

26TH JULY, 1923.

PRESENT:—

HIS EXCELLENCY THE GOVERNOR, SIR
REGINALD EDWARD STUBBS, K.C.M.G.

COLONEL C.W. DAVY, C.M.G. (temporarily
Commanding the Troops).

HON. MR. A. G. M. FLETCHER, C.M.G. C.B.E.
(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. E. A. IRVING (Director of
Education).

HON. MR. H. T. JACKMAN (Director of
Public Works).

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

HON. MR. P. H. HOLYOAK.

HON. MR. R. H. KOTEWALL.

HON. MR. CHAU SIU-KI.

HON. MR. A. O. LANG.

HON. MR. A. R. LOWE.

MR. S. B. B. MCELDERRY (Clerk of
Councils).

ABSENT

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

New Member

Mr. A. R. LOWE took the oath and his seat
as a member of the Council.

Minutes

The Minutes of the last meeting were
approved and signed by the President.

Papers

THE COLONIAL SECRETARY by
command of H.E. the Governor laid on the
table the following papers:—

1.— Rules under the Prison Ordinance,
1899, on 31st May, 1923.

2.— Regulations under section 266 of the
Public Health and Buildings
Ordinance, 1903, on 12th June, 1923.

3.— Regulations under section 5 of the
Ferries Ordinance, 1917, on 14th June,
1923.

4.— Amendments to the Pension Minute
published on pages 442 to 454 of the
Regulations of Hongkong, 1914.

5.— Regulations under section 17 of the
Police Force Ordinance, 1900, on 21st
June, 1923.

6.— Regulations under section 17 of the
Police Force Ordinance, 1900, on the
21st June, 1923.

7.— Order under section 9 of the Post
Office Ordinance, 1900, on 27th June,
1923.

8.— Order under section 24 of the Rents
Ordinance, 1922, on 28th June, 1923.

9.— Report on the General Post Office for
1922.

10.— Report of the Secretary for Chinese
Affairs for 1922.

11.— Report of the Director of Public Works
for 1922.

12.— Report of the Director of Education
for 1922.

13.— Report of the Principal Civil Medical
Officer for 1922.

14.— Shipping Control in Hongkong 1917-
1923 (Sessional paper No. 5/1923).

15.— Quarterly return of excesses on sub-
heads met by savings under heads of
expenditure (Sessional paper No.
6/1923).

Finance

THE COLONIAL SECRETARY laid on the
table Financial Minutes 27, and 39 to 55 and
moved that they be referred to the Finance
Committee.

THE COLONIAL TREASURER seconded, and this was agreed to.

THE COLONIAL SECRETARY laid on the table the report of the Finance Committee No. 5 and moved its adoption.

THE COLONIAL TREASURER seconded, and this was agreed to.

Removal of Patients By-Laws

THE COLONIAL SECRETARY—Sir, I beg to move the adoption of the Removal of Patients By-laws. The old by-laws were badly drafted, *ultra vires* in parts and self-contradictory, and they contain some serious omissions. The question, for example, as to what was to happen in case of a dispute between a private practitioner and the Medical Officer of Health regarding the removal of a patient suffering from infectious disease had no answer provided, and there was also the point that they opposed no obstacle to the removal of a patient to a place not approved of by a proper authority, with the result that apparently, any person could establish an infectious diseases hospital in any locality. These regulations bring our practice in this matter up to date and they have been approved by the Sanitary Board. I beg to move their adoption.

THE ATTORNEY-GENERAL — I beg to second.

The resolution was carried.

The Shipping Control

HON. MR. HOLYOAK—Your Excellency Before passing to the Orders of the day, I crave your permission to make a comment on paper No. 5, laid on the table. This is the only opportunity I have of referring to it.

H.E. THE GOVERNOR—I am not sure what the practice is: I think it would be more in order if you made your remarks on the motion for the adjournment.

