

6TH NOVEMBER, 1914.

PRESENT:—

HIS EXCELLENCY THE GOVERNOR, SIR F. H. 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. 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 papers:—Abstract showing difference between Estimates of Revenue and Estimates of Expenditure for the year 1914-1915; Despatch from the Secretary of State, dated the 11th September, on the subject of investigations by the Imperial Institute for private individuals and firms; and quarterly return of Excesses on sub-heads met by savings under heads of expenditure.

Financial

THE COLONIAL SECRETARY, by command of H.E. the Governor, laid on the table Financial Minutes Nos. 67 to 72, and moved that they be referred to the Finance Committee.

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

Alien Enemies (Winding up) Amendment Ordinance

THE ATTORNEY-GENERAL—It is not proposed, Sir, to deal with the first item on the Orders of the Day, the Bill entitled, "An Ordinance to amend the Alien Enemies (Winding Up) Ordinance."

Medical Registration Amendment Ordinance

THE ATTORNEY-GENERAL moved the first reading of a Bill entitled, "An Ordinance to amend the Medical Registration Ordinance, 1884."

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

The Objects and Reasons are as follow:—

The main object of this Bill is to assimilate as far as possible the qualifications which entitle a medical practitioner to registration in this Colony to the qualifications required in the United Kingdom and in other parts of His Majesty's Dominions.

It accordingly provides that only the following classes of persons shall be entitled to registration here:—

- (a.)—Persons registered in some other part of His Majesty's Dominions, whose qualification is accepted for registration by the General Council of Medical Education and Registration in the United Kingdom.
- (b.)—Persons holding a medical degree of the University of Hongkong.

(c.)—Persons holding a degree, diploma or licence in medicine and surgery of any medical school in Europe, the United States of America or the Empire of Japan, the degrees, diplomas and licences of which are recognised as entitling to registration by the General Council of Medical Education and Registration of the United Kingdom.

THE ESTIMATES.

THE COLONIAL SECRETARY moved the second reading of the Bill entitled, "An Ordinance to apply a sum not exceeding Nine million five hundred and fifteen thousand six hundred and ninety-two dollars to the Public Service for the year 1915."

THE COLONIAL TREASURER seconded.

HON. MR. HEWETT—Your Excellency, I have been asked by the unofficial members to speak first in reply to the Budget statement put before us a fortnight ago. I had, perhaps, better begin by expressing my regret that the representation of the unofficial members at this very important meeting is so sparse. But, as your Excellency is aware, one of our members has been away a good many months ill, and another has been called away on business and left the Colony a few days ago. That hon. member, however, attended the meeting at which the unofficial members discussed the budget now before us, and I think I am correct in saying that he would entirely endorse, and would, if he were here, voice the views I am about to express. Perhaps your Excellency would allow me to add a word or two to what I said about a fortnight ago when your Excellency's address, which was printed, was laid upon the table. Personally, as I have had the honour on more than one occasion of being asked by unofficial members to reply to the Budget speech, I may say that it is far more illuminating to me to hear a clear and concise verbal statement made by the Governor than to have a printed paper laid before us, or even to have a printed paper read to us. I trust that the usual procedure will—as your Excellency gave a sort of half promise would be the case—be adopted in the future; that is to say, that the Governor will deliver his speech, because listening

