20TH APRIL, 1916.

PRESENT:-

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

HIS EXCELLENCY MAJOR-GENERAL F. VENTRIS (General Officer Commanding Troops).

Hon. Mr. CLAUD SEVERN (Colonial Secretary).

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

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

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

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

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

HON. MR. D. LANDALE.

HON, MR, LAU CHU PAK.

HON, MR. P. H. HOLYOAK.

Mr. A. G. M. FLETCHER (Clerk of Councils).

Financial Statement

THE COLONIAL SECRETARY, by command of H.E. the Governor, laid on the table the financial returns for the year 1915.

In doing so he said—In the unavoidable absence of the Colonial Treasurer, Sir, I think it is desirable to make a short statement on the Assets and Liabilities of the Colony as they now appear. From the statement of assets and liabilities on the 31st December, 1915, it would appear at first sight that a very unfavourable change took place during the year. Hon. members will remember that the balance of assets over liabilities, on the 31st December, 1914, was \$2,810,473. In the return now submitted a debit balance of \$452,686 is shown, an apparent total loss of \$3,363,139. In the assets on the 31st December last, no credit has been taken for the loan of £250,000 which the Colony was authorised to raise, and it is now proposed to raise that loan. The loan stood in the

Treasury books at \$2,790,697, and prior to the closing of the Railway Special Account in September a sum of \$3,062,389 had been spent over and above the sum derived from the Wuchang Loan—these figures will be seen under the Statement of Expenditure on Works Chargeable to Loans. That is to say, a sum of \$2,790,697, and in addition, a sum of \$271,692 has been expended on the railway. After September it was arranged, in any event, to meet capital expenditure out of revenue. If the assets and liabilities had been drawn up in the same form as last year the balance of assets over liabilities on December 31st. 1915, would, therefore, have been \$3,062,389, credit in respect of the railway, less a sum of \$452,687, the actual debit balance now shown. That is, the balance of assets over liabilities would have been a sum of \$2,609,702. I think that hon, members will agree that the form now adopted shows the state of our finances with greater clearness than has been the case hitherto. In his speech on the Estimates in October last H.E. the Governor estimated that the balance of assets on the 31st December last would be reduced to \$1,862,832, taking the figures in the form then adopted. The actual figures as I have shown would have been \$2,609,702, and the Colony was, therefore, more than seven lakhs better off at the end of last year than was expected when the Estimates were framed.

Loss of Revenue

HIS EXCELLENCY—Before proceeding with the orders of the day, I should like to advert for one moment to the remarks I made at the last meeting of the Council concerning the increase in liquor duties. I then said that somehow or other information of the impending increase had leaked out. I said I did not know where to lay the blame and, probably, the result would be a somewhat substantial loss in revenue. Well, I would like to say now that investigations show that although the information leaked out, and although advantage was taken of the information by s o m e p e r s o n s , t h e l i c e n s e d

dealers—that is to say, the wine merchants of the Colony — were in nowise concerned in the withdrawal from bond of liquors in order to evade the duty. I think it only right to mention that, because some people might think that they had been responsible for certain loss of revenue which would accrue. Since I am on the subject of revenue, I would like to mention that owing to the unhappy condition of affairs in the neighbouring Province we are likely to suffer a direct loss in connection with the Conservancy Contract. As you are aware, this contract brings us in considerable revenue; the soil is sold to the cultivators of mulberries up in the Shun Tak district. It has now for some days been impossible to deliver the soil, and instead of getting a revenue of between \$4,000 and \$5,000 a month we have to incur the expenditure of conveying the stuff out of the Colony and dumping it in the sea, and the resultant loss is somewhere between \$9,000 and \$10,000 a month. That, of course, is a mere fraction of the loss resulting from the choatic condition in which the Kwangtung Province now finds itself.