Crown Rights Re-Entry Ordinance

THE ATTORNEY-GENERAL—Sir, I beg to move the first reading of a Bill intituted, An Ordinance to amend the Crown Rights (Re-

entry) Ordinance, 1870. This Bill deals with a very technical subject, namely, the steps by which the Crown re-enters on land where the tenant from the Crown has committed some breach of the conditions of the Crown lease, or some breach of the conditions of the tenancy under which the land is held. The Bill and the reasons for it are explained very fully in the "Objects and Reasons" printed with the Bill. I think, Sir, I need only just say shortly what the general policy of the Bill is. In the first place it is intended to make it clear that the principal Ordinance, No. 4 of 1870, applies to all tenancies under the Crown of any land which is registered in the Land Office. The Ordinance in its present terms appears to apply only in cases where the Crown lease has actually been issued but, in practice, most of the cases which occur are cases where the Crown lease has not yet been issued and the Crown tenant is in merely under an agreement for a lease. In the second place the Bill proposes to give to the Crown tenant a right to petition the Court in every case in which he could petition the Court if his landlord had been a private party. There seems to be some limitation of the right in the present Ordinance and it is thought desirable that the Crown tenant should have the same right to petition against forfeiture as he would have if his lessor was a private person. In the third place the lessee is given the right to petition the Governor in Council in every case and he can make his choice between going to the Court and going to the Governor in Council. If he goes to the Governor in Council first then he exhausts his remedies: if he goes to the Court first he can still petition the Governor in Council, because his claim may not be for a specific legal right but for relief as an act of grace. The Bill clears up a doubt which exists at present as to the limitation of time for these petitions to the Court and the Governor in Council, and makes it in each case 12 months unless the time is extended by the Governor in Council. The Ordinance also makes certain minor improvements in the Bill, but these are the main principles which are applied. I beg to move the first reading.

THE COLONIAL SECRETARY seconded.

The motion was carried and the Bill was read a first time accordingly.

Supplementary Appropriation

THE COLONIAL SECRETARY moved the first reading of a Bill intituled, An Ordinance to authorise the Appropriation of a Supplementary Sum of One million five hundred and eight thousand five hundred and ninety-four Dollars and seventy-eight cents (\$1,508,594.78) to defray the Charges of the year 1922. He said—It is the intention to ask the Council to adopt the usual course of considering this Bill in detail in the Finance Committee, and so I do not propose to explain it at any length. It will be seen that the main item is in respect of miscellaneous services, the chief excesses under which were a sum of \$200,000 paid to the University of Hongkong, a sum of \$393,818 in respect of loss on subsidiary coin, being \$2,000,000 face value of coin sent Home to be melted down, and a vote of \$127,100 on account of the expenses in connection with the Prince of Wales' visit. I beg, Sir, to move the first reading.

THE COLONIAL TREASURER seconded, and the motion was carried. The Bill was read a first time accordingly.

German Mission Trustees Ordinance, 1923

THE ATTORNEY-GENERAL moved the second reading of the Bill intituled, An Ordinance to provide for the carrying on of the work formerly carried on by certain German societies and persons in the Colony of Hongkong, and to deal with the work of such societies and persons in the Colony of Hongkong and to provide for the control of the persons by whom the said work is to be carried on. He said—In moving the second reading I would like to take the opportunity of correcting an over-statement in paragraph 15 of the Objects and Reasons, which has been pointed out to me. It is true that the Objects and Reasons have no legal effect, but they are sometimes referred to as a guide to the intention of the Legislature in passing the Ordinance. That paragraph states that Clause 8 of the Bill provides that any act done, or instrument executed, by three of the members of the Corporation shall be valid for all purposes. That is too wide. It was written with reference to Clause 8 and is intended to be read with that Clause. All the Clause provides

is that any act done or instrument executed by three of the trustees is not to be questioned on the ground that the other trustees, if any, did not concur or join, or objected, or on the ground that the number of trustees had been reduced. It is intended to give three trustees the power to decide even if the others are against them, and to meet the case where, for the moment, the full number of trustees does not exist. It is not, of course, intended to give validity to any act of three trustees which is outside their powers. I beg to move the second reading.

