

28th July, 1938.

PRESENT:—

HIS EXCELLENCY THE GOVERNOR (SIR G. A. S. NORTHCOTE, K.C.M.G.).

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

THE COLONIAL SECRETARY (HON. MR. N. L. SMITH, C.M.G.).

THE ATTORNEY GENERAL (HON. MR. J. A. FRASER, M.C., *Acting*).

THE SECRETARY FOR CHINESE AFFAIRS (HON. MR. R. A. C. NORTH).

THE FINANCIAL SECRETARY (HON. MR. S. CAINE).

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

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

HON. MR. T. H. KING (Commissioner of Police).

HON. DR. P. S. SELWYN-CLARKE, M.C., (Director of Medical Services).

HON. MR. J. J. PATERSON.

HON. MR. CHAU TSUN-NIN, C.B.E.

HON. MR. LO MAN-KAM.

HON. MR. S. H. DODWELL.

HON. MR. LEO D'ALMADA E CASTRO, JNR.

MR. B. C. K. HAWKINS (Deputy Clerk of Councils).

ABSENT:—

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

HON. DR. LI SHU-FAN.

HON. MR. A. L. SHIELDS.

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, saying that the Annual Abstract Account for 1936, with report of Director of Colonial Audit, was too bulky to print but was available for Honourable Members to scrutinise if they so desired:—

Additional Instructions passed under the Royal Sign Manual and Signet to the Governor and Commander-in-Chief of the Colony of Hong Kong, dated 30th April, 1938.

Order made by the Governor in Council under section 167 (1) of the Buildings Ordinance, 1935, Ordinance No. 18 of 1935, dated 14th July, 1938.

Amendment made by the Governor in Council under section 37 of the Protection of Women and Girls Ordinance, 1938, Ordinance No. 5 of 1938, to the Regulations in the Schedule to that Ordinance, dated 19th July, 1938.

Amendment made by the Governor in Council under section 2 of the Emergency Regulations Ordinance, 1922, Ordinance No. 5 of 1922, to the emergency regulations for the prevention of cholera, dated 19th July, 1938.

Proclamation No. 5.—Crown Rents (Apportionment) Ordinance, 1936, Ordinance No. 4 of 1936, to come into operation as regards certain lots, areas or districts on 15th July, 1938.

Proclamation No. 6.—The Tung Wah Infectious Diseases Hospital at Kennedy Town appointed a leper settlement.

Administration Reports, 1937:—

Part I.—General Administration:—

Report of the Secretary for Chinese Affairs.

Report of the Superintendent of Imports and Exports.

Part VII.—Undertakings of Government:—

Report of the General Post Office.

Report on the Kowloon-Canton Railway (British Section).

Sessional Papers, 1938:—

No. 8.—Report of the Committee on the Training of Teachers.

No. 9.—Colonial Accounts.

- I. Despatch of Secretary of State for the Colonies dated 25th November, 1937.
- II. Note by Financial Secretary, Hong Kong.

Annual Abstract Account for 1936, with report of Director of Colonial Audit.

QUESTION.

HON. MR. J. J. PATERSON asked:—

Has the Government any statement to make on the refugee situation?

THE COLONIAL SECRETARY replied:—

The refugee problem is complicated by the absence of accurate statistics and, in particular, of any means of estimating the extent to which the poorest class of the resident population has been displaced from its homes by a refugee influx of relatively wealthier persons. There is good reason for believing that this has taken place on a large scale. According to the information available, which is derived mainly from railway and steamer figures, though these have been checked against other returns, it is reasonable to suppose that the net increase of the population during the last 12 months coming from outside the Colony is somewhat under 250,000 persons. Inclusive of these, it is estimated that since the 1931 census was taken the population has increased by at least 50 per cent., while the number of tenements has increased by about 8 per cent. over the same period. From these estimates it is possible to gain some idea of the overcrowding which now obtains locally.

There have been some 30,000 persons sleeping in the streets during the current summer month. As no summer count has been made previously it is not possible to state the extent to which this is in excess of the normal. Competent observers have stated that this is three to four times as many as the number usual at this season. The 30,000 persons are distributed approximately as follows:—

13,000 in Hong Kong.

17,000 in Kowloon.

These street sleepers can be classified in two ways:—

- (a) They include some 9,000 destitute persons of both sexes, of whom some 3,000 are refugees.

- (b) They contain some 6,000 women and children of whom probably the majority are destitute: 1,500 of them are believed to be refugees.

It is to be assumed that few of these 9,000 persons have any accommodation to which they could repair in the winter months. Assuming 1,500 able-bodied men, there remain at least 7,500 destitutes for whom housing will be required in two or three months' time.

