

*25th April, 1935.*

**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. C. G. ALABASTER, O.B.E., K.C.).

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

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

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

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

HON. DR. W. B. A. MOORE, (Acting Director of Medical and Sanitary Services).

HON. MR. M. J. BREEN, (Postmaster General).

HON. SIR HENRY POLLOCK, KT., K.C., LL.D.

HON. SIR WILLIAM SHENTON, KT.

HON. MR. W. H. BELL.

HON. MR. J. P. BRAGA.

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

HON. MR. T. N. CHAU.

HON. MR. J. J. PATERSON.

MR. R. A. D. FORREST, (Deputy Clerk of Councils).

**ABSENT:—**

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

**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 paper:—

Rescission of the Order declaring Hoihow an infected place.

**MOTIONS.**

HON. SIR HENRY POLLOCK.—Sir, I beg to move the following resolution "That the postage by Air Mail between Hong Kong and Great Britain is excessively high and ought, in the interests of trade, to be reduced most materially." Sir, with regard to the postage between Hong Kong and Great Britain being excessively high, I should like to state that in making that remark I need only refer, I think, to the rate of postage the other way, that is to say, the Air Mail rate of postage between Great Britain and Hong Kong. Here, Sir, the rate of postage for letters is roughly speaking at the present day exchange of 2s. 4d. equivalent to 1s. 10d. as against 6d. postage from Great Britain to Hong Kong.

Then again, with regard to postcards sent from here the rate is 50 cents on the exchange of the day equivalent to 1s. 2d. as against 3d. from Great Britain to Hong Kong.

Another point of view from which the rate we have to pay for Air Mail postage from here might be considered as abnormally high is when we compare the rate by ordinary letter mail, namely ten cents, with the 80 cents rate by Air Mail postage from Hong Kong. In making that comparison perhaps it is relevant to bear in mind that only a few years ago the rate of ordinary postage from Hong Kong to Great Britain was not ten cents but four cents.

I therefore think, Sir, that I have sufficiently made out that it would be only reasonable that Government should make some concession in the matter of Air Mail postage between Hong Kong and Great Britain.

With regard to the suggestion in my motion that such a reduction would be in the interests of trade, I think, Sir, it has been an accepted axiom since Rowland Hill introduced the penny postage throughout Great Britain that it is of benefit to trade between different places that the postage paid should be at a comparatively low rate.

That is all, Sir, I think I need say in support of my motion which will now be seconded by my honourable friend, Mr. W. H. Bell, who is the representative of the General Chamber of Commerce on this Council.

HON. MR. W. H. BELL.—In rising to second the motion put forward by my honourable friend, Sir Henry Pollock, I feel it might possibly be argued that the comparison which is drawn between Hong Kong and Great Britain and Great Britain and Hong Kong is not quite on the same basis inasmuch as there is no question of Military Contribution in England, the bug-bear we get up against here which is difficult for the man in the street to understand thoroughly. I think it might be said that Singapore is exactly on the same basis and, in Singapore, the postage rate is 25 Singapore cents equivalent to 7d. as against, as my honourable friend, Sir Henry Pollock, has stated, 1s. 10d. here.

The difference is so very very large that I feel that we are not unreasonable in asking the Government to make some reduction, a really substantial reduction.

THE POSTMASTER GENERAL.—The inclusive air mail rate per ½ oz. letter to United Kingdom commenced at \$1.60 in December 1932. It was reduced to \$1.35 as from 1st June, 1934, and finally reduced to 80 cents on 1st January, 1935. This rate involved a definite loss to the Department which the subsequent rise in the dollar exchange has not yet been able to overtake as the following figures shew:—

		<b>Imperial Airways</b>		
Total cost including sea			Gold Frs.	85.00
to Singapore		per kilogramme		8.50
		Add 10% for bags		_____
				93.50
				_____
			@ 4.9249=French Francs	460.48
	Kilogramme=35 oz.		Cost per ½ oz.—French Francs	6.58
			@ Tuesday's (23.4.35) opening rate 787 ½=H.K.\$	0.83 ½
			Present rate to London H.K.\$	0.80

Therefore on each letter the loss is 3½ cents.

If the rate were 50 cents the loss would be 33½ cents per letter. These figures take no account of overhead charges.

Assuming the volume of air mail does not increase the loss on the 50 cent scale would be about \$15,000 per annum. Actually the loss will increase progressively as the traffic increases.

This loss will fall on the taxpayer but Government feels justified however in reducing as from May 6th the rate to 50 cents for the traffic carried by British Imperial Airways in order to provide cheaper postage for those willing to adopt a service which, in the absence of regular steamship connections, is slightly less favourable.

H.E. THE GOVERNOR.—I think the Postmaster General has put the case very clearly. It will be seen from his figures that we have already incurred a loss on the reduction which was introduced at the end of last year. A further reduction will, as you see, involve a further loss which will also have to come out of the Colony's Revenue.

Government is very anxious to give every encouragement to trade and I am prepared with the concurrence of my Executive Council to grant a reduction to 50 cents from 6th May.

In the circumstances, the mover and seconder of the resolution will perhaps wish to withdraw their motion.

HON. SIR HENRY POLLOCK.—In view of the statement made by the Hon. Postmaster General, and the concession which has been made by the Government I ask leave to withdraw this motion.

HON. MR. W. H. BELL.—I concur.

#### **JURY AMENDMENT ORDINANCE, 1935.**

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to amend the Jury Ordinance 1887".

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.

#### **HAWKERS ORDINANCE, 1935.**

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to enable the Urban Council to make byelaws with respect to the regulation and control by registration, licensing or otherwise of certain hawkers."

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

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

Clause 3.

H. E. THE GOVERNOR.—The letter "b" should be inserted between the letters "u" and "m" in the word "submitted" in the second line of the marginal note.

This was agreed to.

Upon Council resuming,

THE ATTORNEY GENERAL reported that the Bill had passed through Committee with an immaterial 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, May 16th.

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