

2ND JULY, 1914.

**PRESENT:—**

HIS EXCELLENCY THE GOVERNOR, SIR FRANCIS HENRY MAY, K.C.M.G.

HIS EXCELLENCY MAJOR-GENERAL F. H. KELLY, C.B. (General Officer Commanding Troops).

HON. MR. CLAUD SEVERN (Colonial Secretary).

HON. MR. J. H. KEMP (Attorney-General).

HON. MR. E. D. C. WOLFE (Colonial Treasurer).

HON. MR. A. F. CHURCHILL (Director of Public Works).

HON. MR. E. R. HALLIFAX (Secretary for Chinese Affairs).

HON. MR. C. McI. MESSER (Captain Superintendent of Police).

HON. MR. WEI YUK, C.M.G.

HON. MR. H. E. POLLOCK, K.C.

HON. MR. E. A. HEWETT, C.M.G.

HON. MR. E. SHELLIM.

HON. MR. D. LANDALE.

HON. MR. LAU CHU PAK.

MR. M. J. BREEN (Clerk of Councils).

**Minutes**

The minutes of the previous meeting were confirmed.

**Papers**

THE COLONIAL SECRETARY, by command of H.E. the Governor, laid on the table the following paper:—Report on the Assessment for the year 1914-1915.

**Financial Minutes**

THE COLONIAL SECRETARY, by command of H.E. the Governor, laid on the table Financial Minute No. 36, and moved that it be referred to the Finance Committee.

THE COLONIAL TREASURER seconded, and the motion was agreed to.

**Financial**

THE COLONIAL SECRETARY, by command of H.E. the Governor, laid on the table the Report of the Finance Committee (No. 8), and moved its adoption.

THE COLONIAL TREASURER seconded, and the motion was agreed to.

**The Hongkong (South) Development Scheme**

The next item on the Agenda was the following motion in the name of the Colonial Secretary:—

That this Council approves the draft agreement laid on the table on the 4th of June, between His Excellency Sir F. H. May, K.C.M.G., Governor of Hongkong, for and on behalf of the Government of the same (who and whose successors in office are hereinafter referred to as "the Governor") of the one part, and Messrs. Dennys & Bowley, Solicitors (who and whose assigns are hereinafter called the Promoters) of the other part, with regard to a scheme for the development of a portion of the South of the Island of Hongkong, on condition that the promoters furnish to the Government satisfactory proof of their financial ability to carry out the scheme.

THE ATTORNEY-GENERAL—Sir, the points raised at the last meeting of the Council by the Hon. Mr. Landale have been considered by the Government, and it is thought undesirable that any sole or exclusive rights of supplying electricity or gas should be granted to the promoters. It is therefore proposed to ask the Council to approve the agreement only with certain alterations which I propose to explain shortly. A new draft agreement, marked on the back "5th draft agreement," has been laid on the table, and if hon. members will be good enough to refer to that I shall be able to explain shortly what the alterations now proposed are. The principal one is in Article 24. The old draft of that article read as follows:—

"The promoters shall have the sole right during the term of 25 years to supply electricity and gas within the areas over which they have an option." That gave a monopoly which it is now thought undesirable to grant. It is therefore proposed to insert instead the following article which appears on the new draft:—

The Government shall during the said term of 25 years grant to the promoters all reasonable facilities to enable them to supply electricity and gas in the areas over which they have an option: provided that nothing in this article shall be deemed to confer on the promoters any sole or exclusive right to supply electricity or gas: provided also that the maximum rates at which electricity or gas shall be supplied shall be subject to the approval from time to time of the Government.

Consequential on that, Sir, the proviso to Article 23 must be deleted. That article gives to the Government power to sanction the laying of cables, mains, pipes and wires over the promoters' option areas, and the proviso was to the effect that such wires, cables and mains should not be used within any areas over which the promoters had the sole right. "Sole right" disappears under clause 24, and that proviso becomes unnecessary. There are also, Sir, two amendments in Article 33. The first of these two is the insertion of the figures 10 so as to make Section 10, as well as Sections 11 and 12 of the Ordinance there referred to, apply to the main tramway which is contemplated by this agreement. Sections 11 and 12 of the Peak Tramways Ordinance deal with the procedure in case of the insolvency of the Tramway Company, and provide for the purchase by the Government of the undertaking after a certain number of years. Section 10 refers to the procedure to be adopted in case the promoters should cease to carry on the undertaking of the tramway, in which case the section would give the Government power to determine their rights. The other amendment in Article 33 relates to the feeding lines which are mentioned in the agreement, such as public motor car services, railless trolley car services, tramlines, light railways and other public means of transport. It seems desirable that the Ordinance regulating the main tramway should also contain provisions with regard to the feeding lines, dealing with the procedure in case of failure to carry on the services and with regard to the purchase by the

Government of the undertaking at the end of a certain number of years. I should say the amendment to Article 23 and the amendments to Article 33 have been accepted by the promoters, but they have taken some exception to the proposed amendment to Article 24. I beg to move, therefore, as an amendment to the original motion, that Council approve the draft laid on the table on the 2nd July, 1914.

THE COLONIAL SECRETARY seconded, and the motion was agreed to.

#### **Estate Duty Ordinance**

HON. MR. HEWETT—Sir, I beg to rise on a point of order. I see against the next item on the agenda a star, meaning "Will not be proceeded with at this meeting." Unofficial members have had a few meetings on the subject of the Estate Duty Ordinance, and I have been asked by the senior unofficial member (Hon. Mr. Wei Yuk) to request that this Bill should not be dealt with before six weeks, and the Government may be asked for an extension of that time. I think the reasons are obvious, and if unofficial members are asked to state their objections they are prepared to do so.

Consideration of the Bill was deferred as requested.

HIS EXCELLENCY—Council stands adjourned *sine die*.

#### **FINANCE COMMITTEE.**

A meeting of the Finance Committee was then held, the COLONIAL SECRETARY presiding. The following vote was passed:—

#### **Waterworks Extension**

The Governor recommended the Council to vote a sum of four thousand dollars (\$4,000) in aid of the vote Public Works, Extraordinary, Hongkong, Water Works, Shaukiwan Water Works Extension.

THE CHAIRMAN—The original estimate for this work was \$40,000, and up to the end of 1913 \$30,404 had been expended. The amount that lapsed to the Treasury by the work not being finished was \$7,000 odd, and there was provided in this year's estimate \$3,000, so that the actual amount required to complete the work is \$3,951.80, but the vote has been made \$4,000 to be on the safe side.