

22ND OCTOBER, 1914.

PRESENT:—

HIS EXCELLENCY THE GOVERNOR, SIR F. H. MAY, K.C.M.G.

HIS EXCELLENCY MAJOR-GENERAL F. H. KELLY, C.B. (General Officer Commanding Troops).

HON. MR. CLAUD SEVERN (Colonial Secretary).

HON. MR. J. H. KEMP (Attorney-General).

HON. MR. E. D. C. WOLFE (Colonial Treasurer).

HON. MR. A. F. CHURCHILL (Director of Public Works).

HON. MR. E. R. HALLIFAX (Secretary for Chinese Affairs).

HON. MR. C. McI. MESSER (Captain Superintendent of Police).

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

HON. MR. H. E. POLLOCK, K.C.

HON. MR. E. A. HEWETT, C.M.G.

HON. MR. D. LANDALE.

HON. MR. LAU CHU PAK.

MR. M. J. BREEN (Clerk of Councils).

Minutes

The minutes of the previous meeting were confirmed.

Papers

THE COLONIAL SECRETARY, by command of H.E. the Governor, laid on the table the following papers:—Despatch to the Secretary of State in reference to the acquisition and rearrangement of moorings in Victoria Harbour in connection with which a plan was laid on the table showing the proposed re-arrangement; Financial Statement in connection with the Estimates for 1915.

Hongkong's Contribution to the Prince of Wales' Fund

HIS EXCELLENCY—Gentlemen, I beg to

move the resolution which stands in my name. I indicated recently, when I proposed to invite public subscriptions to this fund, that I would also ask the Legislative Council to vote a considerable contribution towards it. I am glad to say that the response of the public invitation for subscriptions has been very satisfactory, especially from the Chinese community, and in connection with the subscriptions from the British commercial community it must always be remembered that many of the firms here have already contributed to this fund in England.

HON. MR. WEI YUK seconded the resolution, which was carried unanimously.

The resolution was in the following terms:

—

"That a contribution of \$100,000 be made from the funds of the Colony to the National Fund instituted by His Royal Highness the Prince of Wales for the relief of persons in the British Isles who are dependents of men serving with His Majesty's Forces and of those who suffer from unemployment caused by interruption and dislocation of trade and industry or otherwise are plunged into poverty and distress in consequence of war."

Financial Minutes

THE COLONIAL SECRETARY, by command of H.E. the Governor, laid on the table Financial Minutes (Nos. 58 to 66), and moved that they be referred to the Finance Committee.

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

The Estimates

THE COLONIAL SECRETARY moved the first reading of a Bill entitled, "An Ordinance to apply a sum not exceeding nine million five hundred and fifteen thousand six hundred and ninety-two dollars to the Public Service of the year 1915."

The Bill provides for the following expenditure:—

Governor	\$85,601
Governor, Special Expenditure	1,500
Colonial Secretary's Department and Legislature	86,885
Colonial Secretary's Department and Legislature, Special Expenditure	900
Secretariat for Chinese Affairs	61,238
Audit Department	33,444
Treasury	67,990
Treasury, Special Expenditure	251
Harbour Master's Department	181,897
Harbour Master's Department, Special Expenditure	250,130
Imports and Exports Department	984,519
Royal Observatory	24,445
Royal Observatory, Special Expenditure	2,600
Miscellaneous Services	912,262
Judicial and Legal Departments	274,323
Judicial and Legal Departments, Special Expenditure	870
Police and Prison Departments	952,130
Police and Police Departments, Special Expenditure	61,504
Medical Department	249,759
Medical Department, Special Expenditure	1,500
Sanitary Department	379,943
Sanitary Department, Special Expenditure	11,850
Botanical and Forestry Department	49,175
Botanical and Forestry Department, Special Expenditure	1,530
Education	351,029
Education, Special Expenditure	2,794
Military Expenditure:—	
Volunteers	54,568
Volunteers, Special Expenditure	22,746
Public Works:—	
Public Works Department	458,363
Public Works Department, Special Expenditure	1,275
Public Works, Recurrent	580,300
Public Works, Extraordinary	2,229,785
Post Office	464,107
Post Office, Special Expenditure	7,545
Kowloon-Canton Railway	323,455
Charge on account of Public Debt ..	9,077
Pensions	308,000
Charitable Services	26,402
Total	\$9,515,692

THE COLONIAL TREASURER seconded.

HIS EXCELLENCY — My remarks in connection with this Bill have been printed and are in the hands of each member, so that with your permission I will take a leaf out of the commercial book and ask you kindly to allow them to be taken as read. I am sorry that this year the Estimates have been brought before you so late. The delay has been caused by the excessive amount of work in the Colonial Secretary's Office owing to the war, and also to the unfortunate illness of the particular clerk, Mr. Kotewall, whose duty it is to prepare the details of these Estimates and an abstract of them year by year, a duty which he performs in a most efficient manner, and therefore, the time for the consideration of the Estimates I wish to ask you to curtail as much as possible. It is necessary, under instructions, to have these Estimates home before the end of the year, that is to say, in time to enable their consideration to be completed before the end of the year. It will therefore be necessary to send them home by the mail of the 7th November, and if hon. members will kindly complete their consideration within the next fortnight of these Estimates, I shall be very much obliged. That will give them a fortnight, and if they will kindly take note of the last paragraph of the printed address, and avail themselves of the suggestion therein, perhaps their consideration of the Estimates would be facilitated. I may also say that owing to the pressure of work and the shortage of staff in the Colonial Secretary's Office, the abstract of these estimates has not yet been prepared. It is an abstract that is made entirely for the use of the office and the Secretary of State, but I have been in the habit of lending it to unofficial members, and it certainly facilitates consideration. You can see from it at a glance exactly how the increase in expenditure of each department is arrived at. I hope to have that extract ready within the next four or five days, and as soon as it is prepared I will send it to the senior unofficial member, who no doubt will circulate it amongst unofficial members, and I have not the slightest doubt but what they will find it of very great value.