to such a speech is, from an educational point of view, of far more value to me, if I have to reply to that speech, than it would be if I had to read a printed paper. Turning to the Budget itself, the financial situation, so far as next year is concerned, may be considered very satisfactory, but I think, on further consideration and analysis of that statement, it cannot altogether be regarded as satisfactory. Now, we find that the estimated revenue for 1914 was \$9,500,000, while the revised revenue for the same year was \$11,067,000. The estimate for 1915 is \$11,200,000, of which more than one-third, that is to say, \$4,000,000, is represented by the revenue from opium. Now, this source of revenue, the opium revenue, on which we are so largely dependent for the prosperity of our Colony, and for the carrying out at enormous expense of public works which, owing to our position, geographically situated and topographically constructed as it is, is a very important and increasingly important source of expenditure. To trust to opium for a third of our revenue is clearly a source of weakness. We know that very large stocks were accumulated during the recent disturbances in China, and it will take about two or two and a half years to work off these accumulated stocks. At the expiration of that term I think it is quite reasonable to suppose that the further importation of Indian opium will be very greatly curtailed, if not entirely checked. That being so, it is quite reasonable to suppose, following on the instructions we have received from the Secretary of State, dictated to him by the existing House of Commons, as to the opium policy of Great Britain and the Colonies, that we cannot for any very great time rely upon such a valuable source of revenue which, as I have already said, amounts to more than one-third of our revenue. Therefore, I think it is only right that even now we should begin to consider, and I think it would be very advisable if your Excellency could outline, some means by which the loss of that revenue is going to be made up. Our principal source of revenue here, as your Excellency knows, is the house tax. We all know that there has been for many years past a depression of trade consequent upon disturbances in China, and various other reasons, and great complaints have been made about the excessive rents charged to householders by landed proprietors, many of whom are absentee landlords. Before I go on I

would say that, of course, the revenue on house property is based on an annual or triennial valuation of property, and I think I may reasonably say, as things are going now, that a revaluation of property will show a depreciation in values and consequently a decrease in the revenue derived from this source. Again, other sources of revenue are licences, which include the liquor tax. Now, the liquor tax is quite a new source of revenue, and the Government when it was resorted to repudiated all responsibility for it, and were promptly followed by the unofficial members, who repudiated responsibility for this extremely unpopular tax. Licences, as we all know, have very largely increased on several different occasions during the last few years. Therefore, I maintain that the extension of taxation here is limited, and I see no new sources of revenue except by increasing existing taxation. That will have to be done in a very tender manner, otherwise it will have a serious effect on the prosperity of the Colony. Page 19 of the accounts shows that the expenditure for 1913 was estimated at \$8,658,012. In 1915 the estimated expenditure is placed at \$12,486,771; that is to say, in two years we have, roughly, an increase of about 50 per cent. in the expenditure of this Colony, and over and above that, even to balance the account for 1915, we have to draw upon our very sparse reserve to the extent of nearly \$1,100,000. With regard to the estimated revenue for next year, I think I am right in saying that it is the largest revenue that has ever been put before the Colony. I remember the time, about 25 years ago, when the revenue of the Colony was barely \$2,000,000. That gives an idea of the way in which the Colony has progressed during the last quarter of a century. At the same time it shows, from the figures I have quoted, the very great danger we shall have in a few years of having to face a very serious reverse. Turning to expenditure, I will deal with only a few of the more important items, as I do not wish to detain this honourable Council too long. At the same time, as it's the only one time in the year that unofficial members have an opportunity of criticising the financial policy of the Government, I must not scamp the work, but meet the requirements of the case. I will come next to the Harbour Department. There is an entry there on page 12, which is referred to in your Excellency's speech (page 3), with regard to the scheme of the Government

for taking over the moorings. As your Excellency is aware, the Chamber of Commerce, the shipping companies and the unofficial members of this Council have from the very first opposed this scheme; we still continue to oppose it. For twelve years this scheme, which, I understand, was brought forward by the present Harbour Master, has been before this Council. We do not like it any more now than we did twelve years ago. On page 31 you will find an estimate of \$10,000 for relaying, repairing and the upkeep of moorings. Now, I happen to have as good a set of moorings in the harbour as any man. I know the number of moorings, and I think the sum is very largely under-estimated. Then, on page 35, there is an entry of a quarter of a million with which the Government propose to buy the moorings. I am not prepared to say whether that is sufficient or insufficient for the property they intend to acquire, but I do say this: in view of the extremely uncertain financial condition of this Colony in the immediate future it would be extremely unwise for the Government to embark upon such an expensive experiment, and one that has been condemned by all those nearly affected by the proposal. I think the Government ought to drop the scheme, and I propose to move an amendment to the Bill now before us that these two items be eliminated. We are—when I say “we” I mean the unofficial members of the Council and also the shipping companies and the Chamber of Commerce, which are interlaced—still absolutely in the dark as to how the Government proposes to work this scheme. The only information we have received is the copy of the letter which your Excellency addressed to the Secretary of State, dated 12th August, 1914, in which, after going into the question of changing the moorings and so forth, you go on to say that the moorings will be assigned through the local pilots or by signal to incoming vessels by the Harbour Department. Now, I have been in the shipping business for nearly forty years; I have been in China for 35 years, and in Hongkong for about twenty years, and I know perfectly well that if any ship came wandering into the harbour trusting to a signal from the Harbour Master or to a pilot as to which buoy she should go to, a great deal of confusion, and possibly collisions and danger to life and property will arise. How could a captain possibly, on five minutes' notice, even supposing the weather was clear enough for the Harbour Master to signal him, go to No. 1, 2, 3 or

