4TH SEPTEMBER, 1919.

PRESENT:-

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

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

HON. MR. A. G. M. FLETCHER, C.B.E. (Colonial Secretary).

HON. MR. H. E. POLLOCK, K.C. (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. LAU CHU PAK.

HON. MR. HO FOOK.

HON. MR. C. G. ALABASTER, O.B.E.

HON. MR. S. H. DODWELL.

HON. MR. E. V. D. PARR.

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 82 to 88 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 the Finance Committee No. 8 and moved that it be adopted.

THE COLONIAL TREASURER seconded and this was carried.

Sugar Convention Ordinance, 1919

THE ATTORNEY-GENERAL moved the first reading of a Bill intituled, and Ordinance to repeal the Sugar Convention Ordinance, 1904.

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

The "Objects and Reasons" state:—

The object of this Bill is to carry out the instructions received from the Secretary of State for the Colonies for the repeal of the Sugar Convention Ordinance, 1904, in view of the withdrawal of His Majesty's Government from the Brussels' Sugar Convention, the effect of which withdrawal is to relieve both the Imperial Government and the various Colonial administrations from their obligations under the Convention.

Indictments Ordinance, 1919

THE ATTORNEY-GENERAL moved the second reading of a Bill intituled, an Ordinance to amend the Law relating to Indictments in Criminal cases, and matters incidental or similar thereto. In doing so he said: — The object of this Bill, sir, is to simplify in this Colony the forms of indictment in criminal cases and hon, members will see in the schedule of this Bill simplified forms of indictment. I may inform hon. members that this Bill is framed upon the model of an Act of Parliament recently passed at Home, 5 and 6 George 5., chap. 90. We have not adopted in this Bill every provision of the Home Act inasmuch as it was considered that some few of these provisions were not applicable to the circumstances of this Colony. I think, sir, the "Objects and Reasons" sufficiently state the objects of this Bill and with the few explanatory reasons I have given may be taken as sufficient. I, therefore, beg to move the second reading of this Bill.

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

The Council then went into committee to consider the Bill clause by clause.

HON. MR. ALABASTER moved that the words after "injustice" in Clause 6, sub-section I. of the Bill, and that the words "as to costs and" in sub-section 5 (c) should be deleted. He remarked that the Bill had followed the English form too slavishly and the words dealing with costs were unnecessary.

THE ATTORNEY-GENERAL — The hon member who represents the Justices of the Peace mentioned this point to me and I quite agree with him. I am quite prepared to accept the amendment.

THE COLONIAL SECRETARY—Is it not the fact when solicitors prosecute in criminal cases that they draw up the indictments?

THE ATTORNEY-GENERAL—They do not charge for it. It is not the practice to charge any costs in the Colony for drawing up indictments.

The amendments were agreed to.

In Sub-section 2 of Clause 8, the Attorney-General moved that the date of November 1st, should be inserted as that upon which the Ordinance would come into operation.

HON. MR. ALABASTER suggested the 9th or the 10th. of a month as it was the practice to commit for trial not later than the 9th. The idea was to bring all the persons tried at the Sessions under one Ordinance.

THE ATTORNEY-GENERAL suggested the 12th. of the month and it was agreed that the 12th. October should be inserted.

THE COLONIAL SECRETARY moved that Sub-section 2 of Clause 8 should be renumbered Clause 9 and this also was approved.

Council then resumed and the ATTORNEY-GENERAL moved the third reading of the Bill as amended.

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

The Rice Ordinance, 1919

THE COLONIAL SECRETARY moved the second reading of the Bill intituled, an Ordinance for the acquisition and disposal of rice by the Hongkong Government, and for validating acts previously done. In doing so he said:—The object of this Bill is set out in detail in the "Objects and Reasons" clause. With regard to section 2. the hon. member on my left who represents the Chinese has suggested that it does not cover and validate acts done by merchants whose rice has been requisitioned and the Attorney-General proposes to move in Committee, an amendment to meet this point. In section 4. there is a small verbal amendment. Section 7. has been changed and under it, as amended, "the Government may by proclamation prescribe the price for which a Government quality of rice may be sold and the maximum price at which any particular quality of rice, other than a Government standard quality may be sold in any particular district." This is to meet the case of the New Territories where the price fluctuates according to the market from day to day and it is the desire simply to fix a maximum price there to prevent, as far as possible, profiteering. I may say in this connection that, at the beginning of the stringency in regard to rice, the Government was able to prevent certain sales which had been arranged of New Territory rice at prices almost double those prices which were fixed shortly afterwards by proclamation. Recently, also, the Government found a case where a small syndicate was formed, not by rice merchants, to collect rice, probably for the purpose of smuggling into Hongkong Steps were taken to stop them. In section 13, there is a mistake; it really amounts to a misprint. The words "liable to a fine of not less than \$500." should be "liable to a fine not exceeding \$500." Under section 14. the Governor-in-Council may make regulations for the registration and supervision of persons dealing in rice supplied by the Government. It is not thought likely that regulations will be necessary. If they are, they will simply lay down how the middle men must purchase rice from the wholesale dealers, how the dealers must put in a requisition to obtain rice from the Government, and how books must be kept to keep a check on the sales, and so