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

THE ATTORNEY-GENERAL moved that the Council go into Committee to consider the Bill clause by clause.

THE COLONIAL SECRETARY seconded, and it was agreed to.

On Clause 5, the HON. MR. H. E. POLLOCK moved that in lieu of the words "corporation may determine" the words "Governor in Council may approve of" be substituted. He said—My reason, Sir, for proposing this is that I think it would be right that an independent body like the Governor in Council should decide upon what trusts the property should be held in the case of a corporation transferring it permanently or temporarily.

It was agreed, on the suggestion of H.E. THE GOVERNOR, that the Clause should read "such conditions as may be approved by the Governor in Council."

The amendment was agreed to.

HON. MR. H. E. POLLOCK—The other amendment, Sir, is in sub-section 5, that a full stop be put after the word "out," and that the words which follow should be omitted. I think that those words are rather too wide and it will be sufficient if the Clause ends at the words "carried out."

The amendment was agreed to and the Bill passed through the Committee stage without further amendment.

On the Council being resumed, the ATTORNEY-GENERAL moved and the COLONIAL SECRETARY seconded the third reading of the Bill. The motion was carried, the Bill was read a third time and passed into law accordingly.

Report on Shipping Control

THE COLONIAL SECRETARY—I beg to move that the Council do adjourn to this day fortnight.

HON. MR. P. H. HOLYOAK — Your Excellency, I crave permission to make a few remarks on Paper No. 5, entitled "Shipping Control in Hongkong, 1917-1923." As this honourable Council is aware, aspersions of a very grave nature have been made against the good faith of this Government, and particularly against the Colonial Secretary's treatment of matters referred to therein. Being in Shanghai, as I was, shortly after these aspersions were made, I felt strongly—and I was not alone in that, for there were other members of the Hongkong community present with me at that time who felt with me—that the Government ought to make reference to those statements publicly in Council. And had I not been assured, shortly after my return, that it was the intention of the Government to make a statement, I should have asked a question on the subject to elicit an answer to satisfy this Council and the general public. The aspersions were so serious that they needed refutation or confirmation as the case might be. I congratulate the Government on the extremely able statement which they have made on the whole of the Shipping Control, and I congratulate, more particularly, the Colonial Secretary on the complete vindication which is afforded him by the statements of facts recorded in this document which are incontrovertible.

Personally I know—for I happened to be Chairman of the Chamber of Commerce at a time when a great deal of this negotiation was going on—how deeply the Colonial Secretary interested himself in giving scrupulous hearing and justice to those who were appealing. I was the more astonished, therefore, to read the aspersions cast on his character, which has been completely and amply vindicated. I think

a good deal of confusion of thought has arisen in the minds of the Shanghai public partly from ignorance of fact — probably from ignorance of the facts—in not realising that this Government, throughout the Shipping Control, was running a very serious insurance risk, which the Imperial Government had itself refused to shoulder—a risk, even on the assessment here by experts, of £979,000. In the early days there was considerable risk of one or more ships being lost. That the profits of the shipping control were not called upon seriously through one or more or several of the ships being lost was the fortune of war, but it was a liability which the Government had to count and prepare for. It is one of the axioms of trade that, having put aside a reserve fund for a more or less definite object, when that risk runs off (in insurance parlance) what profit results, it is a perfectly natural thing for every commercial company, or for a Government, to claim as a profit on its net results. On behalf of the Unofficial Members, I congratulate the Government again upon the very clear statement which has been made and as a result of which I hope the Press in the North of China will concur in doing justice to the fair administration during the War of Shipping Control which those who know it in its inmost circles are conscious that it rightly deserved. (Applause.)

