

27TH FEBRUARY, 1919.

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, K.C., C.B.E. (Attorney-General).

HON. MR. C. McI. MESSER, O.B.E. (Colonial Treasurer).

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

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

HON. MR. E. D. C. WOLFE (Captain Superintendent of Police).

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

HON. MR. D. LANDALE.

HON. MR. LAU CHU PAK.

HON. MR. P. H. HOLYOAK.

HON. MR. HO FOOK.

HON. MR. R. G. SHEWAN.

MR. A. DYER BALL (Clerk of Councils).

Finance

THE COLONIAL SECRETARY, by command of H.E. the Officer Administering the Government, laid upon the table Financial Minutes Nos. 9 and 10 and moved that they be referred to the Finance Committee.

THE COLONIAL TREASURER seconded, and this was agreed to.

THE COLONIAL SECRETARY by command of H.E. the Officer Administering the Government, laid upon the table the report of Finance Committee No. 1, and moved that it be adopted.

THE COLONIAL TREASURER seconded, and this was carried.

Jurors' List for 1919

THE COLONIAL SECRETARY, by command of H.E. the Officer Administering the Government, laid upon the table the jurors' list for 1919 and moved that it be considered in private later.

HON. MR. H.E. POLLOCK seconded, and this was carried.

Question by the Hon. Mr. P. H. Holyoak

HON. MR. P. H. HOLYOAK asked the following questions, the answer, in each case, being read by the Colonial Secretary.

Q. — With reference to the following Resolution unanimously passed at a crowded public meeting in the Theatre Royal on the 7th November last:—

"That the Government be asked to appoint a Commission to enquire into the Housing Problem and transit questions in connection with the same."

and submitted to the Government in a covering letter from the Constitutional Reform Association on the 8th November, to which the Government replied on the 15th November that

"The Resolution quoted therein will be laid before H.E. the Governor on his return to the Colony,"

in view of the resignation of H.E. Sir Henry May will the Government state what measures it now proposes to take to give prompt effect to the wishes of the Colony?

A.—What is referred to in the question as the Housing Problem has several different aspects. Certain measures required immediate action, which has been taken after consultation with the Unofficial Members of this Council. Other measures are in preparation for the consideration of honourable members at an early date, and it is unlikely that a Commission will be necessary in order to carry them into effect; and the Praya East reclamation scheme will, it is hoped, be proceeded with during this year. In view of their exceptional urgency and importance, the matters in question are being pushed on as fast as possible but it is not proposed, in the absence of a Governor, to take any steps as regards the appointment of a Commission.

Q. — With reference to the following telegrams despatched by Reuter's Agent to Reuter's head office in London

on the 8th November:—

"Large Public Meeting resolved unanimously that Germans deported from the Colony to Australia should, at the conclusion of the War, not be permitted to return to Hongkong or China but be repatriated to Germany. The Meeting re-affirmed the unaltered conviction that no German subject be allowed to reside in the Colony or trade here for a period of years."

on the 9th January:—

"At a public meeting, it was unanimously resolved to telegraph the Secretary of State for the Colonies asking for reform in the Constitution of the Legislative Council to secure the increase from 6 to 9 of unofficial members, thus giving a majority of the unofficial."

Will the Government state whether these telegrams were suppressed or not by the Cable Censor, under instruction from the Government, and, if so, why?

A.—The telegrams were not stopped or interfered with in any way.

Q.—Will the Government state when the censorship of commercial, private and Press telegrams is likely to cease?

A.—The matter is one for decision by the Imperial Authorities and the Government is unable to give the information desired.

HON. MR. HOLYOAK—Arising out of that answer, may I ask the Government to make representations to the Secretary of State for the Colonies that the censorship shall cease as soon as possible?

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT—We know from the public statements which have been made at Home by H.M.'s Ministers that the censorship will not be continued longer than is considered necessary. There are, no doubt, reasons, of which we are not aware, which prevent the censorship being removed immediately. It is not a matter in which this Government can interfere.

