

*6th November, 1947.*

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**PRESENT: —**

HIS EXCELLENCY THE GOVERNOR (SIR ALEXANDER WILLIAM GEORGE HERDER GRANTHAM, K. C. M. G.)

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

THE COLONIAL SECRETARY (HON. D. M. MACDOUGALL, C.M.G.)

THE ATTORNEY GENERAL (HON. J. B. GRIFFIN, K.C.)

THE SECRETARY FOR CHINESE AFFAIRS (HON. R. R. TODD).

THE FINANCIAL SECRETARY (HON. T. MEGARRY, *Acting*).

HON. V. KENNIFF (Director of Public Works).

DR. HON. I. NEWTON (Director of Medical Services).

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

HON. LO MAN-KAM, C.B.E.

HON. LEO D'ALMADA, K.C.

HON. R. D. GILLESPIE.

HON. M. M. WATSON.

MR. ALASTAIR TODD (Deputy Clerk of Councils).

**ABSENT: —**

HON. D. F. LANDALE.

DR. HON. CHAU SIK-NIN.

**MINUTES.**

H.E. THE GOVERNOR. —In connection with the Minutes, I notice in paragraph 4 that it is correctly recorded that the President gave a ruling that under Standing Orders the right to ask a supplementary question was confined to the Honourable Member who asked the substantive question. I regret to say that that ruling given by the President is incorrect. Any Honourable Member has the right to ask a supplementary question. The Minutes of course must stand as they are, but in the Minutes of this meeting of Council it will be recorded that the President drew attention to the fact that his previous ruling was wrong. Even Presidents make mistakes, and even Presidents are bound by the Standing Orders and procedure of this Council. Subject to that, will those in favour of the Minutes say “Aye” and those against “No.”

The Minutes of the meeting of the Council held on 23rd October, 1947, were confirmed

**PAPERS.**

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

The Importation of Gold (Prohibition) Order, 1947, made by the Governor in Council under Section 3 of the Importation and Exportation Ordinance, 1915, Ordinance No. 32 of 1915, on 12th May, 1947.

The Exportation of Gold (Prohibition) Order, 1947, made by the Governor in Council under Section 4 of the Importation and Exportation Ordinance, 1915, Ordinance No. 32 of 1915, on 12th May, 1947.

The Prisons Cemetery authorised by the Governor in Council under section 73 of the Public Health (Sanitation) Ordinance, 1935, Ordinance No. 15 of 1935, to be used as a cemetery, on 13th May, 1947.

The Protected Places (Amendment) Order, 1947, made by the Governor under Regulation 32 of the Defence Regulations, 1940, on 16th May, 1947.

Order made by the Governor under Section 18 of the Quarantine and Prevention of Disease Ordinance, 1936, Ordinance No. 7 of 1936, declaring Formosa an infected place on account of smallpox, on 16th May, 1947.

Items added and amendments made by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Price Control Order, 1946, on 14th May, 1947.

Order made by the Governor in Council under section 6A (2) (a) of the New Territories Regulation Ordinance, 1910, Ordinance No. 34 of 1910, extending the Cheung Chau Chinese Christian Cemetery, on 7th May, 1947.

Amendments made by the Governor in Council under Section 3 of the Vehicle and Road Traffic Ordinance, 1947, Ordinance No. 17 of 1947, to the regulations, on 21st May, 1947.

Amendments made by the Governor in Council under Section 3 of the Vehicle and Road Traffic Ordinance, 1947, Ordinance No. 17 of 1947, to the regulations, on 21st May, 1947.

Amendments made by the Governor in Council under Section 3 of the Post Office Ordinance, 1926, Ordinance No. 7 of 1926, to the regulations, on 21st May, 1947.

Order made by the Officer Administering the Government under Article 13 of the Moratorium Proclamation exempting the securities specified in the Schedule to the said Order from the provisions of Articles 11 and 12 of the said Proclamation, on 22nd May, 1947.

The Compensation (Defence) Regulations (Modification) Order, 1947, made by the Officer Administering the Government under Article 3 of the Emergency Laws (Transitional Provisions) (Colonies, Etc.) Order in Council, 1946, on 22nd May, 1947.

Amendment made by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Rationing Order, 1946, on 16th May, 1947.

