

14TH APRIL, 1910.

PRESENT:—

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

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

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

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

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

HON. MR. E. A. HEWETT.

HON. MR. W. J. GRESSON.

HON. MR. E. OSBORNE.

HON. MR. M. STEWART.

MR. C. CLEMENTI (Clerk of Councils).

Minutes

The minutes of the last meeting were read and confirmed.

Financial Minutes

THE COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table Financial Minutes (Nos. 13 to 26), and moved that they be referred to the Finance Committee.

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

Papers

THE COLONIAL SECRETARY, by command of His Excellency the Governor, laid on the table the following papers:—Financial Returns for the year 1909. Report of the Registrar of the Supreme Court for the year 1909 and Report of the Police Magistrate's Court for the year 1909.

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.

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

Kowloon-Canton Railway Vote

THE COLONIAL SECRETARY—Sir, I beg to move the following resolution standing in my name:— "It is hereby resolved that a sum of Two million and one hundred thousand Dollars (\$2,100,000) be advanced out of funds in the custody of the Government for the purpose of construction of the Kowloon-Canton Railway (British Section) during the year 1910." In connect on with that resolution I have just handed to members a financial statement showing the headings under which the expenditure for the current year is divided. I regret, Sir, that this statement was not ready earlier, but it has only just been received from the printers. In the appendix to the published estimates of the current year, the expenditure on the railway is put down at \$1,800,000 in round figures. The figures in the resolution show an excess of three lakhs of dollars. This excess is principally due to the increased expenditure on earthwork and tunnels and the permanent way. The increase on earthwork and tunnels was fully explained in the report recently laid on the table, and in the remarks which you made upon that report.

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

A Debateable Land Sale

HON. MR. STEWART—I rise, Sir, to move "that in the opinion of this Council it is desirable to reserve for public purposes the plot of land situated on the sea front to the north of the new Law Courts." I

wonder what would be said if the municipality of Venice were to propose to sell for office buildings a site on the open space between the Doge's palace and Sansovino's great Library. The whole world would ring with protest. Why? I suppose because all men's sense of the fitness of things regards the landing place opposite St. Mark's as the city's front doorstep, and the ground indicated as being necessary to the artistic effect of that marvellous frontage. With that I do not seek to compare for a moment our modest frontage. To do so would be ridiculous. But it is not ridiculous to urge artistic considerations in a discussion affecting the disposal of the remaining open space on our public square. Speaking in this place four months ago I expressed the hope that some day, when the Colony's present heavy undertakings in public works shall have been fulfilled, and the existing depression of trade shall have been succeeded by a period of prosperity, the Government would erect on the site to which this resolution refers a City Hall, "a granite building in the classic style, worthy of the most beautifully situated city in the King's Dominions." That was no mere rhetorical flourish. It was the deliberate expression of a long-cherished idea. The idea was not dismissed as chimerical by your predecessor. It was certainly not so treated by the popular official who for a time acted under him as Colonial Secretary. I refer to Mr. Sercombe Smith. I remember discussing the matter with him. I remember that we agreed upon the point. I mention this to show that it is no new fad peculiar to an enthusiast. It is a view which may be held even by men responsible for the administration of the Colony. The building pictured should, indeed must, harmonise with, and be complementary to, the Law Courts, and by the nobility of its design should fittingly represent the City's proper pride. I use the words advisedly. Civic pride is proper pride. It is part and parcel of a healthy public spirit. A healthy public spirit in any prosperous community invariably manifests itself in fine public buildings. Even a mere trading station such as this may legitimately harbour aspirations of the kind. Why should Hongkong in this respect be content to remain so far behind Bombay, for instance? At least we may legitimately aspire to have a show building on our finest site. It is the only one remaining upon which it

would be worth while to erect such a building. If the decision against which this resolution protests is acted upon, the chance will be lost irretrievably. You propose to sell this land on a 75 years' lease, renewable for a further 75 years at the will of the purchaser; to alienate it, in effect, for 150 years. The irreparable nature of the act may well have given the Government pause and led your Excellency to seek an expression of public opinion upon the proposal. That was the object of the communication from the Honourable the Colonial Secretary, to the unofficial members of this Council, announcing the decision. Up to the moment of its receipt I was under the impression that the whole of the land north of the Law Courts and west of the Club was to be devoted to public purposes. I was under the impression that an authoritative announcement had once been made to that effect. Even if unjustified by any definite promise it seems such a natural thing for the Government to desire to retain their hold upon the finest remaining site along the sea front, that almost anyone would have felt confident in assuming that this was the intention. In any case, whether the impression was ever created, or whether it simply grew up out of its own inherent probability, the fact remains that it existed widely. I for one shared it. Consequently I was considerably taken aback by this mortifying news. At first I did not feel sure that I was free to publish it; the original communication did not make this plain. Not until I received a second communication, on Saturday last, did I learn that this had been your Excellency's wish. Since then I have done my best, in the short time at my disposal, to ascertain the views generally held, taken on the strength of the information afforded. It is commonly said there is no public spirit in this Colony. I deny that in this case. Among those I have been able to consult I found surprising unanimity as regards the desirability of retaining the site for public purposes. Some were of opinion that it should be kept as an open space and laid out as a garden, permanently. Others favoured a building, provided it was a public building. Only one out of the great number whose opinion I took favoured the Government's proposal. He favoured it only because his spirit could not support contemplation of the length of time the Government would take to erect a building and because