H.E. THE GOVERNOR—On behalf of the Government I desire to express my appreciation of what Mr. Holyoak has said. Aspersions have been cast on this Government and more especially on the Colonial Secretary, personally, which it was impossible to meet at the time, owing to the fact that proceedings were pending before the Court. We have taken the earliest opportunity, when the Court matter was out of the way, of publishing this statement, which I am glad to think the Honourable Member regards as incontrovertible, as I do myself. There is one serious omission in this Report, which is due to the fact that it is signed by the Colonial Secretary himself. In the course of it the Colonial Secretary, speaking for the Government, expresses the Government's

appreciation and thanks to various members of the community who rendered good service in connection with the Shipping Control. The document having been prepared by the Colonial Secretary himself, it was impossible for it to conclude, as it would have concluded, if I had written the document, with an expression of the very highest appreciation of the work Mr. Fletcher put into this business himself. I was not here myself at that time, but I have spent many hours in looking through the files of papers on this question to see if there was any justification for the remarks made in Shanghai, and in the course of my perusal of these voluminous documents I have been struck by the ability, industry, zeal and desire to do justice to everybody which actuated the Colonial Secretary throughout. I am glad to have this opportunity of making these remarks because, for the reasons I have stated, it has been impossible to acknowledge those services in the public document.— (Applause.)

The Council then adjourned until Thursday, the 9th August, at 2.30 p.m.

FINANCE COMMITTEE

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

Kowloon Cemetery Area

The Governor recommended the Council to vote a sum of \$10,000 on account of Public Works, Extraordinary, Kowloon, Buildings, Sexton Quarters, Kowloon Cemetery.

HON. MR. H. E. POLLOCK — Sir, I very much regret to say that unless the Government will grant a postponement for further consideration of this matter I must oppose the passing of this vote. I should like to read to the Council a letter which was sent to you, Sir, on the 28th of last month by Mr. F. P. de V. Soares and a number of influential Chinese gentlemen. That letter reads as follows:

No. 2, Liberty Avenue,
New Garden City,
Homuntin,
Hongkong, 28th June, 1923.

The Honourable
COLONIAL SECRETARY,

SIR,—We desire to respectfully lay before the Government the following scheme for the development for the purpose of erecting new buildings on new ground on the land in the centre of the Kowloon Peninsula, which is at present set aside as a cemetery site.

We desire to enter into an agreement with the Government to purchase the site for the development for building of the whole of that area, together with the surrounding chain of hills, which is estimated to amount to ten million square feet. Out of that area we beg leave to suggest that three million square feet should be set aside for roads or other public purposes.

Upon the area in question we are prepared to spend \$7,500,000, which we estimate would be sufficient to cut down the surrounding hills for the purpose of general levelling and also for the purpose of opening the site, which is at present much enclosed, to the cooling influence of the winds. As regards the number of houses to be erected we should be prepared to erect five hundred (500) houses at least within a period of ten (10) years; this period being mentioned in order for the removal of the bones from the Chinese graves at present inside the area. Should sites be required to deposit earth from excavations of the above hills, the Government will provide same on the nearest area of the surrounding land.

We should, however, be prepared to erect as early as possible, on sites which are capable of speedy formation, at least fifty (50) houses suitable for occupation by British or Portuguese residents. On the Eastern portion of the site, which will require much longer to level and develop, we are prepared to put Chinese houses of four or five storeys of the usual tenement type for the Chinese working classes. This development on the east side of the cemetery site would, we hope, fit in with any plans which the Government may have formed for development in the neighbourhood of Hok Un Village, and will enable ground in the very

centre of the Kowloon Peninsula to be developed for the benefit of the living.

As regards the price to be paid for the land we beg leave to suggest, for consideration, as we are proposing to undertake the very expensive work of levelling and laying out the proposed area, that such price should be the same as that of the Homuntin Extension, *i.e.*, 15 cents per square foot payable as per condition (B) in the Honourable Mr. Jackman's letter of the 6th June, 1922, No. 1531. We would also beg leave to suggest the same rate of Crown Rent, *i.e.*, \$500.00 per acre (subject to reduction as per condition (d) in said letter), and the same term of years, *i.e.*, 75 years renewable.