Q.—Will the Government take steps to urge the Admiralty to include Hongkong in the tour of the Grand Fleet which, it has been announced, will be sent to Australia, New Zealand, and India?

A.—An intimation has been received from the Admiralty to the effect that nothing has been arranged and there is little prospect of anything definite being settled for some time yet.

Q.—Will the Government take steps to secure for Hongkong, as public war souvenirs, some of the guns captured from the Germans?

A.—The matter has been referred to the Secretary of State for the Colonies, who has replied that every endeavour will be made to allocate suitable War Trophies to Colonies as soon as any general distribution of Trophies is made.

Q.—What was the date of the last census and when does the Government propose to take the next one?

A.—The last census was taken in 1911, and the next one will be taken in 1921, in the ordinary course.

Non-Ferrous Metal Industry Ordinance, 1919

THE ATTORNEY-GENERAL moved the first reading of a Bill, intituled an Ordinance to restrict temporarily the persons who may engage in business connected with certain non-ferrous metals and metallic ores.

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

The "Objects and Reasons" state:—

1. The object of this Bill is to restrict temporarily the carrying on within the Colony of trade in certain non-ferrous metals and ores by or on behalf of persons who are now or have been enemy subjects. The Bill makes it an offence to carry on any trade in the non-ferrous metals and ores to which the Bill applies except under a licence from the Governor-in-Council.

2. The intention is that, unless for very exceptional reasons, no licence shall be granted to any prohibited person or to any corporation under prohibited control. Put shortly, a prohibited person means a person who is now or has been an enemy subject and a corporation under prohibited control means a corporation which is under the control of prohibited persons

3. If any question arises between the Governor-in-Council and any corporate body, firm or individual as to whether the prohibitions of the Bill apply the question is to be referred by the Governor-in-Council to the Supreme Court.

4. Where a company registered under the Hongkong Ordinances issues share warrants to bearer no licence will be granted to the company until such bearer shares have been called in and the owners have been registered. Power is given to such companies to take the necessary steps to call in such bearer shares.

5. Power is also given to companies registered under the Hongkong Ordinances to call for declarations from their shareholders and debenture holders on the subject of the beneficial ownership of the shares and

debentures and as to the nationality of the beneficial owners.

6. Power is given to the Governor-in-Council to require the information necessary to enable the Governor-in-Council to decide whether any corporation firm or individual trading in the metals and ores to which the Bill relates is under prohibited control or is a prohibited person.

7. The metals and ores to which the Bill applies are zinc, copper, tin, and lead, and any other non-ferrous metals and ores to which the Ordinance may be applied by order of the Governor-in-Council.

8. It is proposed to make regulations under the Ordinance excluding from the operation of the Ordinance dealings by way of wholesale trade in quantities below certain limits. In any case the Ordinance will not apply to the purchase or sale of the above metals where such purchase or sale is only incidental to the trade carried on by the purchaser or seller.

9. The Ordinance is to continue in force only during the continuance of the present war and for a period of five years after the termination thereof.

10. The Bill is founded on the United Kingdom Non-Ferrous Metal Industry Act, 1918.

Banking Business (Prohibited Control) Ordinance, 1919

THE ATTORNEY-GENERAL moved the first reading of a Bill, intituled an Ordinance to prohibit the carrying on of banking business for the benefit of or under the control of certain persons.

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

The "Objects and Reasons" state:—

1. The object of this Bill is to prohibit, for a certain period after the termination of the present war, the carrying on of banking business in the Colony for the benefit of or under the control of persons who are or have been subjects of any State which was at war

with His Majesty on the 31st December, 1918.

2. The policy of this prohibition is adopted from section 2 of the Trading with the Enemy (Amendment) Act, 1918, 8 and 9 Geo. 5, c 31.

