29TH NOVEMBER, 1917.

PRESENT:-

HIS EXCELLENCY THE OFFICER ADMINISTERING THE GOVERNMENT, HON. MR. CLAUD SEVERN, C.M.G.

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

HON. MR. A. G. M. FLETCHER (Colonial Secretary).

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

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

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

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

HON. MR. LAU CHU PAK.

HON. MR. P. H. HOLYOAK.

HON. MR. C. E. ANTON.

HON. MR. R. G. SHEWAN.

HON. MR. HO FOOK.

MR. J. A. E. BULLOCK (Clerk of Councils).

Financial

THE COLONIAL SECRETARY, by command of H.E. the Officer Administering the Government, laid on the table Financial Minutes Nos. 84 to 88, and moved that they be referred to the Finance Committee.

THE ATTORNEY-GENERAL seconded, and this was agreed to.

Financial Minutes

THE COLONIAL SECRETARY, by command of H.E. the Officer Administering the Government, laid on the table report of the proceedings of the Finance Committee, No. 14, and moved that it be adopted.

THE ATTORNEY-GENERAL seconded, and this

was agreed to.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT-With regard to Financial Minute No. 88, the sum of \$8,500 recommended is for the purpose of paying monthly allowances not exceeding \$100 in the case of Senior Officers and \$50 in the case of Junior Officers, whose wives and families have been absent from the Colony during the current year for a consecutive period of more than two months. It was represented that the scheme for providing allowances in aid of rent to members of the Civil Service occupying separate houses or tenements gave no relief to married officers who, in the absence of their families, were living in circumstances that did not qualify them for such allowances. The heavy charges to which they are liable for the support of their families elsewhere clearly entitles them to some relief, especially in view of the fact that it is in many cases impossible for an officer's wife and family to return to the Colony at present even if desired. The degree of hardship incurred varies so much that the allowance to be granted is left to the discretion of the Governor in each case. The grant of such allowances has been approved by the Secretary of State subject to the consent of honourable members.

Papers

THE COLONIAL SECRETARY by order of H.E. the Officer Administering the Government, laid upon the table reports of the proceedings of the Public Works Committee Nos. 3 and 4, and moved that they be adopted.

THE ATTORNEY-GENERAL seconded, and this was agreed to.

Opium Ordinance, 1917

THE ATTORNEY-GENERAL moved the second reading of the Bill intituled, "An Ordinance to make further provision against the counterfeiting of labels, wrappers and marks used in connection with Government opium." In doing so he said—The present law on the subject, which is contained in section 56 of Ordinance No. 4 of 1914, is defective. In the first place it deals only with marks and not with wrappers or labels. In the second place it creates only two offences - the offence of counterfeiting such marks and the offence of using as genuine marks so counterfeited. Attention was drawn to the defective state of the law by a case recently when a man was arrested in possession of a certain number of counterfeit labels which, apparently, he was just about to sell to someone for use as forged labels. There was no proof that he had counterfeited the labels, and certainly he was not using them as genuine, as there was no doubt he was selling them as forgeries. The present Bill alters the law in these two respects. It will make it an offence to be in possession of labels, wrappers or marks which resemble labels, wrappers or marks used by the Superintendent in connection with Government opium. It will extend, as I say, the offence to labels and wrappers and not confine it to marks, and it provides that possession of dies which are apparently intended to produce such counterfeit labels, wrappers or marks will also be an offence.

THE COLONIAL SECRETARY seconded, and this was agreed to.

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

The Bill passed through Committee without amendment, and, on Council resuming,

THE ATTORNEY-GENERAL moved that the Bill be read a third time.

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

Contracts (War Restrictions) Ordinance, 1917

THE ATTORNEY-GENERAL asked that the next item on the Orders of the Day, referring to the Contracts (War Restrictions) Ordinance, 1917, might be held over until the next meeting of the Council. He said—The Bill is one which is intended to provide relief against actions for breach of contract where the fulfilment of the contract has been interfered with by executive requirements or restrictions rendered necessary by the war. The Bill is based on an English Act which was passed in 1915, but certain questions have been raised on the Bill which, I think, require more careful consideration than can be given at this meeting. One question is whether the Bill is to have a retrospective effect, and is to apply to interferences which took place before the passing of the Ordinance. Another question is whether it shall apply to pending actions. Perhaps a third question is whether the Bill gives the relief which was intended by the persons who proposed the legislation. Two cases have occurred in England under the corresponding Act and in both cases the Court held that though there had been a certain amount of interference it did not amount to such interference as to entitle the Court to grant relief under this enactment. For these reasons I ask that the matter may stand over until the next meeting of the Council.

This was agreed to

Ferries Ordinance, 1917

THE ATTORNEY-GENERAL moved the second reading of the Bill intituled, "An Ordinance to regulate Ferries." In doing so he said-The object of the Bill is to take powers to regulate the ferries of the Colony generally, other than the present service of the Star Ferry Company, Ltd., which depends upon certain contracts between the Government and the Company and is sufficiently regulated already. At the present time-apart from the Star Ferry Companythere is no power to regulate ferries either with regard to accommodation, size of launches, time-tables or any of the other various points on which a public service like a ferry should be subject to some control. The object of the Bill is not to secure revenue but the interests of the travelling public. Certain draft regulations were published in the same Gazette with the Bill, dealing with ferries between Victoria and Yaumati, Mong Kok Tsui and Sham Shui Po, and it is proposed at the moment only to deal with these particular ferries. The regulations, however, were merely tentative and were published with the object of exciting discussion and not as a final draft. It is not proposed on the passing of this Ordinance to make those regulations, but it is intended that they should have full consideration

and not be passed until everyone, who has anything to say upon them, has been heard. It is intended, I believe, to appoint a small Committee on which unofficial members shall be represented, if they will accept membership, and to hand over to that Committee the consideration, *ab initio*, of the whole of the regulations to be made under the Ordinance.