HON. MR. HEWETT—Your Excellency, as your Excellency is aware, the usual custom is for the Governor, when he makes his Budget speech, to go into a great many details, and, of course, it is of very great advantage to those of us who have

the privilege of criticising the Budget to hear your Excellency go into detail as you go along. Listening to a speech by your Excellency is a great deal more instructive than merely reading a printed notice such as we have before us this afternoon. Until your Excellency spoke just now I had no idea you were going to ask for anything more than has always been done before, that is to say, to have a fortnight's consideration. I have not had an opportunity of speaking to any of the unofficial members except the senior unofficial member, but we quite realise the great stress of work thrown upon the Government generally, and your Excellency in particular, during the very strenuous times in which we are now living. I can assure your Excellency that the unofficial members desire to help your Excellency in every possible way, and the Government, instead of giving us the usual fortnight to consider these estimates—

His EXCELLENCY—It is a fortnight.

HON. MR. HEWETT—I understand, but I think we can put it through in a week if necessary. The Estimates are so fully contained here that the abstract to which your Excellency refers, even if it comes at the last moment, we might do without. Therefore, if it is any convenience to your Excellency to take the matter this day week instead of this day fortnight, I think unofficial members will be glad to meet you. I understand that is the view of the senior unofficial member, and I have no doubt the other unofficial members will endorse it, although, of course, we would prefer to have a fortnight.

His EXCELLENCY—I am glad to hear that my voice is so melodious that it is preferred to a written statement. I thought that probably hon. unofficial members would be rather bored by my merely reading a written document. However, next year I hope I will be in a position to deliver the speech orally. I think we can manage to get our estimates home if we meet this day fortnight. I would not like to curtail the time at your disposal—the usual time is a fortnight, and even that is somewhat short, and I think a week would hardly be reasonable. If hon. unofficial members take a fortnight we will manage to fit in our arrangements accordingly.

The Governor's Address

His EXCELLENCY'S address was as follows:—Honourable Members of the Legislative Council, in accordance with the usual procedure, I propose to give you a brief summary of the present financial position of the Colony. In view of the effect which the war is having on the trade of the Colony it has been necessary to revise the Estimates of Revenue, and I will indicate under the proper heads the reductions which have been made.

Financial Situation

When the Estimates for 1914 were placed before you it was anticipated that the balance of assets over liabilities on 31st December, 1913, would amount to \$2,361,232. This estimate was more than realized, the sum actually brought to account being \$2,659,425. According to the revised figures for 1914 ordinary and extraordinary revenue is expected to yield \$11,330,830 or \$1,577,870 more than was estimated. On the other hand the total Expenditure which was originally estimated at \$10,595,856's now expected to exceed that figure by \$568,024. These estimates if realised will result in a surplus on 31st December, 1914, of \$166,950, and this sum added to the balance of assets accrued on 31st December, 1913, will give a balance of assets on 31st December, 1914, of \$2,826,375.

Estimates of Revenue, 1915

The Estimates of Revenue for the coming year show a gross increase of \$1,654,672. The principal increases, of which explanation will be found in the footnotes, occur in the items Assessed Taxes \$233,200; Boat Licences \$51,500; Carriage, Chairs, etc., Licences \$6,500; Liquor Licences \$28,000; Opium Monopoly \$1,426,800; Pawnbrokers' Licences \$7,000; Engagement and Discharge of Seamen \$8,500; Fees for use of Government Buoys (new item) \$30,000; Public Schools Fees \$24,000; Sunday Cargo Working Permits \$5,000; Water Excess Supply and Meter Rent \$15,000; Coaching Through Traffic, Kowloon-Canton Railway \$76,000; Miscellaneous, Kowloon-Canton Railway \$7,000; Leased Lands (Crown Rent) \$7,000; Markets Rent \$10,000; Widows' and Orphans' Pensions Contributions \$11,600.

As I have said above it has been considered advisable to revise certain items of Revenue owing to the outbreak of war. The following are the original and revised Estimates:—

Class I.	As originally estimated.	Revised Estimated.
Light Dues	\$ 104,000	\$ 94,000
Light Dues, Special Assessment	115,000	105,000
Arms Licences	8,420	4,820
Opium Monopoly	4,250,000	4,000,000
Class II.		
Medical Examination of Emigrants	95,000	60,000
Sunday Cargo Working Permits	70,000	60,000
Survey of Steamships	31,000	28,000
Class V.		
Premia on New Leases ..	260,000	206,000

The revenue which has been derived from the Opium Monopoly has been much larger than was anticipated owing to the fact that the price of the drug in China and Macao reached a high figure, and in order to prevent smuggling it was necessary to raise the retail price in Hongkong. His Majesty's Government has approved of certain deductions being made from the gross revenue derived from the Opium Monopoly with a view to arriving at the amount to be assessed for Military Contribution. These deductions are shown in detail in Appendix II. of the Estimates.