on. They will be of a very elementary nature for the control of the people selling rice.

THE ATTORNEY-GENERAL seconded, and the Bill was read a second time.

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

THE ATTORNEY-GENERAL—I have an amendment to make in clause 2, on the suggestion of the hon. member on my left who represents the Chinese. It will be in similar terms to clause 4 of the Bill. I would ask that clause 2 as it now stands should be turned into clause 2, sub-section I. and that a sub-section 2 should be added as follows:— If any person shall by obeying any direction made under sub-section 1 of this section, have been prevented from fulfilling any contract, such person shall not be deemed to have thereby committed a breach of contract, but such contract shall be deemed to have been cancelled by such direction so far as its fulfillment was thereby prevented." The object of this, sir, is to prevent any question as regards acts done under the direction of some officer of the Government by a merchant prior to the passing of this Bill which might result in preventing him from fulfilling the contract entered into The object is to indemnify the merchant accordingly. Clause 4 of the Bill only affects prior contracts where a person has acted under an order made under sub-section 1. Section 3—that is to say, an order made after the passing of this Ordinance. I am sorry, sir, that this point was mentioned to me only five minutes before I came into the Council; otherwise the clause would have been circulated to the members.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT — We can postpone the passing of the Bill to-day and circulate this amendment with a view to passing the Bill next week. We can go on with the other amendments, which have already been before members and leave the Bill in Committee. Other points may occur during the week.

HON. MR. DODWELL — I have an amendment to move to Clause 3, which is rather important to my mind.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT—If you will give it to the Attorney-General it can be circulated with the amendment proposed to Clause 2.

HON. Mr. DODWELL—I wish to move as an amendment to Clause 3 that the clause should commence with the words "During the present rice shortage and until such time as the Legislative Council shall consider necessary." Then the clause may continue "the Governor may," etc. I believe, sir, it is the intention of the Government that this Bill be purely an emergency one and shall be withdrawn at the very earliest moment that the situation warrants. The figures given us last week by the Colonial Secretary make us realise the vast importance of the rice trade to the Colony and the amount of employment given to the Chinese by the trade. My fear is that the Bill will find its way to America and other countries which purchase their rice from Hongkong, and if there is nothing in the Bill indicating that this is an emergency measure it will make them very chary of buying from the Colony.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT—The whole object of the action the Government has taken, involving an expenditure of millions of dollars, has been to maintain the prestige of the Colony and its reputation as a free *entrepot*, so anything that would make that clear to people elsewhere, who do not realise it, would be most desirable.

HON. MR. E. V. D. PARR—I beg to second the amendment. It will be readily agreed by hon. members that it is very easy to lose trade but not so easy to get it again.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT — We only took these extraordinary measures because, firstly, we had to get the rice, and, secondly, we desired to maintain the reputation of the Port.

In Clause 4 the ATTORNEY-GENERAL moved the substitution of the word "prevented" for the words "rendered impossible."—This was agreed to.

THE ATTORNEY-GENERAL also moved that the following clause should be substituted for Clause 7 of the Bill:—

"The Governor may from time to time and so often as occasion may require by Proclamation prescribe

- (a) the price for which rice of any particular standard Government quality, as defined by section 8,
- (b) the maximum price for which any particular quality of rice, other than a standard Government quality,

may be sold by retail in any particular district of the Colony, and any person who in breach of any such Proclamation shall sell any such standard Government quality of rice at a price other than the price so prescribed or shall sell any such other quality of rice at a price higher than the maximum price so prescribed shall be deemed guilty of an offence against this Ordinance."