he had no confidence that until they were ready to build they would clear away the hovels and disreputable matsheds which still, I am sorry to say, disfigure the Praya. He thought that pretext after pretext would be raised against laying out the enclosure as an open space, pending the day when they would be ready to build. He was impatient, that was all. But I reminded him that we have your Excellency's assurance that the hovels in question will be swept away as soon as possible. The terms of this present protest enable many to come in under it who do not feel strongly attracted by the City Hall idea. It is possible to disagree about that; and yet to agree on the lines of my resolution. The influentially-signed letter sent into the Colonial Secretary, the day before yesterday, is perhaps the best argument I can put forward in support of it. If the Government, in asking for an expression of opinion, were in any way seriously disposed to be guided by it, I cannot believe that they will disregard such a weighty one. It was signed by over 40 Justices of the Peace, among them nearly all the leading men of the British mercantile community. More signatures could have been obtained, if time had permitted, but there was reason to believe that unless the protest was made promptly the Government would definitely commit itself. I believe that many of the general public would have signed on, had opportunity afforded. But in any case the support of over 40 of that particular section of the public which I have the honour to represent, indicates pretty well the general view of the matter. The letter amplifies the resolution by particularly protesting against the proposal "in view of possible future developments of this Colony." Other reasons for reversing the decision to sell are thereby suggested. Apart from the question of a City Hall, but particularly in view of possible future developments of this Colony, are you quite sure that the Government will never have reason to regret parting with this site? Will no extension of our public offices require to be made? Is the space provided in the new Law Courts for the Land Office sufficient? I understand not. I have heard other suggestions as to lack of space in these buildings, designed ten years ago, when there was less work. Even if you are satisfied on this point, take another possibility into consideration. You propose to make a Government issue of notes. Will the available space in the Post Office—where I understand you propose to have your Treasury—always be available? Hardly, I imagine, if the mail

services increase. Where and how are other Government offices to expand? Where are your railway offices to be? You will need to house some of the staff on this side of the harbour, I should say. I merely throw out these suggestions to show that I do not seek to advance only the considerations to which I am personally committed. Nor do I seek to advance only the interests of that section of the community which I have the honour to represent. I advance also considerations with which the administration has concern. My protest embraces all objections. As far as I am able to judge, it indicates the views of an overwhelming majority of the British section of this community. For their opinion the Government has asked. In this resolution you have it, compressed so as to unite in a common cause all who for any reason object to a proposal to sacrifice the legitimate pride of the community in our fine city. The sacrifice proposed by the Government, as distinguished from the community—and nothing could so sharply distinguish the two as such a proposal—can to my mind only be entertained for a moment on one ground, by showing that the Colony is in the most dire financial straits. Even then, there are other lands to sell. The present site of the Law Courts and the site of the present Post Office, these you still have. These should be the first things to sell. The site referred to in the resolution should be the last. Believing this earnestly, I commend to the favourable consideration of the Government the resolution which I now move.

HON. MR. WEI YUK seconded

HON. MR. OSBORNE rose to speak.

HIS EXCELLENCY—I propose to state the views of Government before any other unofficial member speaks to this resolution in order that the alternative arguments which I propose to put before you may be present to your minds before you pledge yourselves to support this resolution. I am glad that the hon. member who represents the Justices of the Peace has brought this matter before the Legislative Council, because it affords me an opportunity of making this public s t a t e m e n t . I t w a s , a s h e

has rightly said, with the object of inviting discussion and public opinion upon this matter that the letter to which he referred was sent to unofficial members of Council. It is not the usual course to pursue in putting up for auction a block of public land, but this unusual course was pursued in this instance because I fully share with the hon. member his solicitude with regard to this particular plot, and I am not less interested than he is in seeing the beauty and artistic effect of the main approaches to this Colony duly preserved and safeguarded.

This fine open space, which I should propose to call "The Royal Square," surrounded as it is by statues of their Majesties the King and Queen and of their Royal Highnesses the Prince and Princess of Wales encircling the statue of our late revered Queen Victoria—is a site of which the Colony may justly be proud, and upon which no encroachment should be made without the general consensus of opinion of the community. But I wish to emphasise that the proposal before you is in no sense an encroachment on that square, nor is it a bar to the hope expressed by one of my predecessors, Sir Henry Blake—seeing that the Government intend to preserve the entire area between the Law Courts and gardens on the opposite side, together with a corresponding area on the west side of the plot now under discussion, and these areas are now being laid out as public gardens. The plot in fact is outside the rectangle of Royal Square, and its inclusion in the rectangle would distort its symmetry.