Papers

THE COLONIAL SECRETARY, by command of H.E. the Governor, laid on the table correspondence between Lady Jackson and himself relative to the death of Sir Thomas Jackson, and of the remarks made by His Excellency when bringing the resolution before the Legislative Council. The reply received from Lady Jackson was as follows:—"I beg to acknowledge your letter of the 31st December, and must ask you please to convey to His Excellency the Governor and the members of the Executive and Legislative Councils of Hongkong, my sincere thanks for their most kind resolutions of sympathy and their touching appreciation of Sir Thomas Jackson."

THE COLONIAL SECRETARY, by command of H.E. the Governor, also laid on the table the report of the Police Magistrates' Court for the year 1915.

Finance

THE COLONIAL SECRETARY, by command of H.E. the Governor, laid on the table Financial Minutes Nos. 6 and 7, and moved that they be referred to the Finance Committee.

Hon. Mr. WEI YUK seconded, and it was agreed to

Punishment of Incest

THE ATTORNEY-GENERAL moved the first reading of a Bill intituled, "An Ordinance to provide for the punishment of Incest."

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

The "Objects and Reasons" state:—The object of this Bill is to introduce here the provisions of the Punishment of Incest Act, 1908.

Trading with the Enemy

THE ATTORNEY-GENERAL moved the first reading of a Bill intituled, "An Ordinance to provide for the extension of the restrictions relating to Trading with the Enemy to persons to whom, though not resident or carrying on business in enemy territory, it is by reason of their enemy nationality or enemy associations expedient to extend such restrictions."

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

The "Objects and Reasons" state:—The object of this Bill is to apply in Hongkong the provisions of the Trading with the Enemy (Extension of Powers) Act, 1915, which gives His Majesty power to prohibit trading with persons and bodies of persons not resident or carrying on business in enemy territory or in territory in the occupation of the enemy (other than persons or bodies of persons residing or carrying on business solely within His Majesty's dominions) whenever by reason of the enemy nationality or enemy association of such person or persons it appears to His Majesty expedient to do so.

Registration

THE ATTORNEY-GENERAL moved the first reading of a Bill intituled, "An Ordinance to provide for the registration of certain persons."

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

The "Objects and Reasons" state:—The object of this Bill is to provide for the registration of all persons in the Colony other than the following:—

- (a.)—Persons already under direct Government control, and the wives and daughters of such persons;
- (b.)—Persons of Chinese nationality;
- (c.)—Persons not exceeding 18 years of age.

Facilitating Marriages

THE ATTORNEY-GENERAL moved the first reading of a Bill intituled, "An Ordinance to facilitate marriages between British subjects resident in the Colony and British subjects resident in the United Kingdom."

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

The "Objects and Reasons" state:—The Marriage of British Subjects (Facilities) Act, 1915, 5 and 6 Geo. V., c. 40, was enacted in order to facilitate marriages between British subjects resident in the United Kingdom and British subjects resident in other parts of His Majesty's dominions, the object being to enable the marriage to be celebrated immediately on the arrival of the intended spouse from the Colony or from the United Kingdom as the case may be. It provides for the recognition, for the purpose of marriages in the United Kingdom, of certificates of notice of marriage issued in other parts of His Majesty's dominions, and it enables certificates for marriage to be issued in the United Kingdom for the purpose of marriages in other parts of His Majesty's dominions. These provisions, however, in the case of any particular colony, depend on the Act being applied to that Colony by Order-in-Council, and a condition precedent to the issue of any such Order-in-Council is the enactment of reciprocal legislation in that colony. This Bill contains the local legislation which is necessary before an Order-in-Council can be issued applying the Act to the Colony of Hongkong.

THE ATTORNEY-GENERAL — It was not possible to circulate copies of this Bill before this meeting. Copies have been laid upon the table, and it is proposed, Sir, to take the first reading now, in order to avoid the possible necessity of having a special meeting at some future date.

His EXCELLENCY—I hope members will have no objection to this. It is only a first reading, and is purely a formal matter.

HIS EXCELLENCY—Council stands adjourned until this day week.

FINANCE COMMITTEE.

