

22ND APRIL, 1926.

PRESENT:—

HIS EXCELLENCY THE GOVERNOR (SIR CECIL CLEMENTI, K.C.M.G.).

HIS EXCELLENCY THE GENERAL OFFICER COMMANDING THE TROOPS (MAJOR GENERAL C. C. LUARD, C.M.G.).

THE COLONIAL SECRETARY (HON. MR. E. R. HALLIFAX, C.M.G., C.B.E.).

THE ATTORNEY-GENERAL (HON. MR. J. H. KEMP, K.C., C.B.E.).

THE COLONIAL TREASURER (HON. MR. C. McI. MESSER, O.B.E.).

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

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

HON. MR. D. W. TRATMAN (Secretary for Chinese Affairs).

HON. SIR HENRY POLLOCK, K.C.

HON. MR. A. O. LANG.

HON. MR. H. W. BIRD.

HON. MR. R. H. KOTEWALL, LL.D.

HON. MR. D. G. M. BERNARD.

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

ABSENT:—

HON. SIR SHOUSON CHOW.

New Member

Mr. D. G. BERNARD took the customary oath and his seat as representing the Hongkong General Chamber of Commerce *vice* Mr. P. H. HOLYOAK.

Minutes

The Minutes of the meeting held on March 18th were confirmed.

Papers

THE COLONIAL SECRETARY, by command of H.E. The Governor, laid upon the table a number of orders and rules which had been

made by the Governor in Council since the last meeting of the Council and duly notified in the *Government Gazette*.

Also

Report of the Director of the Royal Observatory, Hongkong, for the year 1925.

Quarterly report by the Director of Public Works relating to the progress of work on the new Fire Brigade Station and the new Saiyingpun School.

The Fire Brigade

HON. MR. BERNARD asked the following questions standing on the agenda in the name of the Hon. Mr. Holyoak:—

1.—What steps are being taken to improve the Fire Brigade—fire fighting appliances and water pressure—in the mains of the Colony?

2. — Will the Government appoint a Committee of Enquiry into these matters?

THE COLONIAL SECRETARY replied—
The Government has decided to appoint a Committee to consider and report on measures for improving the fire fighting organisation in the Colony.

New Territory and Food Supplies, &c.

HON. MR. BERNARD also asked the following questions of which notice had been given by Mr. Holyoak before his departure from the Colony on leave:—

What steps are being taken:

- (a) to foster and develop the cultivation of poultry, vegetables and food supplies in the New Territories?
- (b) to assist the cultivation and growth of ginger root and foster the ginger industry in the New Territories?

THE COLONIAL SECRETARY replied—
These are essentially matters for private enterprise. The opening of the New Territories by Government roads and railways has afforded facilities of which advantage is being taken. The advice of the Superintendent, Botanical and Forestry Department, and of the Colonial Veterinary Surgeon, and the sympathetic assistance of the Government through the Secretary for Chinese Affairs and the District Officers, North and South are always readily available.

Repulse Bay Bathing Beach

HON. SIR HENRY POLLOCK, K.C., asked the following questions of which previous notice had been given:—

1. — Will the Government appoint a Committee for the purpose of considering and reporting to this Council on the following questions in connection with Repulse Bay, namely:—

- (a) The feasibility of providing better bathing accommodation.
- (b) The feasibility of enlarging the area of the beach which can be bathed from by the removal of rocks from the western end of the Bay.
- (c) The provision of the proper sanitary conveniences for those resorting to Repulse Bay.
- (d) The regular removal by scavenging coolies of rubbish and refuse and tins from the houses and beach.
- (e) The regular inspection by a Sanitary Inspector of the septic tanks and drainage and other outlets, for the purpose of ensuring that the same are working effectively and without danger to the public health.
- (f) The cutting and keeping cut, and the removal of all rubbish and refuse and tins from, the long grass and other undergrowth below the Hotel Garage, and in such other places as are recommended by the above Committee.
- (g) Generally, the making of such recommendations as may tend to improve the bathing and public health conditions at Repulse Bay and to check the breeding of flies and mosquitoes.

2.—Will the Government also empower the above Committee to consider and report upon the feasibility of inaugurating a new public bathing beach in the neighbourhood of Stanley?

THE COLONIAL SECRETARY—The reply to these questions is not yet ready.

HON. SIR HENRY POLLOCK—Arising out of the answer to my questions, Sir, may I ask, as the bathing season is so near, that expedition be used.

H.E. THE GOVERNOR—I will certainly use all the expedition I can.

Post Office Law

THE ATTORNEY-GENERAL moved the first reading of a Bill intituled, An Ordinance to amend the law relating to the Post Office.

He said—This Bill, sir, is so largely a matter of detail that I find it difficult to think of anything which may appropriately and usefully be said at this stage. Perhaps the best that I can do is to give certain examples of the points on which this Bill differs from the existing Post Office Ordinance because the Bill is an attempt to improve and bring up-to-date the present law on the subject.