The upset price of the lot is six lakhs, and the interest on that sum, together with Crown rent, and assessed taxes, amounts to a sum of \$44,100 a year. The Colony, as you all know, is at present labouring under a heavy burden in meeting interest and working expenses of the railway, together with the cost of the large work which we have undertaken as a typhoon refuge. Therefore, in the next few years—I am afraid for some considerable number of years—there is not likely to be any large margin left for other works of public utility or for remunerative undertakings. I think myself that it is of very great importance that we should begin as soon as possible the extension of the

Tytam Reservoir in order to provide an adequate water supply and to relieve us from the constant bugbear of a water famine. I consider also that it is a matter of great importance to rebuild the Magistracy and to provide extra accommodation which is urgently required for police at the Central Police Station. It is also necessary to provide a pier on the other side of the harbour, and I should like to see a pier opposite Royal Square to be called "The Royal Pier." That proposal has been on the estimates ever since I have been in the Colony, but from year to year we have had to postpone it because we have had no money to build it. If the plot under discussion is sold I hope it may be possible to earmark a sufficient sum from the proceeds to provide a handsome pier as an adequate approach to the Square itself. In view of these pressing needs I have no hesitation in saying that I do not think this Colony is in a position to forego so advantageous a sale.

In a debate which took place here in 1903, when Sir Henry Blake expressed the hope to which I have already referred, an hon. member reproached the Government for having at that time allowed this very site to remain unremunerative for so many years. If it remains unremunerative for a further period of, say, only ten years, the loss will be at least half a million dollars. If it remains unremunerative for a period of twenty years the sum with interest will be much nearer a million and a half. I agree myself with the view taken by the unofficial member who spoke on that occasion, that it is not a reasonable thing to allow highly valuable sites to remain unoccupied. We do not find that in London or in any city in the United Kingdom sites are allowed to remain vacant which are valued as this is, from £2 10s to £3 per square foot, for a series of years on the off-chance that they may appreciate in value or possibly be required for public buildings. Leases will fall in which posterity can utilise. In case of urgent necessity we have an Ordinance which allows resumption for public purposes. So far as the price of the present plot of land is concerned, I think you will agree with me that it is a very high one, and one which we are not likely to considerably improve upon within at all a reasonable period. With regard to the question of sites for public purposes or for Government offices and buildings of

that class, there are other spaces, to which the hon. member alluded, such as those now occupied by the old Law Courts and Post Office, together with disused sites now held by the military authorities.

The hon. member desires that upon this site there should be erected a building which should be noteworthy among the buildings of this Colony for its nobility of design, and that it should be a granite building erected by the Public Works Department of this Colony. That presupposes a very large outlay, and if it is erected primarily for its artistic effect we can only hope to get from any rent which may be charged upon it sufficient to cover the interest on the capital cost of the building, —if so much—and we shall therefore remain permanent losers of this sum of \$44,000, which is interest on premium and assessed rates. We are not now considering the question of laying out the sea front of the Colony as a whole. We have there some very fine buildings which are the admiration of visitors to this Colony, though I do not deny that the artistic effect could have been improved by greater uniformity in the general design. We are now considering one particular building, and we desire, and I personally desire, that it should be a worthy building. We propose to ensure that by the conditions imposed on the purchaser. One of those conditions will be that the design shall be approved by the Governor-in-Council, and that, of course, includes the height of the building and all other points connected with its structure. Another condition will be that a sum of not less than \$100,000 shall be spent upon it. The applicants are the Standard Oil Company, and we believe the wealth and position of that firm ensures they will erect an adequate and worthy building. If the conditions we impose are not agreed to by the purchaser the sale will not be put through.

On the other hand, I hope that with the capital sum realised by the sale of this property we shall be able, as I have said, to erect a pier and to start the reservoir scheme. I must warn those members who may have had it in mind to support this resolution that if they do so they postpone indefinitely any such works of utility which may add to the comfort of the population here, because I do not see from what source money will be available for works of that nature unless we can secure certain capital sums by sale of land.

That, gentleman, is the position which I have to put to you. As the guardian of the finances in this Colony I do not think we are justified in losing this chance of sale, and of an investment of the proceeds either in remunerative works or works fully acknowledged by everyone to be urgently required for the comfort and well-being of the Colony. I saw it suggested in a letter to the papers over the signature of the hon. member who has moved this resolution that the site might be used for a City Hall. I have referred to the papers on this subject and find that my predecessor placed it on record that after personally inspecting the City Hall he considered that the accommodation there was adequate except for the Library. This is chiefly used by the European population, and he had in mind that the Museum, which is chiefly used by the Chinese population, might perhaps be housed in a new building, possibly in the Public Gardens, and so adequate room would be provided for the Library. In any case this Colony will not be in a position to build such a granite hall as the hon. member desires to see on this site, for the next twenty years or so.

I do not think we should make a fetish of utility. On the other hand, I do not think we should attach undue weight to artistic considerations. Our business is to endeavour to preserve a fair proportion between the two, and in view of the conditions we propose to place upon the sale I do not think that posterity will have any ground for complaint that we have sacrificed the dignity and beauty of this Colony. I have received the letter to which the hon. member alluded bearing many very influential signatures, but I do not think that the gentlemen who signed that letter were in possession of the facts which I have laid before you. I may be wrong, but I feel convinced that very many of them would not have signed the letter if they had known all the facts which I have put before you. In brief the position is this: we have not got a margin for works urgently required in this Colony unless we can get that margin by the sale of a piece of land such as this, which will give us six lakhs and enable us to start at any rate
s o m e o f t h o s e u r g e n t l y

required works. Apart from the signatures in that letter, the unofficial members of this Council are here to represent the views of the community. I look to them to give expression to those views, and if this resolution finds any consensus of opinion amongst those who express the views of the community, I shall be glad to defer the scheme. If, on the other hand, there is no such consensus of opinion in favour of the resolution, I propose that the sale should go through.