THE COLONIAL SECRETARY seconded.

HON. MR. P. H. HOLYOAK—May I ask whether these regulations will involve putting these ferries up to tender?

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT—It is open to the small Committee, which it is proposed to appoint, to bring forward reasons against putting such rights up to tender.

HON. MR. HOLYOAK—My point is this. I hold no brief for anyone at all, but I understand a Company has been running now for some 15 years with considerable expenditure of capital, and that Company quite rightly feels, as a matter of justice, that it ought to have preferential consideration, if not treatment.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT—Any rights which have been acquired, or which may be supposed to have been acquired, will, of course, receive every consideration, but the principle of tendering has been decided upon as the fairest method of giving what will be practically a valuable monopoly to persons who are considered by the Government as suitable to conduct the services properly. There is no means of ascertaining who these people may be except by inviting tenders. There is no obligation on the Government to accept the highest or any tender.

HON. MR. HOLYOAK—I understand that the Company in question is prepared to accept any regulation which the Government may choose to make. The draft regulations, however, are, I submit, unworkable. I have just learned that they are to be considered *ab initio*, and so presume they will come under discussion.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT—The whole of the regulations will come under the purview of the Committee.

HON. MR. R. G. SHEWAN—All these regulations will be considered?

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT—Yes. The unofficial members it is proposed to ask to join the Committee are the hon. member who represents the Chamber of Commerce and the senior Chinese member.

THE ATTORNEY-GENERAL—I understand the Committee to be appointed will not be a Committee of this Council.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT—No, it will not be a Committee of this Council.

HON. MR. HOLYOAK-Thank you.

The Bill was then read a second time.

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

The Bill passed through Committee without amendment, and, on Council resuming,

THE ATTORNEY-GENERAL moved that the Bill be read a third time.

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

Insurance Companies Deposit Ordinance, 1917

THE ATTORNEY-GENERAL asked that the next item on the orders of the Day, referring to the Fire and Marine Insurance Companies Deposit Ordinance, might be held over until the next meeting of the Council. In doing so, he said- The Bill deals with the making of deposits by Fire and Marine Insurance Companies, and was introduced at the instance of the Chamber of Commerce. At the last moment certain points were raised by certain insurance companies, and the Government is still in consultation with the Insurance Sub-Committee of the Chamber of Commerce on these points, and it has not been possible to come to a definite conclusion in time for this meeting. I beg to ask leave, therefore, for the matter to stand over until the next meeting of the Council.

This was agreed to.

Pensions Amendment Ordinance, 1917

THE ATTORNEY-GENERAL moved the second reading of the Bill initialed, "An Ordinance to amend the Pension Ordinance, 1862." In doing so he said— The object of the Bill is to give the Governor-in-Council power to require any public officer to retire at the age of 55 years and to give the Governor-in-Council similar power to require any officer to retire at any time on the ground of inability to discharge efficiently the duties of his office. The Bill will only bring the law here into conformity with the law as it exists in some other Colonies.

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

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

The Bill passed through Committee without amendment, and, on Council resuming,

THE ATTORNEY-GENERAL moved that the Bill be read a third time.

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

Council adjourned sine die.

FINANCE COMMITTEE.

A meeting of the Finance Committee followed, the COLONIAL SECRETARY presiding.

Furniture

The Officer Administering the Government recommended the Council to vote a sum of five hundred dollars in aid of the vote Imports and Exports Department, Other Charges, Furniture.

THE CHAIRMAN—This is for furniture for the new statistical office.

The vote was agreed to.

Government Quarters

The Officer Administering the Government recommended the Council to vote a sum of two

thousand dollars in aid of the vote Public Works Extraordinary, Kowloon, Public Health and Buildings Ordinance, 1903, (42) Compensation and Resumptions.

THE CHAIRMAN—This is for a site of land in the neighbourhood of King's Park for the extension of Government quarters for Sanitary Inspectors and Overseers.

The vote was agreed to.

Rainstorm Damage

The Officer Administering the Government recommended the Council to vote a sum of twelve thousand dollars in aid of the vote Public Works, Recurrent, Hongkong, Miscellaneous, (17) Typhoon and Rainstorm Damages.

THE CHAIRMAN—The vote on the estimates was \$19,000. The extra expenditure is due to the heavy rain in the summer. This vote was held over to see what the result of the year would be. Out of the total amount, \$20,000 was required for the renewing of roads.

The vote was agreed to.

Sundries

The Officer Administering the Government recommended the Council to vote a sum of fifty dollars in aid of the vote Crown Solicitor's Office, Other Charges, Incidental Expenses.

THE CHAIRMAN—This is simply for small expenses.

The vote was agreed to.

Rent Allowances

The Officer Administering the Government recommended the Council to vote a sum of eight thousand five hundred dollars in aid of the vote Miscellaneous Services, Rent Allowances.

THE CHAIRMAN—His Excellency has already explained the reason for this vote.

The vote was agreed to.