One way in which it is hoped that the present Bill would be found an improvement on the existing ordinance is a negative way—by means of omissions. The present ordinance contains a number of provisions which do not appear to require any statutory authority. For example, it provides that there shall be a General Post Office, that the Governor may provide district post offices, that the Postmaster General shall keep certain accounts, that the Governor may provide postage stamps, that fully paid correspondences shall be delivered without further fee, and provisions of that kind. It also contains provisions about the discipline of the staff, which is sufficiently dealt with in Government General Orders. Omissions of this class clear away certain matter from the existing ordinance.

Then, again, attempts have been made in several directions to improve the arrangement of the provisions of the Post Office law. For example the power to make regulations is now contained wholly in one section—clause 3 of the

Bill. In the existing ordinance it is scattered about in four different sections. One section gives power to the Governor in Council to fix the rates of postage, another section gives the Governor power to charge late fees, and so on.

Another example of improvement of arrangement is clause 21 of the Bill which collects together all the points of the ordinance relating to liability for payment of postage.

Then again, the Bill attempts to improve the Post Office law by certain minor detailed additions. For example, section 30 of the present ordinance provides that any person proposing to dispatch a vessel to some port out of the Colony shall give first intimation of the intended departure to the Postmaster General, in order, of course, that the Postmaster General may arrange to dispatch mails by the vessel. All the section provides is for the "first intimation" to be given; it does not lay any obligation on the shipowner to notify anybody, and it is impossible for the Postmaster General to enforce a penalty unless he is in a position to prove that intimation had been first given to some other person. The bill provides that reasonable notice shall be given to the Postmaster General. That is an example of improvement by way of addition.

Then, again, take the question of the opening of letters by the Post Office for various reasons. At present there is no power, for example, in the Postmaster General to open or return it to the sender a letter which has been posted with the wrong contents. It frequently happens, I am told, that in the hurry of catching a mail letters are posted with the wrong contents or some of the contents omitted. There is no power to open or return such a letter without a warrant from the Governor and by the time a warrant can be issued the mail may have gone. Omissions of that kind are corrected in the Bill.

I might go on for a long time giving instances of points in which the present Bill attempts to improve the existing law, but really I think that they are matters to be brought up, if necessary in Committee.

There is just one point that I may mention in regard to clause 7 which provides that "the Government shall not incur any liability by reason of the loss, non-delivery, mis-delivery, or delay of any postal packet, or by reason of any

damage to any postal packet, whether registered or not." That is the gist of the section. It may appear rather harsh and drastic. I may say that it is based on the law of the United Kingdom and on that of the Straits Settlements. Though liability will be negated by the ordinance, yet in certain cases and under certain rules compensation is not denied, and of course every attempt is made by the Post Office to trace any mis-delivery, non-delivery or loss. These provisions are merely intended to protect the community, through the Government, from excessive claims. I beg to move the first reading of the Bill.

THE COLONIAL SECRETARY seconded, and the motion was agreed to.

Treasury Bills Ordinance

THE ATTORNEY-GENERAL moved the second reading of the Bill intituled, An Ordinance to regulate the issue of Hongkong Treasury Bills in Hongkong.

THE COLONIAL SECRETARY seconded, and the second reading was passed.

The Council thereupon resolved itself into Committee to consider the Bill clause by clause.

There were no amendments and on the Council resuming the Bill was read a third time and passed into law.

The same procedure was followed in regard to the Bill intituled, An Ordinance to regulate the issue of Hongkong Treasury Bills in London. This Bill was also passed into law.

Adjournment

HIS EXCELLENCY — The Council will adjourn *sine die*.

FINANCE COMMITTEE

A meeting of the Finance Committee was afterwards held, the Colonial Secretary (Hon. Mr. E. R. HALLIFAX, C.M.G.) presiding.

Messages from the Governor

Three Messages (Nos. 2, 3 and 4) were received from H.E. The Governor presenting for the consideration of the

Finance Committee items of supplementary expenditure for 1925 and 1926.

The Messages were printed and gave an explanation of each item in the list.

Message No. 2 contained items totalling \$104,724; Message No. 3 (covering the items of Public Works Expenditure discussed and informally approved at the meeting of 8th March last) contained 29 items totalling \$1,313,310; and Message No. 4 contained 10 items totalling \$9,813 supplementing 1925 estimates and 15, totalling \$106,571 relating to 1926.

Transport of Government Servants

HON. MR. BIRD referring to a sum of \$12,072 to supplement the Estimates of 1925 for transport of Government servants, inquired whether it was not possible for each Department to know, when the yearly estimates were framed, what members of the Staff were going home in the ensuing year.

THE CHAIRMAN replied that it was impossible to be accurate so far in advance.

HON. MR. BIRD—Surely they have to put in application well in advance?

THE CHAIRMAN said there was often a good deal of uncertainty about leave, and he mentioned that the item covered many new appointments.

Saiyingpun School

HON. SIR HENRY POLLOCK called attention to an Education Department vote for \$1,410 for "rent of school" and the explanatory note that the new Sai Ying Pun School premises were not available at the commencement of the year, and until they are ready an additional sum of \$780 is required for the rent of two flats for the Vernacular Middle School. A progress report relating to the new school laid before the Council said: "The building is now in a fairly advanced state of completion." He wondered whether the Director of Public Works could give the Committee more definite information.