A meeting of the Finance Committee followed, the COLONIAL SECRETARY presiding:-

Public Works' Recurrent

The Governor recommended the Council to vote a sum of sixty-five thousand three hundred and sixtyone dollars (\$65,351) in aid of the following votes:— Public Works, Recurrent:-

Miscellaneous.
18 (a)—Stores Depreciation—
Amount to be written off value of the
Dredger St.
Enoch \$ 7,500
Upkeep of Plant11,000
Public Works, Extraordinary:—
Hongkong:—
Buildings.
Married Quarters 4,500
Gaol Extension 2,351
Communications,—Roads.
Paving of Main Roads 10,000
Drainage.
Training Nullah, Wongneichong
Village 4,400
Training Nullah, Magazine Gap 1,500
Training Nullah, Aberdeen
Kowloon:—
Drainage.
Miscellaneous Drainage Works 3,000
Training Nullah, Waterloo Road 2,600
Miscellaneous.
Repairing and Coaling Yard for
Government Launches 12,000
New Territories:—
Communications,—Roads.
Castle Peak to Shataukok,—
Bridge over Au Tau Creek 4,000
Drainage.
Miscellaneous Drainage Works 1,000
Total \$ 65,351

THE CHAIRMAN-I will ask the Director of Public Works to explain the need for these various sums.

THE DIRECTOR OF PUBLIC WORKS—The first item of \$7,500 is merely a provisional sum to write off the value of the dredger St. Enoch. T h e d r e d g e r

the present moment stands in the books at \$150,000, and it is considered advisable to provide for depreciation. The next item, \$11,000 for upkeep of plant, is for considerable repairs which have been necessary to keep the dredger in working order. Unfortunately, it was in a very broken-down condition before dredging commenced, and considerable repairs have been found necessary. The sum of \$4,500 for married quarters is partly a revote of unexpended balances in previous years, and partly due to an excess in the cost of the buildings. Gaol extension, \$2,351, is a re-vote of an unexpended balance. In this case the cost of the work has been somewhat under the estimate. Paving of main roads \$10,000, is on account of the non-delivery of certain plant ordered from England during last year, the arrival of which has been delayed owing to the war. The next three items, the training of nullahs at Wongneichong village, Magazine Gap, and Aberdeen, are also re-votes of unexpended balnees. In regard to the next item, \$3,000 for miscellaneous drainage work, the vote in this year's Estimates is considerably below the provision made in previous years and it has been found to be inadequate. The amount of \$2,600 for nullah-training, Waterloo Road, Kowloon, is also a re-vote of an unexpended balance. The next item, a sum of \$12,000 for repairing and coaling yard for Government launches, arises from the provision of an electric capstan that has been considered necessary, costing \$5,000, the erection of a pier and provision for the carriage for the slipway. The sum of \$4,000, for a bridge over An Tau Creek, is due to extra banking which has been found necessary and also the extra cost of the bridging undertaken. The last item of \$1,000, for miscellaneous drainage Works, is due to the

extension of sewers in Shamshuipo, where considerable developments are taking place.

The vote was agreed to.

Exhumation

The Governor recommended the Council to vote a sum of two thousand seven hundred and thirteen dollars and thirty-five cents (\$2,713.35) in aid of the vote of Public Works, Extraordinary, Exhumation at Mount Davis Cemetery.

THE CHAIRMAN—This question of putting Mount Davis Cemetery into proper order has been under consideration for a long time, and the Tung Wah Hospital agreed to carry out the work. A survey was made of the old Cemetery, where there are several ancestral tombs, and a certain amount of ground surrounding them, and most of the graves outside that area have been removed elsewhere by the Tung Wah Hospital. 1,256 graves have been removed to Aplichau for a sum of \$1,381.60, which included the taking away of the tablets and re-fixing them, carrying away the urns and the bones and burying them. Four hundred and two graves were removed to the surveyed area at Mount Davis for \$361. There have also been a large number of smaller works, renewing urns, rent of house at Aplichau, all connected with this removal, the total cost being \$2,713.35. The result is that this old question is now settled, the cemetery has been surveyed, and a large area for growing grass for fodder has been placed at the disposal of the Sanitary Board. It was a very useful work, and it was well carried out by the Tung Wah Hospital.

The vote was agreed to.