HON. MR. OSBORNE—Had this resolution been brought forward in connection with open spaces in the crowded districts of the town, I would have given it my whole-hearted support; but seeing that the land in question, a valuable building site, is literally surrounded by open spaces, the Cricket and Parade grounds across the road, the public square adjacent, and the whole harbour in front, I think that to transform it into a paltry flower patch, when we already possess beautiful gardens a short distance up the hill, would be an act of wasteful and superfluous luxury; indeed the only benefit that would accrue from such a misuse of the land would be to give an aesthetic setting to the front of the Hongkong Club. In regard to the land being reserved for future public buildings, the argument strikes me as being somewhat strained, considering that we already possess suitable offices for all public affairs except the Law and the Post, buildings for which are in process of erection, and, it is generally believed, will, in the fullness of time, be ready for occupation. The Colonial Secretary's Office and the Public Works Department might perhaps with advantage be located on the site, but I do not think that under the present financial circumstances of the Colony the benefit of such a change would justify Government in sacrificing the large sum offered and which will enable work to proceed on more than one needed public improvement, amongst which, as pointed out by your Excellency, are Statue Pier, Kowloon Pier, to which I should like to add public bathing grounds East and West, and the adornment of that unpicturesque wilderness known as King's Park, Kowloon. The hon. member who moved this resolution has reminded us in public print of our duty to posterity. I think we need no such reminder. During the past 25 years, Sir, Hongkong has never been out of the builders' hands; almost everything we possess that makes for progress, comfort and convenience has been

provided during the last quarter of a century—Reclamations, Water-works, Roads, public and private Offices, Clubs, Hotels, Docks, Wharves, Recreation grounds, Tramways, Industrial buildings. Churches, Schools, Hospitals, and finally the University, for which the Colony owes so much to your Excellency, testify with force and eloquence to the manner in which residents, whose working days are nearly over, have provided for the Colony's future to the benefit of posterity rather than themselves. With the opening of the Railway, Hongkong commences a new chapter of its history, and if the men who come after us are able during the next 25 years to show as good a record as this, then, Sir, posterity will have even less use than we to-day for a flower garden on the finest site in the Colony.

HON. MR. HEWETT—Your Excellency, when the hon. member moved this resolution first and began to speak it appeared to me there were several questions to which I might venture to reply, but after the very exhaustive manner in which your Excellency has dealt with the whole question, and after the manner in which the hon. member on my right has spoken, very little remains to be said. The only hesitation I ever had in supporting the Government in its proposal to utilise this particular site for other purposes than a flower garden was possibly that in the immediate future the ground might be required for government offices. However, the question has been very fully discussed elsewhere. I have made it my business to go into the matter very thoroughly, and I believe there is no question at all that for many years to come the sites at present available to the Government are ample to meet all the growing needs of this Colony. Personally, I have not discussed the question of this resolution to any great extent, but I mix very freely all day long among people representing all views of the Colony, and I have not heard any particular expression of opinion against the action which the Government proposed to take. In view of the financial condition of the Colony the Government would by no manner of means be justified in allowing this ground to lie vacant. It should be used for government purposes if so required,

or failing that it should be utilised for the benefit of the Colony as the Government now propose, especially in view, as your Excellency pointed out, of the important urgent works which have become absolutely necessary to meet the growing needs of the Colony. Therefore, as the matter has been fully discussed on a previous occasion, I certainly shall vote against the resolution if it goes to the vote.

HON. MR. GRESSON—Sir, you referred to a letter sent in which was also referred to by the mover of the resolution as having many influential signatures. I may say, Sir, that I have signed that letter. Since then I have learned the price the Government are going to receive for this ground, which very largely exceeds anything I hoped they would get. I will congratulate the Government very much indeed if they will put this sale through and receive six lakhs to go towards the revenue of the Colony. We have been hearing also from you, Sir, of the urgent necessity to provide other public works and the difficulties with which the finance will have to be met. I cannot support the resolution, and I should like to say I withdraw my signature to that letter.

THE COLONIAL SECRETARY—Sir, the mover of the resolution said he was under the impression that this particular site would be reserved for public purposes, and that it came as a surprise to him to learn there was no intention of selling it. I cannot understand, Sir, how he can have laboured under such an impression in view of the fact that on more than one occasion questions have been asked on the subject in this Council. In 1904 his very respected brother, Mr. Gershom Stewart, asked: "The open space in front of the Hongkong Club being no longer used for the storage of cement blocks, and the small railway to the Praya for the crane having been picked up, will the Government be able soon to allow the Botanical Department to open up the space for public use as a garden, as promised by Sir Henry Blake on 20th July, 1903?" The answer to that question was:—"The only recommendation that has been made in this matter is that sites on the East of the Statue of H. M. the Queen corresponding to the areas reserved by the Hongkong and Shanghai Bank on the West side of the Statue