Hon. Mr. HO FOOK moved that in the new clause 7 he would like to have deleted the words "in any particular district of the Colony." There was an impression that people were bound to buy rice from the Government although they might be able to get cheaper rice elsewhere.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT—I do not see how they can gather that from the wording. I do not see how the words can lead anyone to suppose that they must buy Government rice. The object is to enable the Government to fix in any particular district the maximum price for any quality sold other than the standard Government quality.

HON. MR. LAU CHU PAK — What the Chinese want to know is whether it is compulsory to buy Government rice. There is a rumour that this Bill will compel people to buy dear rice. The price of rice is going down.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT—It is not so. In framing the words of a Bill we cannot listen to every idle rumour. We give them the English language as clearly as we can compose it and they must have it translated.

HON. MR. HO FOOK—As long as it is clear that people may buy from whom they like, I

am satisfied

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT — Certainly. It is in their discretion. There are no restrictions. We have not reached that stage.

The amendment was then dropped.

THE ATTORNEY-GENERAL moved that the words "not exceeding" should be substituted for "not less than" in the penalty clause.—This was agreed to.

Clause 14 read "It shall be lawful for the Governor in Council to make regulations for the registration and supervision of persons dealing in rice supplied by the Government."

and the Hon. Mr. C. G. ALABASTER moved that after the word "regulations" should be added the words "and such regulations should be submitted for the confirmation of the Legislative Council," remarking that no case had been made out for depriving the Legislative Council of its power to consider, approve and criticise proposed legislation.

The COLONIAL SECRETARY—I would point out that these regulations, as far as we can see, are very trivial in character. It is somewhat like any business concern. If for instance a bank makes some regulation regarding the shroffs initialling cheques, such regulations need not be submitted to a meeting of shareholders.

HON. MR. ALABASTER—The shareholders should not be asked to surrender their rights if they want to see them.

The COLONIAL SECRETARY—I think these details of management should be left to the manager, in this case the Governor-in-Council.

The COLONIAL SECRETARY then read certain details to which the regulations might refer.

HON. MR. C. G. ALABASTER—There is nothing in the Clause as it now stands to prevent regulations of the widest possible scope being made. It is not to check such regulations as have been read that I wish this amendment passed, but to control the type of regulations that are made.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT—The hon. member realises that if this is agreed to we shall have to call a meeting of the Legislative Council every time regulations have to be made or amended.

HON. MR. DODWELL—Is it necessary to call a meeting of the Council?

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT — Supposing we acted on regulations made under this ordinance and the Council refused to confirm the regulations afterwards.

HON. MR. DODWELL—It is very easy to send round to the unofficial members.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT — That would not be sufficient. After circulating to unofficial members, if we wanted to proceed our actions would not be valid unless the regulations came before a meeting of the Council.

THE COLONIAL SECRETARY—I do not think there will be any rules.

HON. MR. ALABASTER—If there are no rules I propose that the clause be deleted altogether. I am fighting for a principle.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT — I realise that. You told us so the other day. It is a principle with which I have every sympathy really.

HON. MR. DODWELL—Would it meet the case if the words were inserted that the regulations should be submitted to the Legislative Council at the earliest possible moment without prejudice to the validity of anything done under them.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT—That would not fulfil what is desired.

HON. MR. ALABASTER—I am willing to make the concession if the hon. member makes his amendment "at the next meeting of the Legislative Council."

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT — That might be a long while.

HON. MR. ALABASTER—I should prefer the amendment as I proposed it originally.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT — I think we might have to make regulations at very short notice and it might be very inconvenient to summon a meeting of the Council. The Bill may be left in Committee, adding the amendment to the original draft, so that it may be considered with the amendments to Clauses 2 and 3 at the next meeting.

THE ATTORNEY-GENERAL asked whether it would meet the case if words were added that the regulations made shall be valid unless disapproved by the Legislative Council.

HON. MR. ALABASTER—If they are not submitted how can we know. They must be brought up.

H.E. THE OFFICER ADMINISTERING THE GOVERNMENT — They will be published.

HON. MR. ALABASTER—Then we shall have to bring forward motions.

The Bill was then left in Committee, for the amendments to Clauses 2, 3 and 14 to be considered at the next meeting of the Council.