The Export Control Order, 1947, made by the Acting Director of Supplies, Trade and Industry under Regulation 50 of the Defence Regulations, 1940, on 19th May, 1947.

Item added by the Acting Director of Supplies, Trade and Industry under Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Prohibited Exports Order, 1946, on 21st May, 1947.

Items added by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Price Control Order, 1946, on 21st May, 1947.

Amendment made by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Price Control Order, 1946, on 28th May, 1947.

Order made by the Officer Administering the Government under Section 18 of the Quarantine and Prevention of Disease Ordinance, 1936, Ordinance No. 7 of 1936, declaring Saigon an infected place on account of plague, on 30th May, 1947.

Item added by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Price Control Order, 1946, on 4th June, 1947.

Amendment made by the Governor in Council under section 3(1)(c) of the Pharmacy and Poisons Ordinance, 1937, Ordinance No. 8 of 1937, to the regulations, on 5th June, 1947.

The Law Amendment (Transitional Provisions) Schedule I Amendment Order, 1947, made by the Governor in Council under Section 8 of the Law Amendment (Transitional Provisions) Ordinance, 1946, Ordinance No. 2 of 1946, on 10th June, 1947.

Amendment made by the Governor in Council under Section 4 of the Post Office Ordinance, 1926, Ordinance No. 7 of 1926, to the rates of postage in Class A—Letters and Post Cards, on 11th June, 1947.

Item deleted by the Acting Director of Supplies, Trade and Industry under Regulation 50 of the Defence Regulations, 1940, from the Schedule to the Prohibited Exports Order, 1946, on 4th June, 1947.

The Import Control Order, 1947, made by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, on 11th June, 1947.

Notification made by the Superintendent of Imports and Exports under paragraph 2 of the Import Control Order, 1947, relating to the issue of a general licence, on 11th June, 1947.

Amendment made by the Governor in Council under section 3 of the Official Signatures Fees Ordinance, 1935, Ordinance No. 37 of 1935, to the Schedule to the said Ordinance, on 14th June, 1947.

Order made by the Governor in Council under section 7 of the Holidays Ordinance, 1947, Ordinance No. 1 of 1947, declaring 30th June, 1947, a general holiday, on 18th June, 1947.

By-laws made by the Star Ferry Company, Limited, and approved by the Governor in Council on 19th June, 1947, under the Star Ferry Company Ordinance, 1902, Ordinance No. 46 of 1902.

The Protected Places (No. 2 Amendment) Order, 1947, made by the Governor under Regulation 32 of the Defence Regulations, 1940, on 17th June, 1947.

Amendment made by the Acting Director of Supplies, Trade and Industry under Regulation 50 of the Defence Regulations, 1940, to the Export Control Order, 1947, on 16th June, 1947.

Item added by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Price Control Order, 1946, on 18th June, 1947.

The Motor Vehicles (Allocation & Control) Order, 1946, revoked by the Acting Director of Supplies, Trade and Industry under Regulation 50 of the Defence Regulations, 1940, on 18th June, 1947.

The Law Amendment (Transitional Provisions) Schedule I Amendment (No. 2) Order, 1947, made by the Governor in Council under Section 8 of the Law Amendment (Transitional Provisions) Ordinance, 1946, Ordinance No. 2 of 1946, on 25th June, 1947.

Amendment made by the Governor in Council under section 3 of the Vehicle and Road Traffic Ordinance, 1947, Ordinance No. 17 of 1947, to the regulations, on 25th June, 1947.

Order made by the Officer Administering the Government under Article 13 of the Moratorium Proclamation exempting the securities specified in the Schedule to the said Order from the provisions of Article 11 of the said Proclamation, on 24th June, 1947.

Order made by the Officer Administering the Government under Article 13 of the Moratorium Proclamation exempting the securities specified in the Schedule to the said Order from the provisions of Articles 11 and 12 of the said Proclamation, on 25th June, 1947.

Item added and amendments made by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Price Control Order, 1946, on 25th June, 1947.

Item added by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Prohibited Exports Order, 1946, on 26th June, 1947.

Order made by the Officer Administering the Government under Article 13 of the Moratorium Proclamation exempting the securities specified in the Schedule to the said Order from the provisions of Articles 11 and 12 of the said Proclamation, on 2nd July, 1947.

Items added and amendments made by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Price Control Order, 1946, on 2nd July, 1947.