should be set apart for Statues of H. M. the King and H. R. H. the Duke of Connaught. No recommendation was made to the Secretary of State by Sir Henry Blake for the reservation of the space between the site for the Statue of H. M. the King and the Hongkong Club." Again at a meeting in February, 1908, Mr. Osborne asked: "Will the Government cause this land to be laid out as a public garden—[laughter, Hon. Mr. Osborne—Temporarily, Sir]—as soon as Sang Lee's occupation of it can be determined." The answer to that was, "It is proposed to obtain the sanction of the Secretary of State to lay out as a garden a piece of ground corresponding in area to the garden of the Hongkong Bank opposite to it." So, Sir, there has never been any undertaking on the part of this Government that the area to which the resolution refers should be reserved for public purposes, and it has twice corrected any impression that might have grown up to that effect.

HON. MR. STEWART—Your Excellency, I never suggested for a moment that there had been any idea in my mind that the Government ever promised to lay out that plot as a garden, but I had an impression that it would be used for public purposes only. I do not, therefore, feel altogether crushed by the proof that no promise to make a garden was ever made. It may be that, as I said before, the impression simply grew up in the public mind. It was not only in my mind. I can assure you when I showed the letter I received from the Colonial Secretary to various people they all expressed surprise. The impression was abroad that it was public land to be used for public purposes. I noticed in last night's *China Mail* a paragraph which indicated that the impression had also been left on the minds of others besides those consulted by me. I was prepared to hear from your Excellency as a justification for the proposed step that the Colony was in dire need of money to carry on the Government. I remarked in proposing this resolution that to my mind only such a reason would justify it. I now learn that the idea is to utilise this money for the extension of our water-works. In arguing for the necessity for that, your Excellency and the hon. member on my left omitted to take into account what I had already said, that if you want this six lakhs for that purpose you

have got the present law courts and post office to sell. I do not imagine that land is valueless. I imagine it to be extremely valuable, and until you know what you can get for it I do not see that you are justified in selling this site.

HIS EXCELLENCY—It will require a great deal more than six lakhs to carry out the works proposed.

HON. MR. STEWART—That, Sir, I understand is the price which you expect to receive for the lot in question. I take it, then, that you will require to sell both these sites to carry on this work?

HIS EXCELLENCY—We have no plans about the other site yet. It has not yet fallen vacant.

HON. MR. STEWART—In any case the Government have several lots to sell, and, as I said before, this seems to me to be the last thing they ought to sell and not the first. Your Excellency referred to the fact that the symmetry of the square was not to be interfered with in any way by building on this site. Of course not. If it had I would not have suggested putting a City Hall there. But it is absolutely necessary for the purpose I have in view that the building should be of granite and in a style which would be in keeping with that of the Law Courts. I cannot conceive that any private corporation, no matter how wealthy, would be inclined to put a building of the sort that I picture on that site. I imagine if they pay this enormous sum for the land they will desire to recuperate themselves to a certain extent by erecting a high building and letting out probably the top floors as offices for other people. If you put a four-storey building on that site, and I do not see how you can possibly impose conditions that there should only be two, the aspect from the front will be anything but satisfactory from an artistic point of view. There is already a building to the east of it which looks positively ridiculous from the harbour; it is so high and narrow, and I do not feel at all satisfied that any of the conditions you propose will relieve the position from that danger. In any case, however stately a building there might be from an artistic point of view, it would not be the same thing to me as a public building. That is what I want to see there, that is what I think ought to be put there, and, therefore, although t

here is a great array against me in this room, I do not feel disposed to withdraw my resolution. Instead, I would ask the Government to do this: to allow me to ascertain whether, after the publication of this argument, those people whose moral support I have been until now counting upon, and one of whom has just deserted from me—(laughter)—agree with me or with you. The hon. member who represents the Chamber of Commerce said that he had not heard any particular objections from people he had consulted. I cannot imagine whom the people could have been whose opinion he took. Nearly all the people that I should imagine he would have canvassed signed the letter that went in the day before yesterday to the Colonial Secretary. Every British member of the Chamber of Commerce except him signed it, so that unless all these signatories have changed their opinion I am still confident that I have the majority of the community at my back, and I will ask you to delay action still further until public opinion shall have another opportunity of expressing itself upon all the facts. It is quite possible that some of those who signed the letter will be influenced by the considerations which you have put forward, but until I know that, I do not recede from the position I have taken up.

HON. MR. OSBORNE — Sir, the hon. Colonial Secretary—

HIS EXCELLENCY — You are not in order in speaking again, unless you desire to make a personal explanation.

HON. MR. OSBORNE—Yes The hon. Colonial Secretary has apparently convicted me of inconsistency.

THE COLONIAL SECRETARY—I had no such intention. My intention solely was to show that you had asked such a question with regard to the disposal of this land as a piece of news to the hon. member on your right.

HON. MR. OSBORNE—The piece of ground I referred to is the very piece of ground the Government is laying out as a garden.

HIS EXCELLENCY—Although I am not myself in order in speaking again to this resolution, I would ask the permission of the Council to reply to a definite question put to me by the mover of the Resolution, and that is, whether the Government will consent to defer a decision upon this resolution until such time as he shall find out whether there are any other desertions among the signatories of the letter. I think that would be a course without precedent.