Supplementary Appropriation Bill

The COLONIAL SECRETARY moved the third reading of the Bill intituled, "An Ordinance to authorize the appropriation of a supplementary sum of five million four hundred and sixty-six thousand three hundred and twenty-seven dollars and sixty-three cents to defray the charges of the year 1918." He reported that the Bill had been considered in the Finance Committee and had been approved without amendment.

The COLONIAL TREASURER seconded, and the Bill was read a third time and passed.

Council then adjourned.

FINANCE COMMITTEE.

A meeting of the Finance Committee followed, the Colonial Secretary presiding.

Boundary Stones

The Officer Administering the Government recommended the Council to vote a

sum of three hundred dollars (\$300) in aid of the vote Public Works, Extraordinary, Hongkong, Miscellaneous, (23) Boundary Stones.

THE CHAIRMAN—The vote is for \$1,000 but more boundary stones have been required than was anticipated.

The vote was agreed to.

Police and Prison Departments

The Officer Administering the Government recommended the Council to vote a sum of sixteen thousand, four hundred dollars (\$16,400) in aid of the following votes:—

Police and Prison Departments, *C.*— Prison, other charges:—

 Subsistence of Prisoners
 \$14,000.00

 Light
 2,400.00

Total \$16,400.00

THE CHAIRMAN — The vote for the subsistence of prisoners is \$18,000 and this is mainly for increased cost of rice. The charge for light is largely due to the increased cost of gas.

The vote was agreed to.

Compensation and Resumption at Kowloon

The Officer Administering the Government recommended the Council to vote a sum of forty thousand, five hundred dollars (\$40,500) in aid of the vote Public Works, Extraordinary, Kowloon, Public Health and Buildings Ordinance, 1903, (38) Compensation and Resumption.

THE CHAIRMAN — This is for the resumption of a lot which lies across the continuation of Coronation Road.

HON. MR. ALABASTER—When will the road he completed?

THE DIRECTOR OF PUBLIC WORKS— There is no authority to proceed with the work at present. I presume provision will be made in next year's estimates.

THE CHAIRMAN—The Government regard

the matter as urgent.

HON. MR. ALABASTER—Will provision be made in these coming estimates.

THE CHAIRMAN—Undoubtedly.

The vote was agreed to.

Fire Brigade

The Officer Administering the Government recommended the Council to vote a sum of three thousand dollars (\$3,000) in aid of the following votes:—

Police and Prison Departments, B. — Fire Brigade, other charges:—

Repairs to engines and plant \$1,500.00 Stores 1,500.00

Total \$3,000.00

THE CHAIRMAN—The engines and plant vote is \$5,000 and they now have two motor land engines and a motor ambulance looked after by the Fire Brigade. With regard to the stores, the vote is \$7,200. Further stores are required. In both votes the estimates were made under war conditions and were cut down as low as I possible.

The vote was agreed to.

Fanling to Castle Peak Road

The Officer Administering the Government recommended the Council to vote a sum of twenty-six thousand dollars (\$26,000) in aid of the vote Public Works, Extraordinary, New Territories, Communications, (41) Roads: (c) Metalling and tarring portion of Fanling to Castle Peak Road (8 miles).

THE CHAIRMAN—It is the intention to proceed at once with the surfacing of the road out to Castle Peak. The average cost works out at \$7,000 a mile. The vote is to expedite the work this year.

HON. MR. DODWELL—Does it include the road to the station?

THE CHAIRMAN—No. The road has not had sufficient time to settle.

The vote was agreed to.

Ocean Steamships' Moorings

The Officer Administering the Government recommended the Council to vote a sum of four thousand, three hundred dollars (\$4,300) in aid of the vote Harbour Master's Department, A. — Harbour Office, other charges, raising and renewing moorings of ocean steamships.

THE CHAIRMAN—The vote is \$10,700. Many of the buoys are old and heavy repairs are required. Expenditure was cut down for war reasons. Now it is possible to get the work properly done.

The vote was agreed to.

Married Police Quarters

The Officer Administering the Government recommended the Council to vote a

sum of three thousand, two hundred and fifty dollars (\$3,250) in aid of the vote Public Works, Extraordinary, Hongkong, Buildings, Conversion of Berlin Mission Foundling House into Married Police Quarters.

THE CHAIRMAN—As hon. members know, the children from this house have been taken care of by British Missionary Societies. The building is not at present required, and is being used temporarily as quarters.

HON. MR. ALABASTER—I hope the title will not be retained for the Police married quarters.

THE COLONIAL SECRETARY—No.

The vote was agreed to.