Amendment made by the Governor in Council under section 42 of the Merchant Shipping Ordinance, 1899, Ordinance No. 10 of 1899, to Table U in the regulations, on 9th July, 1947.

Order made by the Officer Administering the Government under Article 13 of the Moratorium Proclamation exempting the securities specified in the Schedule to the said Order from the provisions of Articles 11 and 12 of the said Proclamation, on 10th July, 1947.

Items added and amendments made by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Price Control Order, 1946, on 9th July, 1947.

Item added by the Acting Director of Supplies, Trade and Industry under Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Prohibited Exports Order, 1946, on 9th July, 1947.

The Duty on Bank Notes (Chartered Bank of India, Australia and China) Regulations, 1947, made by the Governor in Council under section 4 of the Stamp Ordinance, 1921, Ordinance No. 8 of 1921, on 14th July, 1947.

Order made by the Governor in Council under Regulation 2 of the Quarantine (Measures on Departure) Regulations, 1939, suspending Regulation 3 of the said Regulations, on 16th July, 1947.

Amendment made by the Governor in Council under section 17 of the Prisons Ordinance, 1932, Ordinance No. 38 of 1932, to the Rules, on 16th July, 1947.

Notice made by the Urban Council and approved by the Governor in Council relating to Urban Council conservancy charges.

Order removing quarantine restrictions imposed against all ports of the Kwangtung province on account of cholera, dated 18th July, 1947.

Order removing quarantine restrictions imposed against Canton on account of smallpox, dated 18th July, 1947.

Item added and amendments made by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Price Control Order, 1946, on 16th July, 1947.

Amendment made by the Acting Director of Supplies, Trade and Industry under Regulation 50 of the Defence Regulations, 1940, to the Export Control Order, 1947, on 22nd July, 1947.

Item added and amendments made by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Price Control Order, 1946, on 23rd July, 1947.

Order removing quarantine, restrictions imposed against Saigon on account of plague, dated 28th July, 1947.

Amendment made by the Midwives Board under Section 4 of the Midwives Ordinance, 1910, Ordinance No. 22 of 1910, and approved by the Officer Administering the Government on 24th July, 1947, to the Regulations made under the said Ordinance.

Order made by the Governor under Article 13 of the Moratorium Proclamation exempting the securities specified in the Schedule to the said Order from the provisions of Articles 11 and 12 of the said Proclamation, on 29th July, 1947.

The Protected Places (Amendment No. 3) Order, 1947, made by the Governor under Regulation 32 of the Defence Regulations, 1940, on 30th July, 1947.

Item added and amendments made by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Price Control Order, 1946, on 30th July, 1947.

Order made by the Governor under Article 13 of the Moratorium Proclamation exempting the securities specified in the Schedule to the said Order from the Provisions of Articles 11 and 12 of the said Proclamation, on 3rd August, 1947.

Order removing quarantine restrictions imposed against Bangkok on account of smallpox, dated 8th August, 1947.

The Trading with the Enemy (Transfer of Negotiable Instruments, etc.) (Germany) Order, 1947, made by the Governor under sections 2A and 6 of the Trading with the Enemy Ordinance, 1914, Ordinance No. 25 of 1914, on 8th August, 1947.

The Trading with the Enemy (Authorisation) (Germany) Order, 1947, made by the Governor under section 2A of the Trading with the Enemy Ordinance, 1914, Ordinance No. 25 of 1914, on 8th August, 1947.

The Trading with the Enemy (Transfer of Negotiable Instruments, etc.) (Japan) Order, 1947, made by the Governor under sections 2A and 6 of the Trading with the Enemy Ordinance, 1914, Ordinance No. 25 of 1914, on 8th August, 1947.

The Trading with the Enemy (Authorisation) (Japan) Order, 1947, made by the Governor under section 2A of the Trading with the Enemy Ordinance, 1914, Ordinance No. 25 of 1914, on 8th August, 1947.

Order made by the Governor in Council under Section 6A of the New Territories Regulation Ordinance, 1910, Ordinance No. 34 of 1910, rescinding the rules relating to "Dairies", on 7th August, 1947.

Order made by the Governor under Section 18 of the Quarantine and Prevention of Disease Ordinance, 1936, Ordinance No. 7 of 1936, declaring Foochow an infected place on account of plague, on 11th August, 1947.

