, or whether he would be content that the Chinese coin should circulate in the Colony provided that the new coinage circulated at par.

The scheme would admittedly involve repudiation of the Hongkong currency which

remained in circulation, for I think there is little doubt that the existing currency would still remain in circulation along with the Chinese coinage; of course, circulating like it at a large discount. I do not think that any British Government would agree to a scheme involving repudiation of existing coinage in any British colony, and unless a very considerable period for the redemption of the coin in circulation were agreed upon I would not support it myself. On this crucial point the hon. member in the brief outline he gave was silent. If he had in his mind that the period should be so short a one as to prevent the influx of stocks from Canton, that would involve an act of repudiation so large that I do not think any of us could consider it justifiable. If, on the other hand, he contemplated a considerable period during which the holders of existing stocks should be able to redeem the coin they had—say, a period of some six months—the liability which this Colony would incur would undoubtedly be a very large one and its extent wholly unknown.

I concur, too, with what the proposer of the resolution said regarding the inadvisability of establishing any new form of coinage at the present moment until we know what the coinage of China is likely to be. Finally, and I think this is perhaps the most important point of all, the issue of a new coinage, and the repudiation of the old would, I fear, strike a very serious and grave blow at the financial stability integrity of this Colony in the eyes of China. (Applause.) In these circumstances I am prepared to give the assurance asked for by the proposer of the resolution, that to use his own words—"the Government do not intend to deal with this matter of a new coinage except as part of a comprehensive scheme of local currency reform," or, I may add, of systematic redemption.

The Hon. Mr. Osborne has just proposed a modification of his scheme which alters it very considerably from his original one. By his present proposals I understand that he means that there should be two separate forms of legal tender co-existing in this Colony: the one obligatory upon the Government only, the other universal. That is to say, that the whole mercantile community of this Colony, the whole of those carrying on the trade of this Colony with China, should repudiate the

existing coinage, but that the Government should continue to receive as legal tender the coins it had issued. I am unable to see how the Government can dissociate itself from the community of the Colony, or how the Government can adopt one form of legal tender when the Colony which it represents disclaims and repudiates that form of legal tender. To my mind this proposal is as much a scheme of repudiation as the other.

The Government of the Colony was referred to by the hon. member in his speech as if it were some outside committee existing for its own purposes. It had gorged itself with profits and it should disgorge those profits. I can only say that the Government represents the taxpayers and the Revenue represents their money. The taxpayer of this Colony—in other words, the mercantile community—received the benefit of the profit made on the coin put in circulation. If the Government disgorges, it is the taxpayer who disgorges. There is no separation between the Government and the mercantile and trading interests.

One minor point before I sit down. The hon. member for the Chamber of Commerce (Hon. Mr. Hewett) said that my predecessor instituted the scheme of withdrawal of certain quantities of subsidiary coinage tendered in payment of taxes, and so forth. That is not strictly accurate. My predecessor did not institute that scheme further than to send Home large quantities of unissued stock. The scheme was instituted in the hiatus which occurred between his leaving this Colony and my arrival.

Hon. Mr. STEWART—Your Excellency, in view of the statement which you have made, I beg leave to withdraw my resolution.

The King's Birthday.

HON. MR. STEWART asked—(1.) Is it a fact that, in the original instance, the postponement of the King's Birthday Celebrations was ordered by the Secretary of State without any previous reference of the matter to or consultation with the Government of this Colony?

(2) If so, will the Government convey to the Secretary of State a respectful intimation that such treatment is resented in the Colony?

(3) In view of the fact that the well-known date of the birthday of His Britannic Majesty was chosen for the obsequies of the late Dowager Empress of China some weeks ago, and that up to last Friday the Secretary of State gave no sign that he considered that the claims of the latter overrode those of the former in this British Colony, has the Government any information as to the reason for this sudden change of attitude?

THE COLONIAL SECRETARY replied:

1. Yes.
2. The questions put forward by the hon. member and replies given will be transmitted to the Secretary of State for the Colonies.
3. No.