4 buoy, or whatever the number might be, when he is working his way through Lyemun Pass into a crowded harbour full of native craft and shipping, look up the chart and try to find out the buoy to which he is supposed to make fast? The alternative made by you is to employ pilots, but shipping companies for years have always stood out against that. We will not have compulsory pilots here: we don't want them. An effort was made some time ago for an association to start here, but it died a natural death. As far as I can make out, although we have had no particulars of the moorings, the revenue is estimated at \$30,000 a year. Basing my calculation on the fact that I have so many moorings in this harbour, I say that the Government charge is an extreme advance on the prices we are now paying for our moorings. If you can satisfy the shipping community, the Chamber of Commerce and the unofficial members that this change is really necessary, I would then beg to suggest that we might make a counter offer. The moorings have been two or three times relaid to my knowledge to meet the increased length and size of modern ships, and if a scheme could be carried out by an amicable arrangement between the Government and the shipping companies, no doubt those companies which are going to be affected by the change will be prepared to bear part of the cost, but I would ask your Excellency to consider my counter proposal, that we be allowed to buy or rent our own moorings. That is, from any own experience in Hongkong, a very great advantage to shipping. I tell my own captains on their outward voyage that when they return six weeks hence they will have to go to a certain buoy, and that stands, and when they come in it is not necessary for them to employ a pilot. I have never employed a pilot, and will not unless my ships go to the wharf, because there very strong currents are running. If you insist on this scheme, it seems to me that with the change of moorings and compulsory pilotage you are imposing a great tax on shipping which can be ill borne under existing conditions, and we strongly oppose the scheme your Excellency put before us in your letter to the Secretary of State on the subject. I speak with the full concurrence of the members of the Chamber of Commerce, and trust you will make the Secretary of State equally aware of our opposition to your scheme, and I merely now give notice that when the time comes I shall move the rejection of that particular

section of the vote. Under the head Imports and Exports Department your Excellency mentioned (page 3) an increase of about \$35,000, but you only refer to an increase of \$14,000. As a matter of fact, the increase this year, as opposed to last year, is really \$85,000, because there is \$50,000, or, to be more correct, \$49,800, less asked for the purchase of opium. I have gone through the papers, but they are not very clear, therefore I won't labour this question for the moment, but I will refer to it later on. In Miscellaneous Services there is an entry of \$1,575. That, of course, although a small thing, the unofficial members welcome, because we think too much cannot be done to encourage interpreters and translators in the Government Service, and any reasonable sum asked for will be gladly voted. We cannot but regret the very great charge for loss on subsidiary coin, and this, your Excellency, without wishing to cast aspersions on the memory of Governors who have gone before you, is entirely due to want of foresight on the part of some of your Excellency's predecessors and their advisers. The total amount of subsidiary coin imported into Hongkong to meet the demand in China amounted to something like \$40,000,000. Careful estimates made of the subsidiary coin we require show that we require about two to two and a half million dollars' worth. The whole of the rest of the money has been sold and the Government, I am very sorry to say, did not realise that the chickens would come home to roost, but they have come home to roost with a vengeance. Of that \$40,000,000 possibly about one-third has been absorbed in making jewellery, bullion and so on, or otherwise disposed of. Two-thirds of that amount is likely to come back on us, and I have given the Colonial Secretary notice of a question to which I will ask him to reply, which is, "What amount of coin has already been withdrawn by the Government from circulation, at what we know to be a very heavy loss, and what, roughly speaking, is estimated to be the further loss likely to be entailed on this Colony on this account?" We realise we have to face this loss, and do not quarrel with the present policy of the Government, but entirely endorse it. We realise very much the sacrifice that is now being made by the Colony, and we can only express the hope that the sacrifice will be substantially utilised in rehabilitating the coin we must keep for our daily use. Reverting to what I said just now about the Import

