

28th June, 1934.

PRESENT:—

HIS EXCELLENCY THE GOVERNOR (SIR WILLIAM PEEL, K.C.M.G., K.B.E.).

HIS EXCELLENCY THE OFFICER COMMANDING THE TROOPS (MAJOR-GENERAL O. C. BORRETT, C.B., C.M.G., C.B.E., D.S.O.).

THE COLONIAL SECRETARY (HON. SIR THOMAS SOUTHORN, K.B.E., C.M.G.).

THE ATTORNEY GENERAL (HON. MR. R. E. LINDSELL).

THE SECRETARY FOR CHINESE AFFAIRS (HON. MR. N. L. SMITH).

THE COLONIAL TREASURER (HON. MR. E. TAYLOR).

HON. MR. E. D. C. WOLFE, C.M.G., (Inspector General of Police).

HON. COMMANDER G. F. HOLE, R.N., (Retired) (Harbour Master).

HON. DR. A. R. WELLINGTON, C.M.G., (Director of Medical and Sanitary Services).

HON. MR. R. M. HENDERSON, (Director of Public Works).

HON. SIR WILLIAM SHENTON, KT.

HON. MR. R. H. KOTEWALL, C.M.G., LL.D.

HON. MR. S. W. TS'O, O.B.E., LL.D.

HON. MR. T. N. CHAU.

HON. MR. J. OWEN HUGHES.

MR. R. A. C. NORTH, (Deputy Clerk of Councils).

ABSENT:—

HON. MR. C. G. S. MACKIE.

HON. MR. J. P. BRAGA.

HON. MR. W. H. BELL.

MINUTES.

The Minutes of the previous meeting of the Council were confirmed.

PAPERS.

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

Order under section 5 of the Ferries Ordinance, 1917.

Regulation under section 4 of the Importation and Exportation Ordinance, 1915, relating to the export of sand from the Colony.

Resolution made and passed by the Legislative Council on 14th June, 1934, under section 39 of the Liquors Ordinance, 1931.

Regulation under section 3 of the Post Office Ordinance, 1926, relating to the rate of postage on letters to the United Kingdom, etc.

Report of the Director of Education for the year 1933.

Report on the Assessment for the year 1934-1935.

Report of the Secretary for Chinese Affairs for the year 1933.

FINANCE COMMITTEE'S REPORT.

THE COLONIAL SECRETARY, by command of H.E. the Governor, laid upon the table the report of the Finance Committee, No. 7 of 14th June, 1934, and moved that it be adopted.

THE COLONIAL TREASURER seconded, and this was agreed to.

MOTIONS.

THE ATTORNEY GENERAL moved "That the Order dated 1st day of June, 1934, made by the Chief Justice under section 115 of the Bankruptcy Ordinance, 1931, Ordinance No. 10 of 1931, be approved." He said: This order has become necessary because the previous fees did not include any fee as payable in respect of a Trustee Account furnished by the Official Receiver.

THE COLONIAL SECRETARY seconded, and this was agreed to.

THE ATTORNEY GENERAL moved "That the amendment made by the Sanitary Board on the 7th day of November, 1933, to By-law No. 3 of Part III of the Slaughter-house By-laws contained in Schedule B of the Public Health and Buildings Ordinance, 1903, be adopted". He said: the effect of this amendment is to introduce the use of the humane killer in the slaughter of sheep and goats.

THE COLONIAL SECRETARY seconded, and this was agreed to.

**(1933 SUPPLEMENTARY) APPROPRIATION
ORDINANCE, 1934.**

THE COLONIAL TREASURER moved the first reading of a Bill intituled "An Ordinance to authorize the Appropriation of a Supplementary Sum of Twenty-seven thousand two hundred and forty-three Dollars and sixty-seven cents to defray the Charges of the year 1933." He said: Copies of the detailed statement of expenditure and the report on the finances for 1933 have already been furnished to each member. Only one head of expenditure was exceeded during the year viz.—Head No. 28, Miscellaneous Services, the net excess being \$27,243.67 and for this supplementary appropriation is requested. There are, of course, excesses under some of the subheads of the other heads, but these together with the excesses on the items under the head in question have already been fully explained to Honourable Members from time to time, and have received the approval of the Finance Committee and of this Council in the usual way.

\$27,244 represents the total of the supplementary appropriation required, no account being allowed for under expenditure on all the other heads of the estimates.

If this were done there would be a large saving, the total expenditure being \$31,122,715 against an estimate of \$35,199,247, a decrease of \$4,076,532. If the actual expenditure of the year be compared with revenue the surplus is \$976,563, thus increasing the excess of assets over liabilities from \$12,847,062 on 1st January, 1933, to \$13,823,625 on the 31st December, 1933.

The estimates for the year amounting to \$35,199,247 were prepared on a basis of a 1s/2d dollar and a deficit of \$1,196,672 was budgeted for. This amount included a sum of \$500,000 being part payment to the Admiralty for the surrender of the Naval Arsenal Yard and Kellet Island. The payment was, however, not made but will fall to be made at a later date. Exchange never fell below 1s/27/8d, while the average rate throughout the year was 1s/4 3/16d.