Order made by the Governor under Article 13 of the Moratorium Proclamation exempting the securities specified in the Schedule to the said Order from the provisions of Articles 11 and 12 of the said Proclamation, on 14th August, 1947.

Amendment made by the Acting Director of Supplies, Trade and Industry under Regulation 50 of the Defence Regulations, 1940, to the Export Control Order, 1947, on 13th August, 1947.

Items added and amendments made by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Price Control Order, 1946, on 13th August, 1947.

The St. Peter's Church licensed by the Registrar of Marriages under Section 3 of the Marriage Ordinance, 1875, Ordinance No. 7 of 1875, to be a place for the celebration of marriages, on 9th August, 1947.

Amendments made by the Governor in Council under section 3 of the Miscellaneous Licences Ordinance, 1933, Ordinance No. 25 of 1933, to the Second Schedule and the Appendix to the Second Schedule to the said Ordinance, on 14th August, 1947.

Amendment made by the Governor in Council under section 15 of the Wild Birds Ordinance, 1922, Ordinance No. 15 of 1922, to the regulations, on 15th August, 1947.

Amendments made by the Governor in Council under section 5 of the Ferries Ordinance, 1917, Ordinance No. 28 of 1917, to the regulations, on 15th August, 1947.

Amendment made by the Governor in Council under section 6 of the Places of Public Entertainment Regulation Ordinance, 1919, Ordinance No. 22 of 1919, to the regulations, on 15th August, 1947.

The Protected Places (Amendment No. 4) Order, 1947, made by the Governor under Regulation 32 of the Defence Regulations, 1940, on 14th August, 1947.

Items added and amendments made by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Price Control Order, 1946, on 20th August, 1947.

Items added and amendments made by the Acting Director of Supplies, Trade and Industry under Defence Regulation 50 of the Defence Regulations, 1940, to the Schedule to the Price Control Order, 1946, on 26th August, 1947.

Order removing quarantine restrictions imposed against Amoy on account of plague, dated 5th September, 1947.

### QUESTIONS.

HON. LO MAN-KAM asked: —

With reference to the Honourable Acting Colonial Secretary's replies to my questions in this Council on 16th October, 1947, will Government table a statement showing.



- (1) How the £ 3,250,000.00 loan was spent?
- (2) Under what authority it was so spent?
- (3) The totals of each category of expenditure mentioned in answer (2) indicating
  - (a) the amounts in each category which have been charged to Hong Kong expenditure and
  - (b) which have been charged to suspense account, and
- (4) By what authority the expenditure in (3) above was incurred?

THE FINANCIAL SECRETARY replied: —

1. Of the total advance of £ 3,250,000 made by His Majesty's Government, £ 2,500,000 was received up to the 30th April, 1946, and the remaining £ 750,000 after the resumption of Civil Government. Expenditure recorded in the London books for the period September, 1941, to April, 1946, amounted to some £ 4,500,000. Revenue for the same period totalled only £ 2,000,000, leaving a deficit of £ 2,500,000 which was made up by the advances from His Majesty's Government. The £ 750,000 advanced after the 30th April, 1946, was also for the purpose of assisting towards the large deficits which had occurred since the resumption of Civil Government in Hong Kong.

2. Up to the end of April, 1946, the following amounts were spent on each of the heads of expenditure mentioned in the answer to the Honourable Member's question of the 16th October, 1947. No part of these amounts was charged to suspense account.

(a) Pay and allowances, pensions and other minor payments to volunteers and their dependants ... ..	£ 444,546
(b) Repatriation passages for non-officials ... ..	19,455
(c) Maintenance and relief payments ... ..	1,048,745
(d) Payments to Civil Defence workers and other temporary Civil Servants ... ..	78,970

giving a total of £ 1,591,716. In addition, the following sums were spent and debited to Hong Kong expenditure in the London accounts up to the end of April, 1946: —

(e) Civil Servants' salaries and allotments ... ..	£ 1,644,745
(f) Pensions and gratuities to ex Civil Servants ... ..	763,624

These items (a) to (f) give a total of a little over £ 4,000,000 out of the £ 4,500,000 mentioned in paragraph 1 above.