and Export Department, I now come to the question of accounts. It is not the first time I have had to refer to the way in which the accounts were rendered. On page 19 we have the actual expenditure for 1913, the approved estimates for 1914, the revised estimates for 1914 and the estimates for 1915. Now, a casual glance down that table will show a very startling difference between the approved estimates and the revised estimates. That is only a summary, and we have to look to further pages for the detailed account, and that is where we are handicapped. You merely have two columns instead of three. You have the approved estimate for 1914, and the estimate for 1915, and when you get to compare those figures, all that you know from page 19 is that the difference is very startling. I will quote two cases. On page 19 Miscellaneous Services, approved for 1914, is placed at \$257,128. The amended estimate for 1914 is \$748,000, or nearly three times the amount. The estimate for 1915 is \$912,262. Of course, I know the bulk of that amount is made up by the increased amount of subsidiary coin purchased. Then on page 19, against Imports and Exports, the approved estimate for 1914 was \$1,017,233. The amended estimate was \$949,300, while the estimate for next year is \$984,519. The point I wish to make is that if you give us in the summary on page 19 the draft and revised estimates, these figures ought to be carried out in the body of the account. Then, and not till then, can we adjust them. I have raised this question before, when I was told in a most curt manner by the then Colonial Secretary, that the accounts were arranged in accordance with instructions from the Secretary of State, and therefore nothing more could be done. I submit, however, that when unofficial members, as business men, are called upon to discuss the accounts of the Colony once in a year, the accounts should be rendered in such a way that business men can intelligently and quickly grasp the details, because we are all busy men and have not time to spend weeks over the accounts. I submit that if you are tied down here by the red-tape of an ancient despatch from the Secretary of State, it is worth while considering whether we should ask the Secretary of State to change his attitude and render his accounts in such a way that they will be intelligible to the man in the street. The grant to the Royal

Society of £200 we thoroughly approve, because we realise the necessity of guarding against the danger of the importation of yellow fever in the Colony, and if your Excellency comes forward at any time for more we shall be glad to consider and support a vote to further help that very laudable object. There is a very heavy increase in the Police and Fire Brigade votes, but under present conditions we cannot do anything else but approve, particularly as regards the Fire Brigade. With regard to the Medical Department, we are glad indeed that your Excellency, in pursuance of a promise made some time ago, has increased the nursing staff. At the time we did not consider the increase was likely to prove sufficient. We trust it will, but if practical experience shows that the increase is not sufficient, we trust your Excellency will immediately come to us, and we will be only too pleased to agree to any further increase and charge you ask for. The next item I propose to deal with is the Volunteers. Of course at the present moment the Volunteers bulk very largely in view. The Hongkong Volunteer Corps numbers 469 officers, non-commissioned officers and men. The Reserves number 350, making a total of 819. The Reserves, I believe, are supposed to be composed of men of over 35 years of age. Now, I happened to be somewhat interested in the Shanghai Volunteer Force at the time of the Boxer trouble in 1900. Out of a community somewhat smaller than Hongkong we raised a force of 1,200. I was civil commandant of the corps. The Reserve there did not include men of the age of some of the present Reserve in Hongkong, and the only conclusion I can come to is that we have not got in the main body of the Volunteer corps the number of men we ought to have. We have only got the contemptible number of 469. I think I am justified in the remarks I make, because the order is that all the Volunteers have to wear uniform all the time, and as I go about the streets I see a large number of men of English nationality not wearing uniform. They are not in the Volunteers, but they ought to be. A large number of young fellows ought to join the Volunteers in the days in which we are now living, and in view of the encouragement given by the Government, but, to their disgrace, they are not in the corps. Coming to the question of education, in your Excellency's address you remarked