HON. MR. STEWART—Pardon me, I did not intend that at all. I only asked you to delay the actual selling of the land.

HIS EXCELLENCY—I much regret that I misunderstood the hon. member. The motion then before the Council is as proposed by the hon. member and seconded by the Hon. Mr. Wei Yuk.

The vote was then taken with the following result:

Ayes—Hon. Mr. Stewart and Hon. Mr. Wei Yuk.

Noes—Hon. Mr. Osborne, Hon. Mr. Gresson, Hon. Mr. Hewett, Registrar-General, Director of Public Works, the Colonial Treasurer, Attorney - General, Colonial Secretary, and Captain Superintendent of Police.

Opium Loss Compensation

HIS EXCELLENCY—I have received a telegram from the Secretary of State which I desire to read to the Council: "Governor, Hongkong. The sum of £9,000 has been inserted in the Estimates for the coming financial year as a grant from the Imperial Funds to Hongkong in respect of the loss of the opium revenue. I am still in correspondence with the Treasury as to a grant for the following two years." I think I may congratulate the Council that the Secretary of State has accepted the principle which I ventured to suggest to him, that whatever grant was made to this Colony in respect of the loss entailed by the policy regarding opium it should not be limited to the current year alone. (Hear, hear.)

Pharmacy Amendment Ordinance

THE ATTORNEY - GENERAL moved the first reading of a Bill entitled, "An Ordinance to amend The Pharmacy Ordinance, 1908."

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

It is pointed out in the memorandum that this measure provides a procedure for searching for poison, as defined by clause 2, which there is good reason to believe is in the possession of any person contrary to the provisions of the principal Ordinance. It is proposed in the first instance that the Ordinance shall apply only to cocaine, eucaine and like substances and their preparations.

Clause 15 empowers the Governor-in-Council to make regulations for the purpose of controlling the sale, possession, importation and exportation of poison, and it provides a specific penalty on violation of regulations made under the principal Ordinance.

Clause 16 enables the Governor-in-Council to add to or remove from Schedule A of the principal Ordinance any article declared to be a poison.

Clause 17 provides alternative and more drastic penalties for concealing or selling poisons as defined or for violating any regulation made as to the possession, importation or evaporation of such poisons.

Merchant Shipping Ordinance Amendment

THE ATTORNEY - GENERAL moved the first reading of "An Ordinance further to amend the Merchant Shipping Ordinance, 1899."

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

The memorandum attached to the Bill states: Ordinance No. 9 of 1909 section 41 was amended by declaring that Acts hereafter passed amending the Merchant Shipping Act, 1894, shall be in force in the Colony.

It is desirable that the principal Ordinance be further amended by declaring that the said Acts shall be in force in the Colony only if they are not inconsistent with the provisions of the principal Ordinance.

Malicious Damage Amendment Ordinance

THE ATTORNEY - GENERAL moved the first reading of a Bill entitled, "An Ordinance to amend the Malicious Damage Ordinance, 1865."

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

According to the memorandum this Bill repeals the Malicious Damage Amendment Ordinance, 1909, and re-enacts Part I. without any amendment.

Part II. is amended by declaring that the Governor-in-Council instead of the Governor shall impose the fine which is payable under section 5.

Before the matter is submitted to the Governor-in-Council for decision, an inquiry is to be held by the District Officer and an Assistant District Officer in order to give the persons on whom the punishment may fall a full opportunity of being heard.

Crown Suits Ordinance

THE ATTORNEY-GENERAL moved the first reading of a Bill entitled, "An Ordinance to regulate the Law relating to Crown Suits." In doing so he said—I may mention that this Bill is simply a formal piece of legislation with respect to the regulation of procedure in connection with Crown suits. The Crown proposes to institute a suit against a certain company here and one of the witnesses who is going to be called on behalf of the Crown is a public servant in the Public Works Department. He is going home on sick leave, and it will be necessary as soon as the writ is issued to take his evidence *de bene esse*. Hence the necessity of having this Bill passed to-day.

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

THE ATTORNEY - GENERAL then moved the suspension of the Standing Orders, and, this being agreed to, moved the second reading of the Bill.

THE COLONIAL SECRETARY seconded, and the motion was agreed to. Council then went into Committee and considered the Bill clause by clause.

On resuming, the ATTORNEY-GENERAL reported that the Bill had passed through Committee without amendment.

The Bill was then read a third time and passed.

The memorandum attached to the Bill read as follow:—

By section 2 the Attorney-General is to commence in his own name all proceedings made by the Crown unless it is provided in any Ordinance that such proceedings shall be taken in the name of some other public officer.

By section 3 it is provided that in all contracts or other documents to be signed by the Governor or other public officer it shall not be necessary to name such officer; it shall be sufficient to name the office he holds, and such public officer for the time being shall be deemed to be a party thereto as if he were a corporation sole.

Section 4 is similar to section 3, except that it provides for contracts and other documents signed prior to the passing of this Ordinance.