3. The total amounts so far recorded as a charge to suspense accounts over the whole period since the end of 1941 in respect of categories (a) to (d) in paragraph 2 above are approximately: —

(a)	£ 244,500
(b)	59,400
(c)	449,000
(d)	<u>254,500</u>
	<u>£ 1,007,400</u>

These amounts include further charges through the Crown Agents' accounts since the answers to the previous questions on the 16th October and it is pointed out that these suspense totals are incomplete since there is inevitably a time-lag in receipt and posting of the accounts from London. It will be seen that these items in suspense, together with the £ 1,591,716 incurred in London up to the 30th April, 1946, account for a total of over £ 2,500,000 out of the £ 3,250,000 advanced by His Majesty's Government.

4. As regards the authority, expenditure debited in the London accounts before the inception of the Civil Government and during the occupation period was made on the authority of the Secretary of State largely in accordance with commitments approved in previous years by the Hong Kong legislature, since, during that period, no properly constituted Civil Government was functioning in the Colony. Such commitments naturally continued after the resumption of Civil Government and certain decisions already taken by the Secretary of State had necessarily to be endorsed by the local administration. Had it not been decided to put charges to suspense provision would have been made in the Estimates and the necessary appropriation measures taken.

5. Reference is invited to the Accountant-General's explanatory memorandum published with financial statements in the Gazette of the 31st October, 1947. Detailed analysis and reconstruction of the accounts from 1941 is nearing completion and a report thereon will be incorporated in the financial report for the year 1946/47, which will be available before long. It will readily be understood that the loss of records and the intervention of a period of military administration have added considerably to the difficulties in this connexion.

#### MOTIONS.

THE ATTORNEY GENERAL moved: —

That the Probate Rules, 1947, made by the Chief Justice under section 74 of the Probates Ordinance, 1897, Ordinance No. 2 of 1897, on 29th October, 1947, be approved. He said: Sir, the rules which require the approval of this Council are self-explanatory. The position is that the Chief Justice, by the rules, makes provision for cases where grants of Probate or Letters of Administration were made prior to the 8th December, 1941, but evidence of such grants was lost or destroyed. The purpose of the rules is to enable certified copies to be granted without the obligation to pay further fees.

THE COLONIAL SECRETARY seconded, and the motion was carried.

**HONG KONG POLICE RESERVE AMENDMENT BILL, 1947.**

THE ATTORNEY GENERAL moved the Second reading of a Bill intituled "An Ordinance to amend the Hong Kong Police Reserve Ordinance, 1927."

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 Bill clause by clause.

Council then resumed.

THE ATTORNEY GENERAL reported that the Hong Kong Police Reserve Amendment Bill, 1947, 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 into law.

**LEGAL PRACTITIONERS AMENDMENT BILL, 1947.**

THE ATTORNEY GENERAL moved the Second reading of a Bill intituled "An Ordinance to amend the Legal Practitioners Ordinance, 1871."

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 Bill clause by clause.

Council then resumed.

THE ATTORNEY GENERAL reported that the Legal Practitioners Amendment Bill, 1947, 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 into law.

**ADULTERATED FOOD AND DRUGS AMENDMENT BILL, 1947.**

THE ATTORNEY GENERAL moved the Second reading of a Bill intituled "An Ordinance to amend the Adulterated Food and Drugs Ordinance, 1935."

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 Bill clause by clause.

Council then resumed.

THE ATTORNEY GENERAL reported that the Adulterated Food and Drugs Amendment Bill, 1947, 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 into law.

### **ADJOURNMENT.**

H.E. THE GOVERNOR. That completes the business before Council, and when is it the pleasure of Honourable Members that we should meet again?

THE ATTORNEY GENERAL. —Sir, I propose that Council do adjourn until the 19th of this month. The 19th of November will be a Wednesday. I therefore propose, subject to Your Excellency's concurrence, that starting with that date, henceforth the normal day for meeting of Council should be Wednesday in the week rather than Thursday. I make this proposal, Sir, because the practice of holding normally a meeting of Council on the Thursday has proved and is proving inconvenient because of the fact that the Gazette is published on Friday and therefore some difficulty, and the possibility of error, occurs where bills are passed into law on the Thursday, require Your Excellency's assent, and thereafter have to be published in it the following day.

H.E. THE GOVERNOR. —Would Wednesday as the normal meeting day suit Honourable Members rather than Thursday?

This was agreed.

Council was accordingly adjourned until Wednesday, 19th November, 1947, at 2.30 p.m.