that there was an increase of \$44,000 in this vote, chiefly due to Mr. Kadoorie handing over the Ellis Kadoorie School to the Government. We have known Mr. Kadoorie for a considerable number of years, and this is yet one more instance of the generosity displayed by him towards his fellow residents. I can only gladly endorse the remarks made by your Excellency of his generosity in this matter. Coming now to public work, although the extension of the Central Police Station has entailed a large expenditure on the Colony, we realise the pressing need—there was for this work, and it is only to be regretted that it was not carried out earlier. We are glad to see that the Aberdeen to Deep Water Bay road has been proceeded with, and we hope before very long the Stanley Road will be made available for carriage traffic. With regard to Tytamuk, apparently very good progress is being made. The revised estimate came to \$2,400,000, and the estimated expenditure up to the end of this year is \$589,000. The estimate for 1915 is \$700,000, leaving a balance of \$1,100,000 to be expended to carry out the work. I have given the hon. the Director of Public Works notice of what I was going to refer to, and I understand he will be able to give us the gratifying assurance that this work will be completed by the end of 1917, and also give us the estimated cost. The revised estimate for the Mongkoktsui refuge is \$2,301,600. The expenditure to the end of this year has been nearly two million, and the grant for next year has been put down at \$212,000, which is about \$130,000 under the estimate. I trust that this work will be thoroughly completed for that sum and done next year. If so, it will be very satisfactory in both senses—in the work being carried out so well in a short space of time, and in the somewhat unusual circumstance that a Government estimate has not been exceeded. With regard to the New Territories, the improvement in the Kowloon-Taipo Road is very satisfactory, and I would ask the Director of Public Works to tell us when that road will be completed to the frontier, including the carriage bridge over Taipo creek. I have always urged, as your Excellency knows, the completion of the road from Taipo to the frontier, so as to link up Kowloon by a carriage and motor road with the outlying parts of the New Territory, and it seems to me that the value both from a police and a military point of view is

enormous. I trust it will be completed at an early date. There are one or two smaller questions, but a very important one is the question of the development of Old Kowloon City. There is the question of the extension of the road from Nga In Tau to Kowloon City; from Mau Tau Wai to Kowloon Tong; and from Tai Shek Koo to Tai Pat Cheong. Another subject to which I wish to refer is wireless. I think we have already spent some \$20,000 on this. The estimate on page 95 is for \$30,000, and on page 102 \$20,000 for stock. I understand the bulk of this apparatus is already in the Colony, and I have been informed informally—I hope the Director of Public Works will correct me if I am wrong—that before the next seven or eight months this valuable station will be in working order. As your Excellency knows, in my capacity as a member of this Council, as Chairman of the Chamber of Commerce and representative of shipping companies, I have for several years urged on the Imperial Government the construction of a high-power wireless station in the interests of shipping in this Colony without any effect at all. We were put off with all sorts of excuses that further inquiries and further experiments had to be made. What is the result? We know that Germany has for many years been preparing for a European war, the main object of which was to obtain the British Empire and British trade. She has erected high-power stations in all parts of the world on alien territory as well as on her own territory, stations which enable her to speak across the Atlantic and the Pacific. Now that war has broken out, we find Germany with high-power stations enabling her to communicate all round the world, and we have not got anything worth speaking of. The only station we have here is a comparatively low-power station on the *Tamar*, and even in Singapore, which is the centre of the long line of high-power stations from London to New Zealand, at the outbreak of hostilities the only station they had was put up in a hurry with apparatus taken from one of the ships. I state, Sir, without fear of contradiction, that it is absolutely a scandal that we as the greatest oversea Power in the world are caught napping. We have no proper—

HIS EXCELLENCY—The hon. member is travelling outside the subject of these estimates.