As regards sites suitable for a Chinese cemetery, in lieu of the present area, we beg leave to suggest the following four (4) sites marked A, B, C, and D, for the consideration of the Government, and would beg leave to point out that, in Hongkong Island itself, the main cemetery for Chinese is situated right round at Aberdeen, that at Canton the White Cloud Burial Ground is situated more than 3 miles from the City, whilst Chinese dying at Macao (unless Christians) are buried outside of the barrier, *i.e.*, in Chinese territory.—We have the honour to be, Sir, Your obedient servants,

(Sd.) F. P. de V. Soares,
 Chan Pik Chun,
 Li Wing Kong,
 Kong E Sun,
 H. C. Wong,
 Chan Yue Ting,
 Mok Kon Sang,
 Woo Hay Fong,
 Mok Kok Ming,
 P. Goeg Chun,
 Lo Chung Kwan,
 Leung Shui Tong by
 his attorney Leung
 Chi Hao.

The signatories to this letter, Sir, intend to spend a sum of no less than \$7,500,000 in developing this site in the very centre and heart of Kowloon Peninsula, for the benefit partly of British and Portuguese residents, and also partly for the benefit of the Chinese working classes. These signatories are, I submit, a sufficient guarantee that this proposed expenditure of \$7,500,000 will be carried out. When it was originally suggested, Sir, as part

of the town planning of Kowloon Peninsula, to set apart this piece of land in the very centre of the Peninsula as a cemetery, I do not think anybody could have foreseen the extraordinarily rapid building development which has taken place during the last twelve months, and, Sir, it seems likely to continue to take place—at all events, for some months to come. The result is that this site, which was set apart by the Government for a cemetery, is now being surrounded by building schemes upon every side. In fact, upon looking at the map of the Town Planning Committee, one finds that there is development on all sides and that this site is left as a very bad oasis—a very undesirable oasis I submit,—right in the very heart of Kowloon. These gentlemen, Sir, who propose this scheme for the consideration of the Government, have evidently thought things well out. They do not suggest for one single moment that this site as it at present exists is altogether an ideal site for building houses. They realise that it is necessary to make a good deal of levelling and cutting down. There are hills to the east and to the south, and those hills will have to be cut down and filled in as part of the scheme under consideration. As regards building, in the near future fifty houses are to be put up for occupation by British or Portuguese residents, and those houses it is proposed to erect on the part of the cemetery site which is near the Homuntin extension. Other houses it is proposed to put up at a later date are Chinese tenement houses, and the period suggested for the completion of the whole lot of Chinese houses, amounting to 500 houses including the fifty already mentioned, is within a period of ten years. It is necessary, Sir, to have a certain lapse of time, because, as is well known by members of this Council, a certain number of Chinese have been buried inside this site and therefore it would be necessary for a considerable period of time to elapse before it would be possible to remove the remains of all those who are now buried there. They suggest, Sir, that this site in the centre of Kowloon should be reserved for the benefit of the living, and that the cemetery should be put further out. They also suggest that in the present demand for housing accommodation it would be a very bad policy for the Government to turn down a scheme like this, a scheme which involves the expenditure of \$7,500,000, a scheme from which the Government will

ultimately derive considerable benefit in the way of rates and taxes and Crown rents. We have been told, Sir, that it is a good thing in the present housing shortage to get more houses, and yet more houses and yet again more houses. The well-known gentlemen whose names appear at the back of the scheme are prepared to put up this sum of \$7,500,000 and they desire to expend it on the site in question.