By section 5 a contract made in England by the Crown Agents for the Government of Hongkong shall, in the event of the said contract coming within the jurisdiction of the Courts here, be deemed to have been made by the Governor.

By section 6 it is provided that the omission to add the title of the public officer after his signature to any document shall not exclude such document from the operation of this Ordinance.

Opium Amendment Ordinance

THE ATTORNEY-GENERAL moved the first reading of a Bill entitled, "An Ordinance to amend the Opium Ordinance, 1909."

THE COLONIAL SECRETARY seconded.

The memorandum states:—

The Bill amends the Opium Ordinance, 1909, by declaring that it is an offence to be in possession of morphine or compound of opium unless it is exempt from the provisions of the Ordinance or is obtained in accordance with any regulations made thereunder.

Clause 3 of the Bill amends section 56 of the principal Ordinance by making it quite clear that the Governor-in-Council has power to exempt any medicine from one or more of the provisions of the Ordinance.

Clause 4 of the Bill amends section 85 of the principal Ordinance by declaring that the appropriation of penalties referred to therein should also relate to morphine and compounds of opium.

HIS EXCELLENCY—Gentlemen, the object of this Bill relating to opium is to reintroduce the enactment that unauthorised possession of compounds of opium and morphine shall be illegal. In the Ordinances which were replaced by the Consolidating Ordinance passed last year such possession was illegal, but it is not so in the present Ordinance. Nor was it very clear in the old Ordinance.

It has become necessary to enact the present amendment because. I am sorry to say, it is believed by the Opium Farmer that since the opium divans were closed there has been a considerable increase of the eating of opium due to the possession of opium pills by people who are not entitled to possess them under the regulations and laws which are enacted. I have also a report from the Hon. Registrar-General, who has inquired into this matter and who also confirms the fact that it is probable that the drinking of opium wine made out of opium dross is on the increase.

I have always frankly expressed my own view—my own fear—lest this much worse form of the opium habit should be fostered in this Colony by too sudden and drastic methods of preventing opium smoking. (Hon. Mr. Stewart—Hear, hear.) I regret very much that our anticipations should appear to be fulfilled. We must do our best to suppress this, and the object of the Bill now before the Council is with that intention. I am sure we can look to influential Chinese to help us to check the habit which I at any rate regard as infinitely more detrimental than smoking opium.

HON. MR. STEWART—I would like to understand, your Excellency. We have so far legislated to prevent the keeping of opium dens, but no? so far as I know to prevent the smoking of opium. If anyone chooses to smoke opium in private houses surely there is no law to prevent that?

HIS EXCELLENCY—None.

HON. MR. STEWART—Then why should you invoke the law to prevent a man from eating or drinking opium? It seems to me an extraordinary interference with the liberty of the subject. It seems to me we might as well legislate as to alcohol consumed or the kind of alcohol. I do not understand the principle of this Bill, and until I do I shall not vote for it.

THE COLONIAL SECRETARY — The hon. member is under a misapprehension regarding the principle of the Bill. The Bill does prohibit the eating or drinking of opium. It simply enables a penalty to be imposed on anybody who has compounds of opium, morphia or such concoctions unlawfully in his possession. If he obtains them lawfully he won't be hurt.

HON. MR. STEWART—His Excellency has just explained that the object of the Bill is to suppress the habit. Is it unlawful to have any in your possession under a medical certificate?

THE COLONIAL SECRETARY—The system is that the seller of opium compound has to deliver a certificate with what he sells in the same way as the Opium Farmer delivers a certificate of the prepared opium he sells. If the purchaser has that certificate in his possession together with the compound he is free of the law. If not he is amenable to it. The object of the legislation, as you know, sir, has been to increase the cost of compound of opium. Sellers have to pay a royalty, which makes the stuff dearer. Of course it can be smuggled when it becomes much cheaper and larger quantities of it are consumed. The object of this legislation is to prevent such illegal possession and illegal obtaining of these drugs, and to force people if they wish to consume the drugs to obtain them in a legal manner.

HIS EXCELLENCY—I would suggest that if the hon. member has any further questions he should defer them until a later stage, viz., the second reading of the Bill. It is not usual to debate a Bill on the first reading.

HON. MR. STEWART—I wanted to understand the principle of the Bill.

The Magistrates' Amendment Ordinance

THE ATTORNEY - GENERAL—This Bill was left in Committee at the last meeting of the Council for the purpose of adding a few other sections with respect to the procedure regarding the committal of a prisoner to the Supreme Court from the Magistrates' Court. I find it is not possible to introduce these sections in the old Bill, so I have framed a new one, and ask leave to withdraw the old and introduce the new Bill.

THE ATTORNEY - GENERAL then moved the first reading of a Bill entitled, "An Ordinance to amend the Magistrates' Ordinance, 1890.

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

Civil Procedure Amendment Ordinance

THE ATTORNEY - GENERAL asked leave to withdraw the Bill entitled, "An Ordinance to amend the Code of Civil Procedure."