HON. MR. HEWETT—Very good, Sir. I can only say that I emphasise the protest made in this Council before against the dilatory methods of the Home people, whoever they are, for not giving us wireless stations. These people, whoever they are, ought to be publicly pilloried in London.

HIS EXCELLENCY—Are you prepared to pay the cost?

HON. MR. HEWETT—I trust you do not for a moment suppose, Sir, that I reflect in any way upon the Hongkong Government. I know you have done everything possible. The fault lies with some Department in London.

HIS EXCELLENCY—The point is that this is an Imperial question.

HON. MR. HEWETT—I have very little more to say, Sir. As far as I can make out by roughly adding up the figures, I find there is an increase under new appointments in the Public Works Department which amounts to about \$20,000, and in the Post Office amounting to about \$22,000. I wish to direct attention to this constant increase in the *personnel* of the Government staff. It has been going on all the time. I have had on many occasions to refer to it. Of course, I know your Excellency and the heads of departments are anxious not to increase in that direction, still the increase goes on, and they come in under the pension scheme and are a charge on the Widows' and Orphans' Fund. As I said in the early part of my remarks, the financial position of the Colony is such that we ought to conserve our resources in every possible way. With reference to the charge on the public debt, I remember many years ago, when this question was discussed, how various individual rate-payers stated that they considered all these big public works should be paid for on long loan. Fortunately, your predecessors—Sir Henry Blake particularly was one, and I believe your Excellency also holds the same view—were of opinion that so far as possible all public works, public buildings, and even public works which might possibly be remunerative, should be paid as far as possible out of current revenue or by short loan. That policy has fortunately been followed; otherwise, had we not done so, the present condition of the

Colony would have been far more unsatisfactory than it is. We would have been weighted down with a heavy permanent debt which we could ill afford to meet. There is one other question which we do not discuss in connection with the Estimates—the Military Contribution—and I would like to make a remark about it. When dealing with this question it is always brought forward by special resolution, and that was done by me when the estimates for last year were under consideration. Since then we have had a paper laid before us by the Secretary of State, but the unofficial members have not under existing conditions brought forward any resolution, because we considered the time was not opportune, but it must not be supposed that we are satisfied with the present state of affairs, and we trust later on to have an opportunity of again discussing the subject. I hope hon. members do not think I have been unduly long in discussing the Estimates, but I have done my best to carry out the wishes of my colleagues on the various points we had under consideration. I now beg to state that when we come to the vote I shall move the reduction of the Harbour Department vote by \$10,000. I will also move a further resolution for the adjournment of this debate, which, I understand, is necessary before I have the right to reply to your Excellency. I do not say I shall want to reply, but I should like to have the opportunity of doing so if necessary.

HON. MR. POLLOCK—Sir, the very full remarks made by the hon. member opposite will render it necessary for me to occupy the time of this Council for a few minutes only. As my hon. friend has pointed out, apart from the revenue derived from opium, we should be in a rather parlous financial condition in this Colony, and, Sir, it is in bearing that fact in view that I venture to make a suggestion to this Government in connection with the opium question. I am sure, Sir, that everybody must deplore the fact that there is a certain percentage of people who smoke opium to excess with very deplorable results. And we must equally deplore the fact that when we come to other stimulants such as alcohol, there is also a percentage of people, possibly a good deal higher percentage, who use those stimulants to excess. With regard to opium, we have at

