

No. 232.

GOVERNMENT NOTIFICATION.

The following Papers respecting the Revenue from Houses of ill fame, have been laid before the Legislative Council.

By Command,

W. H. MARSH,  
*Colonial Secretary.*

Colonial Secretary's Office, Hongkong, 18th November, 1879.

*The Right Honourable Sir Michael Hicks-Beach, Bart., M.P., to His Excellency  
Governor Pope Hennessy, C.M.G.*

HONGKONG,  
No. 24.

DOWNING STREET,  
13th April, 1878.

SIR,—I have the honour to inform you that a question of which I enclose a copy has been asked in the House of Commons as to the Revenue derived under Ordinance No. 10 of 1867, from houses of ill fame in the Colony under your Government.

It has been alleged that the balance of the fund now in hand amounts to \$50,000, and though I can scarcely think that such is the case, I should wish to have full information on the subject.

If therefore this point has not already been dealt with by the Commission, I request that you will either invite them to include in their report a statement of the condition of any fund that has been formed under the 66th Section of the Ordinance, together with any recommendation on the subject that they may think proper to make; or that you will obtain this information from the records of the Treasury and report to me at an early date the result of your enquiry.

I have the honour to be,

Sir,

Your most obedient humble Servant,

M. E. HICKS-BEACH.

To  
Governor HENNESSY, C.M.G.,  
&c., &c., &c.

*Extract from the Order Book of the House of Commons.*

SIR HARCOURT JOHNSTONE.—To ask the Secretary of State for the Colonies, whether his attention has been directed to a recent outrage committed under the regulations of the Chief Inspector of Police at Hongkong, which is now forming the subject of inquiry by a Commission appointed by the Governor:

And, if he will cause special investigation to be made as to the manner in which the Revenue derived from licensing houses of ill fame is raised and expended for the Service of the Colony.

(Thursday, 4th April.)

*His Excellency Governor Pope Hennessy, C.M.G., to The Right Honourable  
Sir Michael Hicks-Beach, Bart., M.P.*

No. 54.

GOVERNMENT HOUSE,  
HONGKONG, 1st July, 1878.

SIR,—I have the honour to acknowledge the receipt of your Despatch, No. 24, of the 13th of April, enclosing a copy of a question asked by Sir HARCOURT JOHNSTONE in the House of Commons as to the revenue derived from houses of ill fame in the Colony under my Government.

2. I transmitted a copy of the despatch to the Commission on the Contagious Diseases Ordinance, and I also communicated with the head of the departments concerned, that is the Treasury and the Registrar General's department.

3. I found that the fund to which the second and third paragraphs of your despatch refer, has not been in existence for many years. The section of the Ordinance No. 10 of 1867 mentioned in the

despatch, by which brothel licences, and fines and fees from prostitutes were to form a separate fund for the purposes of the Ordinance, was not complied with: but such monies were treated as a part of the regular revenue and used for the general purposes of Government.

4. The commission having asked Mr. CECIL CLEMENTI SMITH, who is both Registrar General and Treasurer, to explain this, Mr. SMITH replied as follows:—

“ From the year 1859 until the present time the revenue and expenditure in connection with houses of ill fame have been included in the annual Estimates of the Colony which have from time to time in due course received legislative sanction. Under what circumstances this arrangement was commenced I have no knowledge, but I recollect having made some enquiry about it in the time of Sir HERCULES ROBINSON when I took charge of this office and was informed that after consideration it had been so ordered by the Governor.”

5. Undoubtedly when the licensing of brothels was first proposed in Hongkong the formation of a separate fund was one of the conditions on which the Legislature agreed to the scheme, and Mr. CALDWELL, the former Registrar General appears to have formed such a fund. The Ordinances on this subject have been worked so much in the dark, and such exceptional powers have been exercised by the Registrar General, that it is not an easy matter to ascertain the circumstances under which this particular provision of the law was set aside. As far as the breach of Section 66 of Ordinance 10 of 1867 is concerned, Sir HERCULES ROBINSON can hardly be held accountable for it, as his successor Sir RICHARD MACDONNELL was the Governor of Hongkong when Ordinance 10 of 1867 was passed.

6. Last year, soon after I reached the Colony, I observed in that part of the Blue Book returns for which the Treasurer is responsible (page 22 of Blue Book for 1876) that the Fees from Brothels appeared to be treated as a Special Receipt. Having now, however, ascertained from Mr. SMITH's answer to the Commission, that this was really not so, I instructed him, as the head of the two departments concerned, to comply with the law and constitute the Fund without any further delay. I enclose a copy of the Acting Colonial Secretary's correspondence with Mr. SMITH, from which it will be seen that there will be no difficulty in doing this.

7. As regards the actual amount of money obtained from this source, and the amount spent on the Lock Hospital the Commissioners are getting full information from Mr. SMITH. Their calculations have not yet been completed, but the Chairman of the Commission tells me that he thinks it not unlikely that the sum mentioned in your despatch \$50,000, will be found to have been gained over and above the cost of the Brothel System, when the expenditure for the purposes of the Ordinance is deducted from the total receipts.

8. In the question put in the House of Commons it is assumed that the occurrence which led to the appointment of the Commission took place “under the regulations of the Chief Inspector of Police at Hongkong” but the death of the two Chinese women was owing to the action of an Inspector of Brothels, who is an officer of the Registrar General's department, and, who is not under the Police authorities.

I have, &c,

(Signed,) J. POPE HENNESSY.

To

The Right Honourable Sir MICHAEL HICKS-BEACH, Bart., M.P.,  
*Her Majesty's Principal Secretary of State for the Colonies,*  
*&c., &c., &c.*

*The Right Honourable Sir Michael Hicks-Beach, Bart., M.P., to His Excellency  
Governor Pope Hennessy, C.M.G.*

HONGKONG,  
No. 71.

DOWNING STREET,  
28th August, 1878.

SIR,—I have the honour to acknowledge the receipt of your Despatch, No. 54, of the 1st July, relative to the amount of revenue derived from houses of ill fame and I approve of the steps which you have taken for constituting a special fund from this source in accordance with Ordinance 10 of 1867.

I have the honour to be,

Sir,

Your most obedient humble Servant,

M. E. HICKS-BEACH.

To

Governor HENNESSY, C.M.G.,  
*&c., &c., &c.*