THE DIRECTOR OF PUBLIC WORKS replied that the structural work would be

completed in June, but he could not give an exact date as regards furniture and fittings. Some would be quite late, but there would be nothing to prevent the school being carried on there after the end of June.

Kowloon Road Improvement

HON. SIR HENRY POLLOCK referring to a vote of \$22,000 for improvements to the junction of Nathan and Gascoigne Roads, said he noticed that the surfacing was to be macadam.

THE CHAIRMAN said the method originally suggested would have cost \$45,000, and material for surfacing has been altered to macadam as suggested by the honourable member.

Missing Coal

HON. MR. BIRD called attention to the item "Adjustment of Coal account" \$10,966.

It was explained in the printed memorandum that in June 1925, a large shortage of coal stored at the Government coal yard at Blackhead's Point came to light. The shortage amounted to 1,398 $\frac{4}{10}$ tons of which 480 tons was confiscated coal, the book value of the remaining 918 $\frac{4}{10}$ tons being \$10,966. This coal had been placed under the supervision of a private firm, and after full investigation it has been decided that no claim against this firm in respect of the deficiency could be established. A new system is now in force, and it is proposed, subject to the approval of the Secretary of State, that the above amount be written off.

HON. MR. BIRD asked whether the Government carried stocks of coal themselves, or was it not the contractors' responsibility?

THE CHAIRMAN said the loss was between the delivery and the store.

HON. MR. BIRD—The firm is responsible for the full amount of coal being delivered.

THE CHAIRMAN said it had been held that no claim against the firm could be established.

HON. SIR HENRY POLLOCK—I understand, sir, that a better system has now been adopted?

THE COLONIAL TREASURER—That is so.

Kowloon Hospital

HON. SIR HENRY POLLOCK called attention to items in respect of the Kowloon Hospital—\$80,000 for buildings and furniture and \$16,500 for site. The memorandum explained that the original estimate of \$604,000 in 1922 had necessarily been exceeded for various reasons, the most important being the decision to lower the level of the site by 40 feet, thereby increasing the area available for the purposes of the hospital from $2\frac{1}{2}$ acres to about $6\frac{1}{4}$ acres. This decision involved the removal of a large quantity of additional material at a cost of approximately \$282,000. Certain materials required for the construction of the Hospital cost more than had been anticipated, and various improvements in the layout and the fittings also added to the cost. The amount spent up to 31st December, 1925, was \$762,676.

HON. SIR HENRY POLLOCK asked whether the approval of the Finance Committee had been obtained before these big extra expenses were incurred.

THE DIRECTOR OF PUBLIC WORKS—The decisions were made early in 1923.

THE CHAIRMAN said he thought they were investigated by a Committee at the time.

HON. SIR HENRY POLLOCK—Whatever Committee was concerned it is a pretty large expenditure—nearly three akhs.

New Gaol Scheme—Contractor's Compensation

A vote of \$15,276 was required in connection with the cancellation of the foundation contract for the proposed new gaol at Ngau Shi Wan.

The sum was required to meet a claim from the contractors consequent upon the decision to suspend the work. This decision was taken in September last at the time when the Estimates for 1926 were being framed, but no sum was inserted as the cost of cancellation was not then ascertainable. The claim includes compensation for loss of contract based on 25 per cent. of anticipated profits, and for loss on certain plant specially purchased.

HON. MR. BIRD asked for a fuller explanation. On what did the contractor base his claim?

THE CHAIRMAN—It was 25 per cent. of anticipated profits.

HON. MR. BIRD—That is a very high figure is it not?

THE CHAIRMAN—Yes; we did not allow it.

HON. MR. BIRD—Then the Note in the Memorandum gives rather a wrong impression. What amount was allowed?

THE DIRECTOR OF PUBLIC WORKS explained that the contracts was \$400,000. The contractors expected to make a profit of \$52,000 and the compensation to be paid to them was 25 per cent. of that figure (\$13,000), 25 per cent. of the cost of plant specially purchased (\$1,600) and smaller items for wages, insurance, etc.

HON. MR. BIRD—Has this ever come before the Finance Committee.

THE CHAIRMAN—No; it was referred to the Law Officers of the Crown.

HON. MR. KOTEWALL expressed the opinion that it was reasonable compensation.

THE COLONIAL TREASURER said the contractors expected to get 10 per cent. profit on their contract and they were being paid one-quarter of that as compensation.

No further questions were asked on the items in the Governor's Messages.

Stabling for Mounted Infantry Volunteers

THE CHAIRMAN said there was a further matter which H.E. The Governor wished referred to the Committee—namely provision of proper stabling accommodation for the Mounted Infantry Section of the Volunteer Corps. Ponies were suffering from the weather and it was suggested that a matshed should be built for them on the old Riding School site near the Polo Grounds. A sum of \$2,300, with \$250 for extras would be required. The matter would be included in the next message but meantime it was suggested that the work should be put in hand.

The Committee agreed