all events a certain amount of solid ground to go upon with regard to the proportion of excess of opium smokers, because your Excellency will remember that a very able member of this service, who has now gone to another Colony, in a pamphlet which was laid on the table of this Council a few years ago, worked out very carefully by statistics the question of opium consumption, and he arrived at the conclusion that the proportion of opium smokers who smoked to excess could not by any possibility amount to more than about two per cent. It is important, I think, that that view should, in view of other influences which may be brought to bear upon the Home Government, be impressed on the Home Government at the present time. And also in connection with this subject, Sir, I was informed only yesterday that the Government of the Straits Settlements has recently entered into a contract for a period of five years for the purchase of opium for preparation in the Straits Settlements. Now, Sir, I can only assume that the action of the Government of the Straits Settlements must have been taken with the approval of the Colonial Office Authorities, and it certainly seems to me that we might take a leaf out of the book of the Straits Settlements Government and approach the Colonial Office Authorities with a request for permission to make a contract for five years to purchase opium for preparation from the Indian Government. It has often been considered in the past that this Colony and the Straits Settlements are more or less sister colonies, and I think we should in this matter follow the lead of the Straits Settlements, especially as it is necessary that we should have this revenue in order to balance our budget, and, as my hon. friend opposite has pointed out, the other sources of revenue have been pretty well milked in the past and are not capable of any very great expansion. Therefore I venture to make the above suggestion for the consideration of your Excellency. There is only one other Department in the budget to which I shall refer, and I shall only say a few words with reference to it; that is, the Kowloon-Canton Railway. I must confess, Sir, that I have looked into the figures in connection with this railway with some little dissatisfaction. It seems to me that our expenditure is going up a good deal. I do not propose to criticise more than three items in

that expenditure, and they are all on the same page, 115, of the draft estimates. I must say, Sir, that the second item on that page, Coal \$62,000, seems to me to be a very large item indeed to expend, even taking into account the explanatory note at the foot with reference to the increase in the price of coal. It seems to me that even if we put a fairly high price upon coal, that must represent an enormous quantity of coal consumed, and I should have thought an unnecessary quantity. I have no doubt that these accounts are audited, but I presume what the auditors do is to simply pass certain vouchers and figures and check things in that way, and that the question of what consumption is necessary is not gone into by the auditors at all. On the same page, Sir, appears the item Maintenance and renewals of loco. engines. There again there is a considerable rise, and it seems to me that that matter might be also looked into. It seems a large sum to pay for maintenance and renewals of loco. engines, \$30,000 odd. The next item is \$19,521 estimated to be spent on repairs and renewals of vehicles for 1915. Those are the three items under the heading Railway which struck me, and I think it would be worth while for them to be inquired into. No doubt, under the present circumstances we require to cut down our expenditure on the railway as far as we reasonably can, as well as in every other department with which this Government is concerned.

THE DIRECTOR OF PUBLIC WORKS
—Your Excellency, in reply to the remarks of the hon. member who represents the Chamber of Commerce, the first point he raised was the question as to whether the Stanley Road would be open to traffic this year. A certain sum has been expended in improving the corners of the Deep Water Bay to Stanley Road, and also the road from Stanley to Shaukiwan, and in next year's estimate a further provision is made for that improvement. It is probable by the time the new road from the Aberdeen Road to Deep Water Bay is completed that these corners on the road from Stanley to Shaukiwan will be sufficiently improved for a motor-car to go at least as far as Tytam Tuk. The dam at Tytamtuk will carry on the top of it the main road, and until that dam is completed the road cannot be said to be finished as far as Shaukiwan. The next item the hon. member referred to is the

Tytamtuk second scheme. This year we spent approximately \$600,000; next year we hope to expend \$700,000, leaving about \$500,000 for the two succeeding years, and as far as I can judge now I think the work will be completed within the contract time, that is, in 1817. The provision in this year's estimates for the harbour of refuge should complete that work, and, as the hon. member has pointed out, there will be a saving on the Government estimate. In the following year 1916 provision will have to be made for the retention money held back from the contractor, which cannot be paid next year, as the specified period will not have elapsed. Still, there will be a saving on the Government estimate. With regard to the remark of the hon. member about Government estimates being exceeded, nothing is easier than for an engineer to make an estimate so big that it will not be exceeded and so avoid adverse criticism, but if that were done all the prices of the local contractors would immediately go up. Therefore, he does his best in all cases to make as near an estimate as possible and as circumstances permit. The next item the hon. member referred to was roads in the New Territories. The Taipo-Fanling road should be completed in January or February next year, including the bridge, and in next year's estimates provision is made for a road which will connect the frontier at the station at Taku Ling with the main road from Fanling to Shataukok. There will then be a road from the frontier to Kowloon. Provision is also made in next year's estimates for widening the road from Fanling to Santin (widening to 20 feet), also for constructing a bridge over the Au Tau creek on the Fanling-Castle Peak road. With regard to Kowloon City, which the hon. member mentioned, and he was kind enough to send me a petition he had received, I would say that the roads mentioned in that petition refer to short lengths of road which would connect outlying villages with Kowloon City. There is a scheme actually on paper, and it has been defined on the ground for constructing a route from Taikoktsui to Kowloon City. That road, when constructed, will meet the requirements of the petitioners, but I am doubtful whether the development which has taken place in that neighbourhood to date would justify the Government in embarking upon so large an expenditure at present. With regard to the wireless