ESTIMATES OF EXPENDITURE, 1915.

The Estimates of Expenditure for next year show an increase of \$1,890,915 over those approved for the current year. The principal items of increase to which I would draw your attention are as follows:—

Governor

Under Special Expenditure a piano costing \$1,500 is provided for, and a reduction has been made of \$500 in the amount provided for furniture.

Colonial Secretary's Department

Two additional Unpassed Cadets are provided for, and also the cost of one Cadet for the Federated Malay States. This latter charge has been incurred owing to Mr. Dyer Ball having been transferred to the Hongkong Service as

from the end of this year.

Secretariat for Chinese Affairs

A sum of \$3,397 has been provided for commuted leave salary, as it is expected that the Secretary for Chinese Affairs will take leave next year. A sum of \$1,416 is also inserted for duty allowance in case a sterling paid officer should be appointed to act in the post. A supernumerary 2nd Grade Writer on a salary of \$1,440 has also been provided. When an opportunity occurs the post of 3rd Grade Writer will be abolished.

Audit Department

A 3rd Grade Clerk on a salary of \$960 rising to \$1,200 has been added to the staff, whose duties consist of auditing the accounts of the Opium Monopoly.

Harbour Master's Department

Under Other Charges, "Harbour Office," a sum of \$10,000 has been provided for the raising, repair and renewal of moorings; and under Special Expenditure a sum of \$250,000 for the acquisition and re-arrangement of moorings in Victoria Harbour. A statement of the scheme which necessitates the provision of these sums will be found in Sessional Paper No. 17 of 1914. The scheme is expected to produce an annual revenue of about \$30,000 a year in normal times, which will cover the interest on capital expenditure and working expenses. Under Other Charges, "Steam-Launches," the vote for coal has been increased by \$1,775 owing to the increase in price. The vote for repairs has also been increased by \$1,000, more repairs being necessary as the launches become older.

Imports and Exports Department

There is an increase of \$13,873 under Personal Emoluments, as the experience gained during the working of the Opium Monopoly has shown that a larger staff is required than was originally considered sufficient. The above-mentioned increase includes a sum of \$3,480 for the staff engaged in dealing with Dross Opium, and a sum of \$4,476 for the staff of the Taipo branch office, for which provision was not made in the estimates of the current year. A sum of \$1,000 has been added to the vote "Fuel, Factory," the estimate for 1914 having been for eleven

months only. A new sub-head "Repairs and Renewals, Factory, \$2,000" has been entered on the recommendation of the Superintendent.

Royal Observatory

Under Special Expenditure a sum of \$2,500 has been provided for apparatus for the distribution of Time Signals by Wireless Telegraphy. As this Colony has adhered to the Radio-Telegraphic Convention it has been necessary to provide the means of distributing the time signals. The apparatus for doing this is somewhat elaborate and intricate, and is in addition to the receiving apparatus, for which \$800 has been provided under "Public Works Extraordinary."

Miscellaneous Services

A sum of \$1,575 has been entered for Bonuses for Interpreters and Translators, who, under a scheme approved by the the Secretary of State, can earn bonuses on passing certain prescribed examinations.

Under the head "Loss on Subsidiary Coinage" a sum of \$768,000 has been entered as against an estimated loss in 1914 of \$136,000. Since the beginning of this year the Government, with the approval of the Secretary of State, has sold a much larger amount of subsidiary coin to be converted into bullion than in former years, and it is proposed to continue this policy during next year. The sum entered represents the estimated loss at the rate of 16 per cent. on subsidiary coin of the nominal value of \$4,800,000.

A grant of \$2,182 being the equivalent of £200 has been provided for as a contribution to the Royal Society towards the cost of an enquiry into the diagnosis of yellow fever. It is proposed to continue this contribution for three years.

The vote for "Electric Fans and Lights," New Government Offices, has been increased by \$4,000, of which \$3,500 is due to a previous under-estimate, and \$500 is to cover the cost of replacing worn-out and damaged electric light bulbs hitherto charged to "Maintenance of Buildings," Public Works Recurrent.

A sum of \$4,000 has been provided for a new edition of the Regulations of Hongkong, which will bring the revision of that work up to the end of the current year.

A sum of \$4,000 has been entered for Rent Allowances to Married Officers. A scheme has been approved by the Secretary of State, to which I will allude under "Public Works Extraordinary," for providing quarters to be rented for certain married officers in the lower ranks of the Service, who are not among those entitled to free quarters. Pending the completion of the quarters it is proposed to make allowances in certain cases towards the very high rents which these officers have to pay.

Judicial and Legal Departments—Supreme Court

Under Other Charges a sum of \$1,000 has been entered for Travelling Expenses of Watchmen, and Temporary Engagement of Extra Watchmen. This expenditure has hitherto been charged to Possession Fees, which are now paid into Revenue.

District Officer

Under Other Charges, "Southern District," the vote for transport has been increased from \$100 to \$1,540. The work of the Assistant District Officer has been much hampered by the want of a suitable launch for his regular visits to the islands, and the additional sum provided is for the hire of a launch.