A Public Nuisance

HON. MR. STEWART asked—Is it necessary to the work on the Post Office that the plot of Government Land between the Law Courts and the Praya should be largely occupied as workmen's dwellings?

How many people are housed nightly in the quarters which the contractor is allowed to maintain there, and what rent, if any, does he draw from their occupation? Are all the people housed there engaged in work on the Post Office?

And are we to understand that the public may be asked to put up with the nuisance created by the condition of the plot in question for the year or more during which the Post Office will be in course of construction?

THE DIRECTOR OF PUBLIC WORKS — replied:

1. No.
2. There are at present over 30 men housed nightly in the workshop quarters. These are masons brought over, after the last typhoon which destroyed their matsheds, from the Ma Tau Kok Quarry, from which stone for the Post Office is prepared. They will in a few days return to the Ma Tau Kok sheds, which are being rebuilt. The contractor draws no rent for housing those people, who are all engaged on Post Office work.
3. This answer disposes of the 3rd question.

The Cemetery Ordinance

THE ATTORNEY-GENERAL moved the third reading of the Bill entitled "An Ordinance to set apart certain Crown Land to be used as a burial ground for persons professing the Christian religion."

THE COLONIAL SECRETARY seconded, and the Bill was read a third time and passed.

Trade Marks Amendment Ordinance

Council went into Committee to resume consideration of the Bill entitled "An Ordinance to amend the law relating to trade marks."

THE HON. MR. HEWETT—Your Excellency, —Two days ago I received a letter from the Colonial Secretary enclosing seven or eight suggested amending clauses. It appears to me, although I am not an expert in trade-marks, that the matter is a very important one. There are a large number of merchants in the Colony who are interested in trade-marks, either on their own behalf or on behalf of the firms at Home which they represent, and it appears to me in view of the importance of the matter and also, as I understand, in view of the fact that there is no urgent necessity for the passing of this Bill, that it would be very advisable that an opportunity should be given to the merchants interested to see these clauses before the Bill passes its third reading. That being so, I would ask your Excellency to be good enough to allow the Bill to remain in Committee until the merchants of the Colony have had an opportunity of seeing what the amendments are. When I received the letter I circulated a memorandum to the committee of the Chamber of Commerce, but it was impossible for us to discuss the question in the interval. As representing the Chamber of Commerce, I am not prepared to express any opinion on the proposals now before the Committee, and I cannot see that there can be any objection to allowing the matter to stand over. I would ask your Excellency to do this, and the Chamber of Commerce will deal with it as promptly as possible. I do not think the Bill ought to be put to the third reading until

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opportunity of expressing their opinion if they wish to do so. The question is a very important one.

HIS EXCELLENCY—I shall be very glad to defer the Bill. The Committee resumed in order to give you an opportunity of moving its postponement.

HON. MR. HEWETT—That is my reason for asking for postponement. I propose, if you will allow me, to hand in the memorandum which I circulated to the committee, which will justify my reason for asking that the Bill be deferred.

HIS EXCELLENCY—We will defer the Committee stage on the Bill, but I would ask you to expedite the matter as much as possible, as the session has already extended much beyond the usual date. I would like the Council to meet again on Friday, the 26th November.

HON. MR. HEWETT—I am obliged to your Excellency for your consideration in the matter.

The Harbour of Refuge Bill

Council went into Committee on the Bill entitled "An Ordinance to authorize the Construction and Maintenance of a Harbour of Refuge upon and over certain portions of the Sea Bed and Foreshore situated upon the Harbour frontage at Taikoktsui, Monkoktsui, and Yaumati, Kowloon, in this Colony."

THE ATTORNEY-GENERAL moved an amendment to section 2 (b) by adding the following words: "And do not when completed interfere with direct access to the sea along the whole of the western frontages of Kowloon Marine Lots 32 and 49, provided that the sea wall protecting any reclamation of the foreshore or seabed adjoining and lying to the south of Kowloon Marine Lot 32 shall not be altered so as to extend to the westward of the position shown on the said plan."

He said the amendment was merely to make clear an alteration in the plan (submitted), and also to make clear that the access to the marine lots would not be interfered with. The amendment had been accepted by the owner of Kowloon Marine Lot 32.

