

the remaining \$5,000,000 of the issue must be fully covered by such coin or securities, so deposited. The new Ordinance will provide simply that $\frac{2}{3}$ of the ordinary issue, which issue will in future amount to \$20,000,000, must be so covered.

4. The comparison between the existing law and the new Ordinance can also be made in the following way, as regards the first \$20,000,000 of the total issue. Security under present law :—

- $\frac{1}{3}$ of \$10,000,000 in coin or securities.
- \$5,000,000 in coin or securities.
- \$5,000,000 in coin or bullion.

Security under new Ordinance :—

- $\frac{2}{3}$ of \$20,000,000 in coin or securities.

It will thus be seen that the value of the security will not be altered, but that the Corporation will be relieved from the necessity of keeping coin or bullion against any part of the first \$20,000,000 of the total note issue.

5. It will be noted that one provision disappears in the proposed new section 13, *i.e.*, the requirement of the latter part of the present section 13 (1), that the Corporation must keep at each of its establishments an amount of coin or bullion equal in value to one-third at least of the notes issued from such establishment and actually in circulation. It is considered that this may be left to the discretion of the Corporation.

6. Sub-section (4) of section 13 will enable the Corporation, subject in all respects to the approval of the Governor, to keep, in places outside the Colony where notes may be issued by the Corporation, part of the excess note issue security, which must of course be in coin or bullion. The bringing of this section into practical operation is of course dependent upon the arrangement of a satisfactory scheme for the custody of the coin or bullion.

7. Clause 4 is the usual saving clause.

NOTICES.

COLONIAL SECRETARY'S DEPARTMENT.

No. S. 92.—Statement of Sanitary Measures adopted by Hongkong.

Disease.	Port or Place.	Restrictions in Force.	Authority.
Small-pox.	Shanghai.	Medical examination ; quarantine at the discretion of the Health Officer.	Notification No. 512 of 9th December, 1921.
Cholera.	Manila.	Do.	Notification No. 16 of 13th January, 1922.