Police

The following increased staff has been rendered necessary by the institution of a motor launch for work in shallow waters and in connection with the prevention of piracy:—

1 Lance Sergeant	\$1,472
Detective Allowance	240
1 Chinese Sergeant, 2nd Class	240
House Allowance	60
3 Chinese Constables, 1st Class ...	540
2 Chinese Constables, 2nd Class .	300
1 Female Searcher	150
2 Coxswains, 2nd Class	432
2 Seamen	264
2 Engineers, 2nd Class	432

Under Other Charges the vote coal for barracks has been increased by \$1,000 owing to the rise in price. A sum of \$1,200 has been inserted for grants to villages in the New Territories in aid of the Village Scout Scheme. These scouts were instituted early in the present year with a view to assisting the Police in the detection of criminals. The scheme has

proved a success so far, and I therefore propose to increase the number of the scouts as opportunity offers. The sum paid to each scout is \$60 a year, and the provision made is therefore sufficient for twenty, of whom eight are already being employed. The votes for Incidental Expenses, Secret Service, and Transport have been increased by \$1,600, \$3,000, and \$3,000 respectively, the amounts inserted this year having been under-estimated. The vote for coal and oil-fuel for launches has been increased by \$6,300, to meet the rise in price and to provide for the motor launch. Under "Light and Electric Fans" an increase of \$1,015 has been estimated for. Of this sum \$165 is for the lighting of Shaukiwan and Tsat-tsz-mui Stations.

Under Special Expenditure provision has been made for a new steam-launch at a cost of \$37,500. This launch is to replace No. 2 launch, which has been condemned as unseaworthy and sold. A sum of \$1,800 has been provided for the hire of a launch pending the completion of the new launch. The motor launch to which I have already referred is estimated to cost \$5,000.

Fire Brigade

Provision has been made for a new motor fire engine and pump at a cost of \$13,364. This is for use in the City of Victoria. Experience of the motor tender at present in use has shown the great advantage of motor - propelled fire appliances. It has been found possible to get the engine to all parts of the City where there are Chinese buildings. On the upper levels in many places there is not sufficient water pressure and volume to throw more than one jet to the top of a building. The use of a motor pump will remedy this defect.

Prison

Under Special Expenditure a sum of \$3,840 has been entered for the purchase of machines and tools for the printing shop in order to cope with the increasing work and to secure greater efficiency.

Medical Department

Provision has been made for three additional sisters at a total cost of \$3,737.

This increase to the staff has been rendered necessary by the separation of the Maternity Hospital nursing staff from that of the Government Civil Hospital.

Under Special Expenditure a sum of \$1,500 has been provided for the equipments necessary for the examination of cassia and anise oils. This work, which has been undertaken at the request of the Chamber of Commerce, will be carried on in a room built specially for the purpose. It is expected that the expenditure incurred will be recovered from the fees paid for the examinations.

Sanitary Department

Four Inspectors have been added to the establishment on the recommendation of the Sanitary Board at a cost of \$7,474. These Inspectors are required for the purpose of carrying out the periodical cleansing of Chinese tenement houses every quarter instead of half-yearly as hitherto. In consequence of these new posts it has been necessary to provide for four 5th Grade Interpreters costing \$1,920. In order to cope with the extra cleansing work 32 coolies are required at a cost of \$4,224. Provision has also been made for 25 scavenging coolies at a cost of \$2,700. Of these, 15 are for the Eastern half of the City and the Peak, and 10 for the Western half of the City. The steady growth of new houses and streets has made it impossible for the present staff to cover the ground properly. In November, 1913, a departmental haulage system was instituted for pulling the scavenging carts in place of the contract system, which had proved unsatisfactory. Sixty men were required for this work, and the trial during the current year has been so successful that it has been decided to adopt the system permanently. Provision has, therefore, been made for this number of men (being half the contract number) during next year at a cost of \$6,480. By this change a saving of \$90 has been effected with a great gain in efficiency.

Under Other Charges a sum of \$3,110 has been provided for lighting smaller markets. There is an increase of \$1,300 in the vote "Uniform for Staff" due to the additions to the staff mentioned above.

Under Special Expenditure a sum of \$10,000 has again been entered for the removal of ceilings in order to permit of a continuance of the plague-preventive measures. Two four-wheeled water-carts have been provided for a cost of \$1,250 to replace two of the old two-wheeled carts, which are very hard on the bullocks, and are continually in need of repairs.

Botanical and Forestry Department

Under Special Expenditure a sum of \$1,530 has been provided for making a new lawn at Mountain Lodge in place of the present chunam court.

Education

The most important item under this head is the provision for the transfer of the Ellis Kadoorie School to the Government. In the month of April last, Mr. Ellis Kadoorie offered to hand over to the Government the splendid buildings of the school, which bears his name, and land on which it stands, completely equipped and entirely free of charge. The approval of the Secretary of State was obtained for the transfer, and the Government has therefore become possessed through the great generosity of Mr. Ellis Kadoorie of a valuable addition to its scholastic institutions. A sum of \$28,700 has been entered under Personal Emoluments to provide for the necessary staff, and a sum of \$945 under Other Charges to meet the cost of electric fans, books, prizes, and incidental expenses. At the Belilios Public School provision has been made for an Assistant Mistress, as the existing staff is inadequate to deal with the increased attendance. The staff of the Indian School has been increased at a cost of \$2,880, as it is expected that the school will be transferred to a permanent building on a new site in July, 1915. This building, which is estimated to cost \$40,000, is the gift of a generous donor, who wishes for the present to remain anonymous.