CAMPS FOR DESTITUTES OTHER THAN ABLE-BODIED MEN. Government proposes to erect at once temporary accommodation for 3,500 destitute women, children and infirm men at the following points—

Accommodation for 1,500 at North Point.

" " 2,000 at Kowloon Tsai.

The latter camp will be as far from Waterloo Road as is conveniently possible. In both cases the camps will be designed for rapid extension, but while the scheme is in its present experimental stage it is considered unwise to carry it out on a larger scale. The estimated capital cost of such buildings, capable of accommodating 3,500 destitutes, is put at between \$350,000 and \$400,000 which must be accepted as a provisional figure only. The cost of administration of camps containing that number is put at a rate of \$285,000 per annum.

TUNG WAH HOSPITAL, CLEARING HOUSE CAMP. The second class of refugees is transient, on its way to other places. These are being dealt with through the agency of the Tung Wah Hospital and accommodation has been found up to now for them at the old Government Civil Hospital, the old Victoria Gaol, the Kowloon Magistracy and the Tung Wah Hospital, which have served as clearing houses. In this category there are at the present time about 1,800 persons of both sexes. The old Government Civil Hospital has been condemned and the Victoria Gaol and Kowloon Magistracy will be required during the winter by the Street Sleepers' Society, as has been the case previously. The Tung Wah Hospitals have at the present time no refugees other than the sick.

In order to deal with this class Government proposes to set up a temporary camp on the Marina site in Kowloon to serve as a clearing house. It will be supervised by Government Departments, the Tung Wah Hospital Committee continuing to deal with the receiving and forwarding arrangements. The estimated capital cost is \$120,000 and the annual cost of administration is put at \$81,600. Accommodation for 1,000 persons is being erected in the first instance.

ACCOMMODATION FOR REFUGEES WITH SMALL MEANS. A scheme has been put forward by the Emergency Refugee Council. The persons forming this class are needy but able to pay a small rent and subsist themselves. The proposal is to build accommodation for this class of refugees on King's Road towards Shaukiwan, if land is available there. It is proposed to let the accommodation to these refugees at the rate of \$2 per month per person housed. The initial capital cost of the scheme is put at \$35,000 of which Government proposes to advance up to \$17,500 on a dollar for dollar arrangement.

The total financial commitments above described are likely, therefore, to amount *in the initial stage* to the following:—

	<i>Capital Cost. Administration.</i> (12 months basis)	
Refugee Camps, North Point and Kowloon Tsai	\$385,000	\$285,600
Marina Site Camp	120,000	81,600
Emergency Refugee Council Scheme, Kowloon Tsai	17,500	nil
Total	\$522,500	\$367,200

It is at present uncertain to what extent it may be necessary to supply food to the two first classes: an estimate of the full cost of doing so has been included in the figure under administration. The estimated cost for food and fuel per refugee is on the basis of \$6 per month, according to Tung Wah Hospital figures. In this connection it may be mentioned that during the present year supplementary provision for the relief of refugees dealt with by the Tung Wah Hospital has amounted to \$63,557 and a further application is about to be laid before the Finance Committee for \$55,000, making a total for nine months of \$118,557.

DANGEROUS DRUGS AMENDMENT ORDINANCE, 1938.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend the Dangerous Drugs Ordinance, 1935." He said: The Objects and Reasons for this amendment are set out in a memorandum attached to the Bill. The only really material change from the present law relating to opium is the provision that no person shall have in his possession any pipe intended for the smoking

of heroin. I have taken the liberty of bringing two pipes to the Council Chamber; an opium pipe with which members may or may not be familiar, and a heroin pipe with which they may not be so familiar, as I understand that some members to whom I have shown this pipe, had never seen one before. I should like, with Your Excellency's permission, to leave these pipes on the table so that members can examine them. There is a slight difference in form and the bowl of the heroin pipe is fitted much more tightly to the stem."

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. The object of clause 2 of this Bill is to correct a typographical error, the substitution of "on" for "or", in section 17 (2) (a) of the principal Ordinance, No. 35 of 1935.
2. The object of clause 3 of the Bill is to enact special provisions for the prohibition of heroin divans, storage places and factories and for the responsibility of landlords of premises in respect thereof on lines similar to the provisions enacted with respect to houses of ill fame by section 3 of Ordinance No. 25 of 1936 and with respect to opium divans by section 15 of Ordinance No. 7 of 1932, as amended by Ordinance No. 7 of 1934.
3. Paragraph (1) (a) of the new section 21A inserted by clause 3 of this Bill in the principal Ordinance further makes it an offence to possess a pipe fit for heroin-smoking with intent that it shall be so used, and in such a case throws the burden of disproving such intent upon the defendant. Heroin pipes are of special manufacture and distinctive design, resembling opium pipes but easily distinguishable from them.
4. The presumptions raised by paragraphs (e) and (f) of the same new section 21A relating to the finding of two or more heroin pipes and persons found in or escaping from heroin divans are based on provisions of a similar nature in section 16 of Ordinance No. 7 of 1932.
5. Sub-section (5) of new section 21A imposes an additional penalty of 12 months' imprisonment on summary conviction in case of a second or subsequent offence against the provisions of this section or of section 10.
6. The object of new section 21A is to secure at least as great a measure of control over the evil of heroin divans as exists in the case of opium divans.