HIS EXCELLENCY—Gentlemen, we do not propose to proceed with this Bill under the following circumstances. On the 5th May, 1909, I received a letter from the Chamber of Commerce appealing to the Government to make the change in the law to which this Bill was intended to give effect. The suggestion was referred to the Law Society, who supported it, and it was also supported by the legal advisers of the Government at that time, but both the Judges were opposed to it. I understood from the terms of the letter from the Chamber of Commerce that the change was the unanimous wish of the community, and I made that representation to the Secretary of State in forwarding a draft of the Bill to him. From the terms of his despatch concurring in the Bill I gathered that he somewhat reluctantly consented and only on the understanding that it was demanded by public opinion in this Colony.

When the Bill was introduced into this Council I anticipated in consequence no opposition whatever on the part of the unofficial members. It was therefore to

me a very considerable surprise that the hon. member who represents the Justices of the Peace, whose constituents form a very weighty class in the community, opposed the Bill. It was also opposed still more unequivocally by the hon. member who sits on his left (Hon. Mr. Osborne), who went so far as to state that he believed if the Bill was passed it would not be long before a public meeting would be called to condemn it. I also received a fully-argued protest from one of the leading counsel in this Colony. In these circumstances I had no alternative but to conclude that my representation to the Secretary of State that this Bill was unanimously desired by the community here was not in accordance with the fact, and that being so I deem it improper to proceed with a Bill to which his sanction was obtained on a misrepresentation.

HIS EXCELLENCY—Council will adjourn *sine die*.

FINANCE COMMITTEE.

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

Medical Department

The Governor recommended the Council to vote a sum of One hundred and fifty Dollars (\$150) in aid of the vote, Medical Departments, *B.*—Hospitals and Asylums, Other Charges, Civil Hospital, Extra balance and weights required in connection with the testing of spirits,

Registrar-General's Department

The Governor recommended the Council to vote a sum of three hundred and thirty-five dollars (\$335) in aid of the vote, Registrar-General's Department, Personal Emoluments, Interpretation Sub-Department, Translator, Difference in salary between 1st and 2nd Grade, on his passing the examination for the First Class Translatorship.

Police and Prison Departments

The Governor recommended the Council to vote a sum of forty-five dollars (\$45) in aid of the vote, Police and Prison Department, *B.*—Fire Brigade, Personal Emoluments, Overseer of Water Works, Kowloon.

Public Work's Department

The Governor recommends the Council to vote a sum of Eight thousand two hundred and fifty-seven Dollars (\$8,257) in aid of the vote, Public Works Department, for the following two items:—

Personal Emoluments.

2 Temporary Land Surveyors at £330 each,	\$7,537
--	---------

Other Charges.

Conveyance Allowance to 2 Temporary Land Surveyors at \$360 each,	720
---	-----

Total,	\$8,257
--------------	---------

Time-Ball Repairs

The Governor recommended the Council to vote a sum of Two hundred and eighty-seven dollars (\$287) in aid of the vote, Observatory, Other Charges, Repairs to the Time-Ball.

Public Works Extraordinary

The Governor recommends the Council to vote a sum of One thousand two hundred and fifty Dollars (\$1,250) in aid of the vote, Public Works, Extraordinary, Miscellaneous Works.

Public Works Department

The Governor recommended the Council to vote a sum of one hundred and eight Dollars (\$108) in aid of the vote, Public Works Department, Personal Emoluments, Watchman.

Typhoon Damages

The Governor recommended the Council to vote a sum of sixteen thousand dollars (\$16,000) in aid of the vote, Public Works, Recurrent, Miscellaneous, Typhoon and Rainstorm Damages.

The Moosa-Ebrahim Case

The Governor recommended the Council to vote a sum of one thousand four hundred and eight dollars (\$1,408) in aid of the vote, Judicial and Legal Department, *D.*—Law Officers, Other Charges, Fees for professional services and other necessary disbursements in connection with the case *Rex v. Moosa Ebrahim.*

Education Department

The Governor recommended the Council to vote a sum of Seven thousand two hundred and thirty-six Dollars (\$7,236) in aid of the vote, Education, Department of Director of Education, for the following two items:—

Personal Emoluments,	\$5,456
Other Charges,	1,780
Total	\$7,236

Other Legal Expenses

The Governor recommended the Council to vote a sum of one thousand two hundred and twenty-two dollars (\$1,222) in aid of the vote, Judicial and Legal Department, *D.*—Law Officers, Other Charges, Fees, etc., for Professional Services in connection with the case *Rex v. Lam Fuk Chiu.*

Gratuity

The Governor recommended the Council to vote a sum of Twenty-five Pounds sterling (£25) in aid of the vote, Miscellaneous Services, Gratuity to Mrs. Mary Coulan, mother of the late Police Constable Paul Coulan.

Harbour-Master's Department

The Governor recommended the Council to vote a sum of Two hundred and seventy-five Dollars (\$275) in aid of the vote, Harbour Master's Department, *D.*—Marine Surveyor's Office, Personal Emolument, Temporary Assistant Surveyor.

Judicial and Legal

The Governor recommended the Council to vote a sum of Thirty-two Pounds and ten Shillings sterling (£32.10s.) in aid of the vote, Judicial and Legal Departments, *D.*—Law Office, Other Charges, Incidental Expenses.

THE CHAIRMAN—This is for the drafting at Home of a very lengthy Ordinance relating to the supply of electricity which will perhaps soon make its appearance in this Council.