Under the heading "Grants" a new sub-head "University Examination Grants, \$6,880" has been inserted. These grants will take the place of the existing grants for the Oxford Local Examinations, which were estimated to cost \$4,715 in 1914.

Under Special Expenditure a sum of \$1,994 has been inserted for furniture for the quarters attached to the Kowloon British School, Victoria British School and the Peak School, as it has been decided to provide necessary heavy furniture for these quarters.

Military Expenditure

The Defence Contribution shows an increase of \$542,325. The calculation of this item is shown in Appendix II. It will be seen that of the total amount of \$2,241,305, a sum

of \$298,154 is in respect of arrears during the current year. These arrears are much larger than usual, but this is naturally due to the increase in revenue.

Volunteers

There is an increase of \$8,850 in the vote "Capitation Grant" due to the increase in the strength of the corps. Under "Volunteer Reserves" a sum of \$1,050 has been entered for "Capitation Grant." This is a new sub-head and provides for a grant of \$3 a head for 350 efficient, which has been approved by the Secretary of State. Under Special Expenditure a further sum of \$13,222 has been entered for the purchase of rifles and ammunition.

Public Works

Under Personal Emoluments a sum of \$3,360 has been entered to provide for six additional foremen and one clerk at \$480 each in connection with the Tytamuk Scheme, Second Section. Provision has been made for three additional Land Surveyors at a cost of \$11,211. Two of these surveyors are required in connection with the Praya East Reclamation Scheme, and the third is for adjusting arrears in the survey work in the New Territories. Under "Water Works" two 3rd Grade House Service Inspectors have been provided for at a cost of \$1,920. At the present time there is no systematic method of carrying out these inspections, which are designed for the detection of unauthorised connections, and the repair of leaks and defective fittings. This will tend to prevent waste of water, and to ensure that the provisions of the law are more effectively enforced.

Under Other Charges the following items have been increased:—

Conveyance Allowance by \$1,440 for the three new surveyors, and for the two apprentice surveyors in the Crown Lands and Surveys Department, for whom no allowances have hitherto been provided.

Drawing Materials and Mounting

Plans	\$1,800
Land Survey Contingencies	1,000

Under Special Expenditure a sum of \$1,000 has been provided for furniture for the offices consisting of plan cases, book-cases and filing-cabinets.

Public Works, Recurrent

The total increase under this head is \$99,300. This large increase is only apparent, as the expenditure for the current year which was estimated at \$481,000 will probably be exceeded by a sum of \$107,600, so that the estimated expenditure for next year, which has been framed with a view to avoiding the necessity for supplementary votes, is rather lower than the expenditure for the current year.

In the estimates for next year an important change has been made by including under the heads "Buildings" and "Communications" special votes for improvements.

Public Works, Extraordinary

With regard to Hongkong under the heading "Buildings" the sums provided for the first fourteen items are to complete the works mentioned therein.

Under Item 15 a sum of \$60,000 has been provided for commencing the erection of quarters for certain married European Subordinate Officers, for which it is proposed to charge rent. This is an entirely new policy on the part of the Government, and has been brought about by the very high rents which have to be paid in Hongkong and which weigh heavily on officers with families. It is estimated that the rents which are to be charged will yield a fair return on the capital expended. An excellent site at the back of Leighton Hill has been selected for the quarters, of which there will be twelve, six containing five rooms and six containing four rooms in the form of flats.

Item 16. — Housing of European Subordinate Officers, \$50,000. The total estimate of \$80,000 includes a sum of \$30,000 for an addition to the Harbour Office Buildings, which will contain on the ground floor a new Liquors Office and on the first and second floors quarters for two married or four single Revenue Officers. The quarters now in occupation at Breezy Point have proved entirely satisfactory.

Item 17 refers to a much needed extension of the Central Police Station, details of which will be laid before you when you consider the Estimates.

Under the heading "Communications" a further extension of the road from Victoria Gap to High West is provided for at a cost of \$10,000. It has been decided to call this road "Lugard

Road" after the late Governor. A sum of \$36,000 is provided for completing the road from Aberdeen to Deep Water Bay. The road will be twenty feet in width with easy gradients.

A sum of \$60,000 is provided for paving the main roads in the City of Victoria in accordance with a scheme which you will remember was contained in the Report of the Public Works Committee dated the 2nd March, 1914, and laid before this Council on the 4th June, 1914. The scheme has received the approval of the Secretary of State, and it is proposed to make a beginning next year.

Provision has also been made for a pathway from Kennedy Road to Macdonnell Road, the want of which has been much felt, for an improvement of the sharp corner at the bottom of Garden Road, and for a path from Queen's Road East to Kennedy Road to give access to sites which have been sold recently in that neighbourhood.

Drainage

You will observe that under Item 26 a considerable sum is to be devoted to training nullahs and for Miscellaneous Drainage Works.