HON. MR. OSBORNE—Does that mean that you can do anything else you like in front of a man's lot?

THE DIRECTOR OF PUBLIC WORKS —
No.

HON. MR. STEWART—The line of the shore is marked "Harbour of Refuge boundaries."

THE DIRECTOR OF PUBLIC WORKS —
That is for the convenience of workmen.

HON. MR. STEWART—Does it mean that you can bring any number of junks you please opposite the houses there and leave them there during the time this breakwater is building?

THE DIRECTOR OF PUBLIC WORKS —
That would be very unreasonable.

HON. MR. OSBORNE—Is there any danger of the rights of these marine lot holders being affected?

THE DIRECTOR OF PUBLIC WORKS —
Lots that are likely to be affected are provided for in the Bill.

HON. MR. STEWART—You say it is not likely you will put junks in such a way as will prove inconvenient. But you will do it if you like?

THE COLONIAL SECRETARY—I think the hon. member may rest assured that there will be no unreasonable interference. During the construction of the work junks will no doubt have to come and go, but there will be no interference with the access to the sea.

HON. MR. STEWART—That would work in the ordinary way if there were no special powers taken for the breakwater. I only ask what are the special powers for. You make a line all round the plan and say that within this you are going to take special powers.

THE DIRECTOR OF PUBLIC WORKS —
The line is the boundary of the Harbour of Refuge, and the works to be constructed are shown within this boundary, which is also the limit of deviation.

HON. MR. STEWART—You are not going to make any works along the foreshore?

THE DIRECTOR OF PUBLIC WORKS — No.

HON. MR. STEWART—Then why provide for deviation all the way from the breakwater to the shore? I don't see what the building of the breakwater has got to do with the sea wall at all.

THE COLONIAL SECRETARY—You want to show the area of your harbour of refuge.

HON. MR. STEWART—If that is the object of the line then it is understandable.

HIS EXCELLENCY—Supposing dredging operations were required in front of those lots, they could take place within the red line, not outside.

HON. MR. OSBORNE — Yes, but this apparently gives the Government the right, say, to put a stone pier opposite that man's lot.

HON. MR. HEWETT — I take it, your Excellency, that if the Government are spending a large sum of money in making a valuable harbour of refuge they must have power to do any reasonable amount of work in that area. It appears to me that the Government proposal is a perfectly reasonable one, and I don't see anything to object to. We can trust to the Government officials and the assurance given by your Excellency.

THE COLONIAL SECRETARY—As for the rights of marine holders, they are amply provided for in the Bill. And as a matter of fact no marine lot holder has objected to the Bill,

HON. MR. OSBORNE—The whole point is whether there is anything in this Bill which will affect the rights of marine lot owners.

HIS EXCELLENCY—They have all seen the Bill and discussed it, and do not object, or what objections they have made have been met, and their rights safeguarded to their satisfaction. They are the best judges of what those rights are.

THE DIRECTOR OF PUBLIC WORKS — All the marine lot holders affected are mentioned in the Bill.

HIS EXCELLENCY — Have you any amendment you wish to make to the clause?

HON. MR. OSBORNE—No.

The section was then approved.

Sub-section 4 of the same clause was altered to read "The Governor may instead of making an award under this section enter into an agreement with any claimant for the compromise or settlement of any claim on such terms as the Governor may think fit.

Council then resumed.

THE ATTORNEY-GENERAL moved the third reading of the Bill.

THE COLONIAL SECRETARY seconded, and the Bill was read a third time and passed.

HIS EXCELLENCY—Council will adjourn until Friday, 26th inst.

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FINANCE COMMITTEE.
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A meeting of Finance Committee was then held, the Colonial Secretary presiding. The following vote was passed:—

HIS EXCELLENCY recommended the Council to vote a sum of Thirty-three thousand five hundred and ten Dollars (\$33,510) in aid of the vote, Public Works, Recurrent, Miscellaneous, Typhoon and Rainstorm Damages.

THE CHAIRMAN—The total damage by the last typhoon amounted to \$50,370. This supplementary vote is required to supplement the vote on the Estimates.