With regard to the cemetery being placed at a more distant part of the Peninsula, as we are reminded in the last paragraph of the letter I have read, here in Hongkong island the main cemetery for Chinese is far distant from the City of Victoria, being situated round at Aberdeen; at Canton the White Cloud burial ground is outside the walls of the city, a distance of some miles, and Chinese who die at Macao, unless they are Christians, are buried outside the barrier, namely the Chinese territory. I think, Sir, it would be a great mistake if the Government, because it has once been considered that this site will be suitable for burial purposes, should adhere to that decision in the altered conditions of building development which have arisen during the last few months, and also in the face of this letter which I have read out to the Council. By the building of these houses the Government will receive an annual increment in Crown rents and taxes. This cemetery site is certainly not a very pleasing sight to witness, either from Homuntin or from the Kowloon Hospital, and of course we all know that funerals must be accompanied by a certain amount of processions and noise and so on. It seems to me it is altogether an unsuitable site in this respect. This development which is proposed on the eastern side of the site, when the hills are cut down a bit and levelled, will form a very suitable addition to the Chinese tenement houses, which, under the Town Planning scheme, the Government is proposing to put up at Hok Un. It will be advantageous from the point of view that it will afford more passengers for the railway, and therefore more revenue to the Government. In fact, Sir, there are a whole number of points in favour of the scheme which could be adduced, but I think, it will be sufficient to rely upon those which I have already mentioned. I do submit, however, that the Government should not lightly turn down the scheme, but that they should accept it. It has very influential backing

and it is a genuine scheme, which I submit should receive the Government's support. Alternative sites for the cemetery have been suggested in the plans enclosed in the letter referred to, and I submit that these sites are quite adequate. I think we should make a great mistake now if we allow this very centre of the Kowloon Peninsula to be occupied as a burial place, and that we should not oppose this development which is suggested in the letter I have read. Accordingly, Sir, if the Government pushes on with this work now I can only say with reluctance that I must vote against it. I think it is a mistaken policy; I think it is a block to the development of Kowloon Peninsula which is now in sight, and a hardship to the gentlemen who are ready and willing to spend a considerable sum of money in the development of this part of the Peninsula for building purposes.

THE CHAIRMAN—This question, gentlemen, has been discussed through and through, but I will reiterate briefly the arguments for and against the use of this site for cemetery purposes. The Government holds no brief either way. It is simply concerned in seeing that all land available is used to the best possible purposes. I do not know how many of you know the area; it is quite extraordinary to discover the very few people who have been there. The Kowloon Residents' Association sent in a protest some time ago, when it was decided that this should be set apart; but when their representative came to see me I found, after putting questions to him, that he had never seen the site and did not know where it was. I suggested to the Association that their Committee should accompany me over the ground, and over all other possible sites, with the result that they agreed unanimously that this was the best site. The Town Planning Committee had it under consideration and they did exactly the same thing. We again went over to Kowloon and examined these various areas and again the decision was unanimous. The place is ringed round with hills and it is so intensely hot that when it was proposed to have a football ground there it was decided at once that it was out of the question for recreation generally. It lies very low and there is a big hill facing the Cement Works, entirely between it and all summer breezes. I am second to none in my recognition of Mr. Soares's

enthusiasm in this matter. I was associated with him in the Homuntin scheme and he and I initiated the Kowloon Tong scheme; and he has continually pressed me to go on with this scheme for laying out the cemetery land, largely because it adjoins Homuntin and would form, in his view, a convenient extension. With regard to these alternative sites I have the plan before me and find that site "A" is behind Kowloon City on the Rifle Range. That is already set apart as a Chinese Christian cemetery. Site "B" is behind Samshuipo, where we are laying out some excellent buildings facing Lyeemun Pass. Site "C" is near Laichikok and has been suggested as a possible place for a military cantonment. Site "D" is near Hammer Hill, and may be used for gaol quarters and for an extension of the new police school for which it is very suitable. All the buildings on these sites will face outwards to the summer breezes. With regard to this cemetery site I quite realise that in the present boom the Chinese will build anywhere. I have discussed the matter in detail with Mr. Soares who agreed that one would have to cut down an enormous amount of hill and fill in, making a very soft foundation and a very heavy increase in the cost of building. He expressed himself as entirely willing to transfer his whole scheme and capital to other land in the neighbourhood which is, as he admits, far better situated from the point of view of breeze and sunlight. An ocular demonstration is much more satisfactory, and if hon. members would agree to come out and view these sites I should be very glad indeed to explain the situation on the spot.