Miscellaneous

Under this head a sum of \$8,000 is provided for another telephone cable cross the harbour. The capacity of the present cable is already taxed almost to the utmost, and with the continued extension of the telephone system in Kowloon and the New Territories it has become necessary to provide a new eight-core cable.

A sum of \$3,000 is required for continuing the survey of the Colony, and \$1,000 for purchase of boundary stones, under a new system whereby the stones are paid for by the Government and sold as required.

The improvements to the record-room in the Colonial Secretary's Office, for which a sum of \$1,200 is provided, consist of rendering half the present library fireproof, and it is intended to place there the more valuable records of the Colony in order to preserve them from destruction.

Item 45 "Resumption of Piers \$10,500" is the first step towards improving the ferry services between Hongkong and Yaumati and Shamshuipo. A Bill dealing with the scheme, w h i c h i s t h e

outcome of the report of a Committee appointed by me early in the year to consider this important subject, will be laid before you shortly.

Under "Water Works" you will observe that large sums are required for providing a service reservoir and filter beds at West Point, and for continuing the work at Tytamtuk.

Kowloon

Turning now to Kowloon, a new market is provided for at Shamshuipo at a cost of \$18,000 and an extension to the Kowloon British School of two class rooms costing \$7,500.

A sum of \$6,500 is provided for certain necessary additions to the Royal Observatory.

Item 56 represents an extension of the scheme of Rented Quarters, to which I have already referred, and is intended to provide a building containing two flats in the grounds of the Royal Observatory for the Chief and First Assistants.

Item 57 is for six quarters for European subordinates.

Under "Lighting" provision is made for a considerable extension including a row of lamps down the middle of Salisbury and Nathan Roads.

Under "Miscellaneous" a sum of \$212,000 is provided to complete the Typhoon Refuge at Mongkoktsui, and a sum of \$29,000 to complete the Repairing and Coaling Yard for Government launches.

The item of \$1,000 for resumption of piers is in connection with the improvement of the ferry service to which I have already alluded.

A new filter bed which is much needed, is provided for at a cost of \$18,000.

New Territories

Under "Buildings" provision is made for completing the Police Station at Lok Ma Chau and for beginning the erection of a station at Ta Ku Ling.

A market at Tai O is provided for at a cost of \$4,500.

Under "Communications" you will observe that under Item 78 (b) (c) (d) and (e) it is proposed, if the Secretary of State approves, to embark on a large programme of road construction, and widening of existing roads. After careful consideration it has been decided that a minimum width of formation of twenty

feet should be adopted for all main roads. The Director of Public Works will be glad to show you the plans of the road programme when you consider the Estimates. The section now provided for is that from Ta Ku Ling to join the Fan Ling-Shataukok road.

Item 78 (f) provides for the improvement of a portion of the road from Kowloon to Taipo by cutting back the banks at sharp corners and improving the curves.

Item 79 is a contribution of \$1,000 by the Government, being one-third of the cost of a bridge, which is being erected by the villagers over the Shatin river.

The total sum which it is proposed to expend on Public Works Extraordinary is \$2,229,785, exceeding the amount in the previous year by \$98,985. The programme has been carefully revised, and works which were not of great urgency, although desirable, have been postponed. Notwithstanding this the total is higher than in any previous year, and so far as I am able to judge there is little hope of any considerable reduction until the completion of the Tytamtuk Scheme.

Post Office

A sum of \$1,440 has been entered for three additional 5th Grade Postal Clerks, who are required in connection with the establishment of branch Post Offices at Saiyungpun, Wantsai and Yaumati. Provision has also been made for Radio-Telegraph Staff for the Wireless Station at Cape D'Aguilar and for the Staff at the General Post Office. The total under this head is \$18,499, and a sum of \$253 is provided for miscellaneous expenditure for the same purpose. The staff includes two 4th Grade Telegraphists, one 5th Grade Telegraphist (to be 4th Grade in 1915) and one Messenger, transferred from the Harbour Office.

Kowloon-Canton Railway

The Estimate of Revenue and Expenditure for 1915 is as follows—Earnings \$435,600 and working expenses \$323,455, leaving a balance of \$112,145 net profit. Compared with the estimate for the current year this shows an increase of \$10,754. The experiment of running night trains has been tried during this year, but has not proved successful. Footnote (3) to Appendix II. shows the estimated result of next year's working. The deficit to be made up from General Revenue is \$458,510 as against \$469,264 last year.

The detailed expenditure is shown in Appendix I. The following are the principal items of increase:—In Abstract A "Repairs of Station Buildings, etc." \$2,920. Abstract B and C: An Assistant Locomotive Superintendent, \$3,397. This is a new post, approved by the Secretary of State, which has been rendered necessary by the increase in the number of locomotives. Coal shows an increase of \$18,800 due to the rise in price. Oil, tallow and other stores are estimated to cost \$3,100 more than last year. This estimate is based on the actual expenditure of 1913 and the revised estimate for the current year. "Materials, maintenance and renewals of Locomotive Engines" is increased by \$8,348 to provide for increased repairs next year, as it has been impossible to spare the engines during the current year for this purpose. Three new locomotives will be available next year, and the old ones will then have a thorough overhaul. Under "Repairs and renewals of coaching vehicles" the items wages, power and materials have been increased by \$2,265, \$1,238 and \$2,740 respectively.