SAND AMENDMENT ORDINANCE, 1938.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to amend the Sand Ordinance, 1935." He said: The Objects and Reasons for this amendment are set out in a memorandum attached to the Bill.

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. With the approval of the Secretary of State, in his despatch No. 108 of 28th April, 1938, a new department has been created to control Government stores of all kinds in the Colony, including sand, the collection and sale of which is a Government monopoly under the provisions of the Sand Ordinance, No. 50 of 1935.

2. In order to enable the Controller of Stores effectively to carry out his duties in relation to sand, clause 2 of this Bill substitutes the term "Controller of Stores" for "Director of Public Works" in sections 2 (1) and 3 (1) of the principal Ordinance.

3. Clause 3 of this Bill adds a new section 3A to the principal Ordinance empowering the Controller of Stores and any public officer authorized by him to arrest offenders, or intending offenders, against this Ordinance.

4. Clause 4 of this Bill repeals sections 5 and 6 of the principal Ordinance.

SEDITION ORDINANCE, 1938.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to make better provision for the prevention and punishment of sedition." He said: This Bill and the next Bill on the agenda replace the present law relating to this subject and it has been thought desirable for that reason to set out the differences between the old law and the new in greater detail than usual in a table of correspondence attached to the Bill.

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. This Bill is based upon a model Ordinance ("B") compiled by direction of the Secretary of State.

2. It repeals and substitutes new provisions relating to sedition for the provisions of the Seditious Publications Ordinance, 1914. The importation of seditious literature is dealt with in a Bill intituled the Prohibited Publications Ordinance, 1938, to be passed at the same time as this Bill.

3. Tables are appended hereto showing the variations between the Model and this Bill and comparing the provisions of the Bill and the law relating to sedition previously in force in the Colony as contained in the Seditious Publications Ordinance, 1914, the regulations under the Emergency Regulations Ordinance, 1922, and the common law.

PROHIBITED PUBLICATIONS ORDINANCE, 1938.

THE ATTORNEY GENERAL moved the first reading of a Bill intituled "An Ordinance to prohibit the importation of undesirable publications." He said: The Objects and Reasons for this Bill are set out in a memorandum attached to the Bill.

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. This Bill is based upon a model Ordinance ("A") compiled by direction of the Secretary of State.

2. It substitutes new provisions for the provisions of the Seditious Publications Ordinance, No. 6 of 1914, which is repealed by the Sedition Ordinance, 1935, relating to the importation of seditious literature.

3. Tables are appended hereto showing the variations between the Model and the Bill and comparing the provisions of the Bill and the law relating to the importation into this Colony of seditious or undesirable literature as contained in the Seditious Publications Ordinance, 1914, the Importation and Exportation Ordinance, 1915, the Post Office Ordinance, 1926, and the regulations under the Emergency Regulations Ordinance, 1922.

(1937 SUPPLEMENTARY) APPROPRIATION ORDINANCE, 1938.

THE FINANCIAL SECRETARY moved the second reading of a Bill intituled "A Bill to authorise the Appropriation of a Supplementary sum of seven hundred and seventy-four thousand three hundred and twenty-one dollars and forty-four cents to defray the Charges of the year 1937."

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 FINANCIAL SECRETARY 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.

MERCHANDISE MARKS AMENDMENT ORDINANCE, 1938.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "A Bill to amend the Merchandise Marks Ordinance, 1890."

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

BANKRUPTCY AMENDMENT ORDINANCE, 1938.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "A Bill to amend the Bankruptcy Ordinance, 1931."

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

DENTISTRY AMENDMENT ORDINANCE, 1938.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "A Bill to amend the Dentistry Ordinance, 1914."

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

On the motion of the ATTORNEY GENERAL, seconded by the COLONIAL SECRETARY, Council then went into committee to consider the following bills clause by clause:—

MERCHANDISE MARKS AMENDMENT ORDINANCE, 1938;

BANKRUPTCY AMENDMENT ORDINANCE, 1938;

DENTISTRY AMENDMENT ORDINANCE, 1938.

Upon Council resuming,

THE ATTORNEY GENERAL reported that the Merchandise Marks Amendment 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.

THE ATTORNEY GENERAL reported that the Bankruptcy Amendment 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.