HON. MR. HOLYOAK — And meet Mr. Soares at the same time?

THE CHAIRMAN—Certainly.

HON. MR. POLLOCK — I think it is a very good idea.

THE CHAIRMAN—Will Monday 5 p.m. at Kowloon suit hon. members?

The members signified that it would.

Additional Pumping Plant

The Governor recommended the Council to vote a sum of \$4,000 on account of Public Works, Extraordinary, Pokfulam Road Station, Extension to Engine House to accommodate additional pumping plant.

THE CHAIRMAN—This is a re-vote. It was carried forward from last year.

Approved.

Landslide on the Railway

The Governor recommended the Council to vote \$4,000 on account of Kowloon-Canton Railway, Special Expenditure, Accident, Mile 10 $\frac{1}{2}$.

THE CHAIRMAN—This is the train which was swept off the line by a land-slip about three weeks ago. The total cost will be very much higher, I am afraid. This is for preliminary expenses in moving the engine.

Approved.

A Railway Improvement

The Governor recommended the Council to vote \$1,500 on account of Kowloon-Canton Railway, Special Expenditure, New Block Operators' Office, Hunghom.

THE CHAIRMAN—The operator has to cross various sets of lines and a man was killed there recently. We consider it better to move the office across to the other side.

Approved.

Cost of the Insane

The Governor recommended the Council to vote \$1,000 in aid of the vote Charitable Services, Grant in aid of Charitable Institution: John G. Kerr Hospital, Canton.

THE CHAIRMAN—The vote is \$3,000. We have sent rather more insane patients to the hospital this year than usual.

Approved.

Damage to Railway Coach by White Ants

The Governor recommended the Council to vote \$10,524 in aid of the following votes:—Kowloon-Canton Railway, Carriages: \$2,500.00, Additional Machines for Workshops: \$8,024.00; Total \$10,524.00.

THE CHAIRMAN—The carriages vote was \$12,000. There has been a heavy expenditure of \$3,000 on one coach which white ants damaged very badly. Some new batteries ordered last year did not come until this year. The same thing occurred with regard to additional machines.

Approved.

Married Quarters for Indian Police

The Governor recommended the Council to vote \$33,000 in aid of the vote Public Works, Extraordinary, New Territories, Buildings, (93) Quarters for Indian Married Police.

THE CHAIRMAN — This heading is incorrect. There is a vote this year of \$8,000 for two blocks of quarters for Indian married police in the New Territory. It is proposed to build six more blocks for the married Weihaiwei police, each block containing two tenements.

HON. MR. POLLOCK—How many police are there from Weihaiwei?

THE CHAIRMAN—In the first draft there were fifty, in the second sixty and the third there will be fifty-five.

HON. MR. LANG—And they have brought their wives and families with them?

THE CHAIRMAN — We allow a certain proportion of Sergeants to bring their wives with them.

HON. MR. LANG — And they are quite willing to bring them down here?

THE CHAIRMAN—Yes, it is at their own request.

Approved.

Kowloon-Canton Railway: Present Difficulties of Joint Working

The Governor recommended the Council to vote \$50,000 on account of Kowloon-Canton Railway, Special Expenditure, Wagons.