Abstract D: A new printing machine at a cost of \$3,000 has been provided for and a sum of \$1,000 is provided for hire of 1st and 2nd class coaches from the Chinese Section for week-end traffic. The arrival of the new rolling stock will obviate this expenditure in future.

Abstract E: A post of "Inspector of Station Accounts" has been created at a salary of \$2,400. A sum of \$2,500 has been entered for house allowances pending the erection of quarters for the European Subordinate Officers. It is proposed to build quarters next year, which will be occupied free of rent.

Charitable Allowances

Two new items appear under this head, namely, a sum of \$1,047 being the equivalent of £96 a year which is being paid to Mrs. Evans, the widow of the Chief Officer of the "Tai On," and a sum of \$120 to Mrs. da Silva, the widow of a Portuguese Guard on the same vessel.

The Balancing of the Budget

In order to balance the budget for the coming year it will be necessary to appropriate from surplus balances a sum of \$1,079,139.

This is a larger sum than has hitherto been taken for this purpose, but, until the large public works in progress and in contemplation have

been completed, it will be difficult to avoid drawing annually on our assets. There is also the possibility that the course of public events during the next few months may render it necessary to curtail our expenditure very considerably, and there are several items in the Estimates which could be postponed or reduced, whereby a large saving could be effected.

I would suggest to the Unofficial Members of the Council that in considering the Estimates during the fortnight which will elapse before the second reading of the Supply Bill they would do well to consult the Colonial Secretary, the Treasurer and the Director of Public Works on any points about which they may wish for further information, so that when we meet again there will be less need for explanations, which can only be given somewhat inadequately in the course of debate.

The Bill was read a first time.

Jury Amendment Ordinance

THE ATTORNEY-GENERAL moved the second reading of a Bill entitled, "An Ordinance to amend the Jury Ordinance, 1887." In doing so he said—Members of the Volunteer Force have to give up a portion of their time every year in connection with the annual camp: and those of them who are employed by others, in their case the employers may lose a portion of their employees' time for the same reason. That, Sir, is a public burden, which no doubt in many cases is cheerfully borne, but it seems not unreasonable to relieve those who have to bear that burden to some extent from any other public duty from which they can be conveniently relieved. The object of this Bill is to exempt from jury service all officers and non-commissioned officers of the Volunteer force, and such number of other efficient members of the Force as may be approved by the Governor-in-Council. That is the main object of the Bill, Sir. It is also necessary to make a slight amendment, which is rendered desirable by the recent passing of the Dentistry Ordinance, in another portion of the section.

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

Council then went into Committee to consider the Bill clause by clause.

On resuming,

THE ATTORNEY-GENERAL reported that the Bill had passed through Committee without amendment, and moved that it be read a third time.

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

Special Police Reserve Ordinance

THE ATTORNEY-GENERAL moved the second reading of the Bill entitled, "An Ordinance to provide for the formation of a Special Police Reserve." In doing so he said— On the first reading of this Bill, Sir, you explained the objects and reasons for it, and with your permission I propose to say nothing further, but merely to move the second reading.

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

Council then went into Committee to consider the Bill clause by clause.

On resuming,

THE ATTORNEY-GENERAL reported that the Bill had passed through Committee without amendment, and moved that it be read a third time.

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

HIS EXCELLENCY — Council stands adjourned till this day fortnight.

FINANCE COMMITTEE.

A meeting of the Finance Committee was then held, the COLONIAL SECRETARY presiding:

Public Works

The Governor recommended the Council to vote a sum of \$1,000 in aid of the vote Public Works Extraordinary, New Territories, Miscellaneous, Miscellaneous Works.

THE CHAIRMAN—This \$1,000 is a third of the estimated cost of a bridge which is being built by the villagers at Shatin, and special reference is made to it in the Governor's address in connection with the Estimates for next year. A sum has been inserted in the Estimates for next year, but this minute is

taken in case any of the money may be needed this year.

The Governor recommended the Council to vote a sum of \$200 in aid of the vote Public Works, Extraordinary, Hongkong, Lighting, Extension of Lighting.

THE CHAIRMAN — There has been a considerable extension in the number of public lamps, and this is to provide for their upkeep.

The Governor recommended the Council to vote a sum of \$500 in aid of the vote Public Works Department, Other Charges, Electric Fans and Light.

THE CHAIRMAN—A great many new fans and electric lights have been provided, especially fans, and this is to cover the cost of extra current. Sixteen lights, four ceiling fans and thirteen desk fans have been installed during the current year.

Harbour Expenses

The Governor recommended the Council to vote a sum of \$160 in aid of the vote Harbour Master's Department, *D.*— Steam-Launches, Other Charges, Stores.

THE CHAIRMAN — This is for certain improvements which have been made in the steam tender *Stanley*.

Medical Contributions

The Governor recommended the Council to vote a sum of \$1,548.39, the equivalent of £150, in aid of the vote Miscellaneous Services, Grants-in-aid of Scientific Institutions, Contribution to the Endowment Fund of the London School of Tropical Medicine.

THE CHAIRMAN—This vote of £150 is for the contribution of the Colony to the London School of Tropical Medicine Endowment Fund. The vote is shown under the heading of Miscellaneous Services, and there are not sufficient savings under other items to cover the contribution which the Colony has agreed to make, so it has been necessary to take this vote.

HON. MR. HEWETT—Was it taken as a separate vote, or was it lumped in?