THE ATTORNEY GENERAL reported that the Dentistry Amendment 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.

REGISTRATION OF PERSONS AMENDMENT ORDINANCE, 1938.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "A Bill to amend the Registration of Persons Ordinance, 1934."

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

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

THE ATTORNEY GENERAL.—A new Clause 2 has been substituted in this Bill and the old Clause 2 is now Clause 3. The new Clause 2 amends Section 2 of the principal Ordinance, (*a*) by the repeal of the words "at Police Headquarters within seventy-two hours" in the fifth line of sub-section (2) thereof and the substitution therefor of the words "at the Registration of Persons Office, Police Department, within forty-eight hours," (*b*) by the addition of the following subsection at the end thereof:—

"(6) "consular officer" includes consul-general, consul, vice-consul, consular agent, and any person for the time being authorised to discharge the duties of consul-general, consul or vice-consul."

Upon Council resuming,

THE ATTORNEY GENERAL.—I find, Sir, that under Standing Order 28, Clause 1, that this Bill cannot be read a third time except under the suspension of Standing Orders. That clause of the Standing Orders requires a Bill which has been materially amended in Committee to be republished as amended in the Gazette before it is read a third time. In anticipation of the amendment being made, this Bill has already been published in the Gazette with the amendments which have been made in Committee, and there is now no reason why

the third reading of the Bill should be postponed. The suspension of Standing Orders is in this case, therefore, a purely formal proceeding and I move the suspension accordingly.

THE COLONIAL SECRETARY seconded, and Standing Orders were suspended.

THE ATTORNEY GENERAL moved the third reading of the Bill.

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

ADJOURNMENT.

H.E. THE GOVERNOR.—Council stands adjourned *sine die*.

FINANCE COMMITTEE.

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

THE DIRECTOR OF MEDICAL SERVICES was present at the request of the Colonial Secretary to answer questions that might be asked on votes for the Medical Department.

Votes totalling \$1,029,880 under Estimates 1938, contained in Message No. 6 from His Excellency the Governor, were considered.

Item 96.—20, Police Force:—12A, Emergency expenses arising from the Sino-Japanese Conflict, \$5,000.

HON. MR. LO.—May I ask, would the amount be spent only in emergency or has it been spent?

THE CHAIRMAN.—It has been spent. We took certain precautionary measures on the frontier.

Item 98.—22, Medical Department:—Special Expenditure. Refrigerator, Lai Chi Kok Hospital, \$450.

THE CHAIRMAN.—All these Laichikok items have been circulated to the Finance Committee and approved by the Secretary of State, so it is more or less a formality.

HON. MR. D'ALMADA.—The refrigeration is rather small.

THE DIRECTOR OF MEDICAL SERVICES.—It is required for the storage of serum and vaccine.

THE FINANCIAL SECRETARY.—Did you not take one over?

THE DIRECTOR OF MEDICAL SERVICES.—We are hoping to get one from Shing Mun.

THE CHAIRMAN.—The next items under Medical Department sub-heads are for cholera precautions, and, as far as cholera is concerned, my recollection is that they are based on maximum emergency figures. It may not be necessary to spend much of it but it is thought wise to put in maximum figures.

Item 108.—22, Medical Department:—Infectious Diseases in China, Assistance in Measures against, \$550.

THE CHAIRMAN.—This was in response to a very urgent call for vaccine from Amoy and we sent it out. There does not seem to be any very appropriate fund from which we can recover the cost, so it was decided to charge it to this Government.

Item 120.—26, Kowloon-Canton Railway:—Special Expenditure. Wagons, \$184,400.

THE CHAIRMAN.—This was a chance for getting a cheap buy.

HON. MR. PATERSON.—A couple of engines would not do any harm. I saw that a couple ran into each other at Shatin the other day.

Item 128.—34, Public Works Extraordinary:—Hong Kong. Building Ordinance. Compensation for Royal Hong Kong Yacht Club, \$30,000.

HON. MR. LO.—May I ask whether the tenure of the Yacht Club was on a lease or on a temporary basis and whether this payment is really *ex gratia* or legal liability?

THE CHAIRMAN.—Certainly it was not a legal liability.

THE DIRECTOR OF PUBLIC WORKS.—The Yacht Club has a lease for 75 years.

THE CHAIRMAN.—This was simply a question of transferring the lease from the present club house to the new one at Kellett Island on the same terms and the same length of lease. As Government wanted this move it is only fair that they should compensate the Club.

THE DIRECTOR OF PUBLIC WORKS.—Government can make use of the Club house.

THE CHAIRMAN.—It was a sort of bargain. I don't think the Finance Committee was consulted but the Secretary of State was. Does that satisfy you, Mr. Lo?

HON. MR. LO.—Yes.

All the votes were approved.