THE CHAIRMAN — I think, perhaps, members will be interested in a short account regarding the situation which, as far as the carrying of goods on the railway is concerned, is very far from satisfactory. The Chinese section has not supplied its quota of rolling stock, with the result that this Colony is called upon to pay considerably higher charges in respect of capital and maintenance than is its fair proportion, with the consequence that our

ratio with regard to the division of through bookings decreases in proportion to our capital, while the Chinese ratio is increasing. They have not had their fair capital expenditure in respect of the share they get in the total earnings. In addition to this shortage, which is considerable, of rolling stock on the lines, the facilities for handling cargo at Canton are entirely inadequate. They cannot get the goods away in time. It takes a very long time for wagons to turn round and come back. There is not sufficient space for the goods to be properly handled and the result is that while there is a large quantity of goods offering we are unable at present to carry them. However, we realise that the Chinese section is suffering from mis-fortunes which are entirely outside its control, and it seems to be the far-sighted policy for this Colony to buy a considerable quantity more rolling stock against the day when affairs will be quieter over the border, and also with a view to possible junction of the Kowloon-Canton Railway with the Hankow Railway. This vote is for fifty wagons. A commencement on the building of these bodies will be made now and the frames will be ordered from England.

Approved.

Imports and Exports Department Expenses

The Governor recommended the Council to vote \$7,800 in aid of the following votes:— Imports and Exports Department, Other charges.

THE CHAIRMAN—One refers to a new system of weighing Chinese wine. In regard to "opium fuel," the cost of charcoal has gone up very largely. I am making further enquiries about the last item of \$500 and suggest that it should stand over until next meeting.

Approved.

Resumptions at the Back of the Peninsula

The Governor recommended the Council to vote \$36,000 in aid of the vote Public Works, Extraordinary, Compensation and Resumptions.

THE CHAIRMAN—The vote is \$20,000, but the layout is proceeding as rapidly as possible. We have had to take in a considerable quantity of agricultural land at the back of the Kowloon Peninsula.

Approved.

Improvement at West Point

The Governor recommended the Council to vote \$7,500 on account of Public Works, Extraordinary, Covering over of the Nullah in Hill Road, Shek Tong Tsui.

THE CHAIRMAN—There is considerable traffic of cars, rickshas, and pedestrians in the neighbourhood of the restaurants and the police have asked that the work be put in hand as an urgent matter.

Approved.

Factory Inspectors' Conveyance Allowance

The Governor recommended the Council to vote \$570 in aid of the vote Secretariat for Chinese Affairs, Other Charges, Conveyance Allowance and \$6,419 in aid of the vote Secretariat for Chinese Affairs, Personal Emoluments.

THE CHAIRMAN—These both refer to the Inspectors—Inspector Mead and Miss Irving—who have been appointed Inspectors of children in factories.

Approved.

Fans in Railway Quarters

The Governor recommended the Council to vote \$800 on account of Kowloon-Canton Railway, Special Expenditure, Installation of Ceiling fans.

THE CHAIRMAN—It is the practice in the Government Service to allow one ceiling fan in each set of quarters. That was not carried out in the case of the railway quarters and they have now asked for it.

Approved.

Volunteers' Rifle Range

The Governor recommended the Council to vote \$5,300 in aid of the vote Public Works, Extraordinary, Hongkong Volunteer Defence Corps Headquarters, Rifle Range.

THE CHAIRMAN—This is carried over from last year. The estimate was \$15,000 and the expenditure \$14,986—very close.

Approved.

Cost of Exhumations

The Governor recommended the Council to vote \$11,000 in aid of the vote Sanitary Department, Special Expenditure, Exhumation, Various Cemeteries.

THE CHAIRMAN—This includes \$6,000 payments carried over, and payments to the Tung Wah Hospital for extra labour and the provision of urns.

Approved.

Cost of the Evening Weather Report

The Governor recommended the Council to vote \$700 in aid of the vote Royal Observatory, Other Charges, Printing and distribution of Meteorological Bulletin.

THE CHAIRMAN—At the request of the Chamber of Commerce an evening weather report is now issued daily.

Approved.

Purchase of Typewriters

The Governor recommended the Council to vote \$2,000 on account of Miscellaneous Services, Purchase of Typewriters.

THE CHAIRMAN—These typewriters are for the Treasury—one for preparing large returns and one for the use of probationers.

Approved.

This concluded the business.