THE CHAIRMAN—It was lumped in with the estimate for Miscellaneous Services.

HON. MR. HEWETT—If it is a definite vote, I think it should be put in as a definite vote, and not under Miscellaneous Services.

THE CHAIRMAN—If you look on page 39 of the Estimates for next year you will see the vote there. This is a special vote this year to Mr. Austen Chamberlain's endowment fund. The ordinary contribution is £100.

HON. MR. HEWETT—I thought you were wrong in your Miscellaneous Account and you asked for this vote.

THE CHAIRMAN—This vote is for the special endowment fund.

Harbour Master's Department

The Governor recommended the Council to vote a sum of \$445.20 in aid of the following votes:—

E.—Gunpowder Depot:—

1.—Personal Emoluments, 4 Indian Police Constables	\$358.84
2.—Other Charges, Uniform for Constables	86.36

Total	\$445.20

THE CHAIRMAN—This is merely a transfer from the Police to the Harbour Department for extra constables and certain other charges in connection with them at the depot at Green Island. It is a vote which has to be taken because it is to be charged against the Harbour Master's Department and not the Police.

Police and Fire Brigade

The Governor recommended the Council to vote a sum of \$19,950 in aid of the following votes:—

Police and Prison Departments.

A.—POLICE.

Coal for Barracks	\$ 1,000
Furniture	350
Incidental Expenses	1,200
Launches and Boats:—Stores .	1,500

Passages, and Bonuses in lieu of Passages	10,000
Small Stores	500
Transport	4,000

B.—FIRE BRIGADE.

Clothing	100
Coal and Oil-Fuel	1,000
Light	300

	\$19,950

THE CHAIRMAN—There are various items here. The first is simply due to the increased cost of coal which is considerably higher than when the Estimates were drawn up. Under Furniture \$350: certain accidents occurred which made it quite clear that every police station should have a medicine chest, and this sum has been expended in getting those medicine chests, containing certain simple things for first aid. Incidental Expenses, \$1,200: Most of this is caused by having to pay house rent for married men, as no quarters are yet available. They are being built. Item 4 has simply been underestimated and rectified. Item 5 is a large sum, due to more recruits being engaged from England and more married men going home on leave. If you wish, I will ask the Captain Superintendent to explain. If they do not go on leave, under the regulations they get a bonus.

THE CAPTAIN SUPERINTENDENT OF POLICE—Police who don't go on leave get a bonus of three months' pay

HON. MR. HEWETT — Couldn't a closer estimate be made of it?

THE CAPTAIN SUPERINTENDENT OF POLICE—An extra number of men came out this year.

HON. MR. HEWETT — Don't you think it would be much more advisable for the men to go home on leave instead of taking the bonus? I think the police work very hard indeed, all sorts of hours and night and day, and they cannot have much pleasure. Therefore, it seems to me most desirable that men like the police and sanitary inspectors should be compelled to go home instead of drawing three months' pay and remaining in the Colony, else there is no break in the monotony. By going home and getting braced up they will prove better servants to the Colony.

THE CAPTAIN SUPERINTENDENT OF POLICE—I agree with you.

HON. MR. HEWETT — I very much deprecate allowing these public servants drawing their bonus and remaining in the Colony. I think they ought to be compelled to go home when their leave is due. I know that one or two firms, and one of the biggest in the Colony, make it a rule that their clerks must leave the Colony at least three weeks in every year. I only throw this out as a suggestion for future guidance.

THE CHAIRMAN—The point you have raised will be considered.

HON. MR. HEWETT — With all due deference, I think it is worth considering, as I think you will get better public servants if you compel your men to take a holiday.

THE CHAIRMAN—The item, Small Stores \$500, is due to an increase in the establishment of the Police Force. The item Transport \$4,000, is due to a larger number of deportees being sent to their native country, and the transport of police from one station to another. Fire Brigade clothing, \$100, is due to changes of firemen through transfers. The item, Coal and Oil Fuel \$1,000, is due to more coal and oil fuel being used for instruction of motor drivers and engineers. The item, Light \$300, is due to the installation of fans at No. 5 Station.

West River Flood Relief Fund

The Governor recommended the Council to vote a sum of \$50,000 in aid of the vote

Miscellaneous Services, West River Flood Relief Fund.

THE CHAIRMAN—This has already been brought before the Council, but the actual payment of the sum has not yet been authorised.

Printing and Stationery

The Governor recommended the Council to vote a sum of Fifteen thousand dollars (\$15,000) in aid of the following votes:—

Miscellaneous Services.

1. Printing and Binding	
Miscellaneous	\$7,000
2. Stationery	8,000
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Total	\$15,000
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THE CHAIRMAN—There has been a great deal of extra printing this year, not only due to the war—proclamations have entailed a great deal of extra printing—but in connection with the Imports and Exports Department (the Opium Monopoly), Education Department (Examination papers) and Post Office also, and this sum represents what is required to pay the Government Printer at the contract rate. The second item, for stationery, is to meet the Crown Agents' account for the second half year for indents amounting to \$577. There are certain indents for the Gaol Department which caused an excess in the vote. I think it is quite obvious that the vote is under-estimated. The whole question of the amount required for stationery has been gone into lately, and we hope to effect certain economies, and the vote for next year has been cut down accordingly.