Large savings as compared with the estimates were made under such items as salaries, pensions, loan charges and stores. The under-expenditure on personal emoluments alone amounted to nearly \$1,500,000. During the year a supplementary budget was prepared and by a Resolution of this Council dated 31st August the following further monies were voted:—Head No. 32, Public Works Department, \$61,740; Head No. 33, Public Works Recurrent, \$60,000; Head No. 34, Public Works Extraordinary, \$509,918; total \$631,658.

In taking this Bill it is customary to refer to the present financial position of the Colony. I will give some approximate figures to the end of May. The total revenue at that date was approximately \$12,920,000 which is \$301,500 less than the proportionate amount of the Estimates over a period of five months.

The principal shortfalls occur in the following Heads:—Opium Monopoly \$224,000, Land Sales \$198,000 and Stamp Duties \$90,000. On the other hand the receipts from Duties were \$37,000 in excess of the estimate for the same period. Railway receipts were up by \$75,000 and Estate Duty by \$90,000.

The approximate expenditure to the 31st May amounted to \$11,600,000, \$2,334,500 below the proportionate estimate of expenditure for the year. The under-expenditure is due partially Personal Emoluments, Pensions and Public Debt. Expenditure is, to the higher rate of the dollar, savings being shown under however, always less on "Other Charges" and Public Works items during the first half of the year and will rise as the year nears completion.

The Colony's finances are sound and in a very liquid condition, and although it is early days to give an estimate of the final results of the year I have every hope provided there is no heavy decline in exchange that recurrent revenue will more than balance recurrent expenditure. The programme under Public Works Extraordinary is rather a heavy one and, if progress is continued as expected, it may be that expenditure on such works will cause a deficit on the total year's working. It must be remembered, however, that expenditure on Public Works Extraordinary is generally much below the estimate and if this year the estimate is exceeded it simply means greater progress.

I would add that the supplementary appropriation now asked is the smallest since the beginning of this century.

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

SUMMARY OFFENCES AMENDMENT ORDINANCE, 1934.

THE ATTORNEY GENERAL moved the first reading of Bill intituled "An Ordinance to amend the Summary Offences Ordinance, 1932." He said: This Bill is intended to restore to Chinese funeral scaffolds that immunity in respect of licensing which they enjoyed prior to the final repeal in 1930 of the Regulation of Chinese Ordinance, 1888.

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

Objects and Reasons.

The "Objects and Reasons" for the Bill were stated as follows:

1. Section 24 of the Regulation of Chinese Ordinance, 1888, (No. 3 of 1888) by sub-section (1) prohibited except on certain conditions the erection in the Colony of inflammable structures in connection with religious ceremonies or exhibitions, but by sub-section (2) exempted from this prohibition, "scaffolding of wood or bamboo necessary for the removal of a dead body, if such scaffolding is removed within 48 hours from the time of its erection."
2. Ordinance No. 3 of 1888, so far as it had not already been repealed, was finally repealed by the Law Revision Ordinance, 1930 (No. 25 of 1930).
3. By section 9 (1) of the Summary Offences Ordinance, 1932, (No. 40 of 1932)—"No person shall, except under and in accordance with a current licence or permit from the Director of Public Works or from a District Officer.....erect or maintain any structure whatsoever upon.....any land which is not held under lease from the Crown."

The advisability of retaining the exemption for funeral scaffolds that was secured by section 24 (2) of Ordinance No. 3 of 1888 appears to have been overlooked.

The Secretary for Chinese Affairs, the Inspector General of Police and the Building Authority agree that such exemption is desirable.

PENSIONS AMENDMENT ORDINANCE, 1934.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to amend the Pensions Ordinance 1932."

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

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

Upon Council resuming,

THE ATTORNEY GENERAL reported that the Bill had passed through Committee without amendment and moved the third reading.

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

MARRIAGE AMENDMENT ORDINANCE, 1934.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to amend the Marriage Ordinance, 1875."

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

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

Upon Council resuming,

THE ATTORNEY GENERAL reported that the Bill had passed through Committee without amendment and moved the third reading.

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

PROTECTION OF WOMEN AND GIRLS AMENDMENT ORDINANCE, 1934.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to amend the law relating to the protection of Women and Girls".

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

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

Upon Council resuming,

THE ATTORNEY GENERAL reported that the Bill had passed through Committee without amendment and moved the third reading.

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

**COLONIAL (BAHAMAS AND LEEWARD ISLANDS)
LIGHT DUES ORDINANCE, 1934.**

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to provide for levying in Hong Kong Colonial light dues in respect of certain lighthouses and a buoy on or near the coasts of the Bahamas and Leeward Islands".

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

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

Upon Council resuming,

THE ATTORNEY GENERAL reported that the Bill had passed through Committee without amendment, and moved the third reading.

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

ADJOURNMENT.

H.E. THE GOVERNOR.—Council stands adjourned until Thursday, July 12th.

FINANCE COMMITTEE.

Following the Council, a meeting of the Finance Committee was held, the Colonial Secretary presiding.

Votes totalling \$17,708, contained in Message No. 8 from H.E. the Governor, were approved.