3. The present Bill fixes the period of prohibition at five years, but a short amending Ordinance could extend this period hereafter if necessary. The English Act makes the period indefinite, the wording of section 2 being "During the period of five years immediately after the termination of the present war and thereafter until Parliament otherwise determine." This wording emphasises two points, *i.e.*, that the period is intended to be a limited one, but that, on the other hand, it may extend beyond five years. If those two points are clearly understood it does not seem necessary in the present Bill to do more than provide for a preliminary period of five years.

4. Clause 7 of the Bill gives the Governor-in-Council power to make regulations governing in the widest manner the procedure and principles to be followed in the liquidations contemplated by the Bill. It seems better to give an elastic power in this case, as it would be difficult to foresee and to provide for all points which may arise. It is, however, to be hoped that the prohibition of the Ordinance will be sufficient to prevent any attempt to carry on any banking business in contravention of its provisions, and that, accordingly, the necessity for winding up rules will not arise.

Summary Offences Ordinance, 1919

THE ATTORNEY-GENERAL moved the first reading of a Bill, intituled an Ordinance to amend the Summary Offences Amendment Ordinance, 1918.

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

The "Objects and Reasons" state:—

1. The object of this Bill is to repeal section 20 of the Summary Offences Amendment Ordinance, 1918.

2. That section makes contractors liable in the case of three classes of offences, irrespective of the contractor's personal participation in the offence. The reasons for

this extension of the principle of vicarious criminal responsibility were given in paragraph 25 of the Objects and Reasons appended to the Summary Offences Amendment Bill, 1918, and it was thought at that time that the section might be justified by the consideration that the contractor could, in most cases, by taking proper precautions, prevent the commission of such offences. It has, however, been pointed out that the section imposes liability on the contractor for the acts of persons other than his servants, and that it imposes liability upon him for the wilful and not only for the negligent acts of other persons in certain cases. Even apart from these objections it is now considered that the general policy of the section is not justified and it is, therefore, proposed that the section should be repealed.

Union Insurance Society of Canton, Ltd. (Capital Conversion) Ordinance, 1919

HON. MR. P. H. HOLYOAK moved the first reading of a Bill, intituled an Ordinance to authorise the Union Insurance Society of Canton, Limited, to convert its silver capital into gold.

HON. MR. H. E. POLLOCK seconded, and the Bill was read a first time.

The "Objects and Reasons" state:—

The object of this Bill is to enable the Union Insurance Society of Canton, Limited, to convert its capital from silver into gold by a special resolution to that effect to be passed by the shareholders. The directors consider this desirable because the great bulk of the Company's business is carried out in countries where a gold currency prevails.

The fact that the Company does not carry on any life insurance business seems to make it unnecessary to provide for any special notice to policy holders.

FINANCE COMMITTEE.

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Council then adjourned and a meeting of the Finance Committee was held, the Colonial Secretary presiding.

Searching Sheds

The Officer Administering the Government recommended the Council to vote a sum of fifteen thousand dollars in aid of the vote Public Works, Extraordinary, Hongkong, Miscellaneous, (24) Miscellaneous Works.

THE CHAIRMAN—This is a re-vote of money voted last year for providing suitable searching sheds on private piers. Fourteen sheds have been provided.

The vote was agreed to.

Language Study

The Officer Administering the Government recommended the Council to vote a sum of six hundred dollars in aid of the vote Miscellaneous Services, Language Study Allowances.

THE CHAIRMAN—This is to provide two Chinese teachers for the members of the Police Force and the Sanitary Inspectors who now attend a class for learning Chinese. They had previously to make their own arrangements for teachers. This is a regular class which meets twice weekly.

The vote was agreed to.

Council Resumes

Council then resumed and the Colonial Secretary reported that Finance minutes Nos. 9 and 10 had been passed by the Finance Committee.

Council considered the Jurors' List for 1919 and then adjourned until Thursday, 6th March.