station, a tender has been accepted for that, and I hope by June next year the station will be completed. Some, not all, of the machinery, has already arrived in the Colony. The only other point I think the hon. member mentioned was the increase in the staff. The increase in next year's staff amounts to three surveyors and two inspectors in connection with the waterworks. Of the three surveyors, one is for the New Territories and the other two were requisitioned originally in connection with the Praya East reclamation scheme. There is no question that the one for the New Territories is essential, because there are many village surveys which require completing. With regard to the other two, my department lost the services of one surveyor this year (he, being in the Reserve of Officers, was recalled to England by the War Office), so that only one is additional.

THE COLONIAL TREASURER—The first point was under Miscellaneous Services, subsidiary coins. I think the question was how much subsidiary coins has been withdrawn from circulation altogether up to date. \$11,000,000 have been withdrawn since the withdrawal commenced at a loss of 16 per cent. and four million dollars' worth out of the total of \$11,000,000 have been withdrawn this year. The only other point is the question of the increase in *personnel*. So far as the Post Office is concerned, the increase is entirely due to the wireless station. The staff required for the wireless station is a somewhat expensive one, and accounts for the \$25,000 increase. The staff of the Post Office has not otherwise been increased.

THE COLONIAL SECRETARY—Sir, I would like to make a few remarks on one or two points raised by the hon. member who represents the Chamber of Commerce and the hon. and learned member on my left. On the question of the opium revenue and that of the re-arrangement of moorings in the harbour I have no wish to express any views, but the hon. member opposite me raised the question of the assessment and drew attention to the question of reduction of the value of house property in the Colony, with a view I think, to suggesting that the assessment which has been made is a high one for the coming year. On that point I should like to draw the attention of hon. members to the fact that recent assessments made in

the Colony certainly show that house property has been under-assessed for at least a year, probably more, and the value of house property has risen so much and so rapidly that it has not been possible for the Assessor to submit figures to the Government which represent the proper assessment. Therefore as property has escaped increased assessment for a year or more it is thought not unfair that the assessments should be made for the coming year at the same figure as for the current year. As regards the Import and Export Department, the hon. member opposite stated that the increase was \$35,000, but really, owing to the reduction in the cost of opium by \$50,000, that it was something like \$80,000. That is a fact, but he was really referring to the revised estimate for the present year, which reduced the estimate made at the end of last year by a sum of \$67,000. The net increase over the revised estimate for the current year cannot be considered at all excessive. As regards the railway, which is the only other point I wish to refer to, and which the hon. and learned member made rather a point of, the figures are on page 115. The estimate for coal is considered low considering the large increase in the price, and it is not at all uncertain that the estimate is not fixed rather low; in fact, I think the manager of the railway holds that opinion. Still, we hope in the coming year the price will not advance, and it is practically certain that we ought to be able to get coal at quite a reasonable figure.

HON. MR. HEWETT—Can you tell us how much coal we have got?

THE COLONIAL SECRETARY—6,600 tons, I think, is the approximate amount. As regards oil tallow and other stores, that estimate has been very carefully calculated. The actual cost this year for oil tallow and other stores is almost exactly the same as that estimated, \$9,600, so there really is not an increase.

HON. MR. POLLOCK—I did not refer to that.

THE COLONIAL SECRETARY—As regards the locomotives, during the year they have been very hard worked, and it has not been possible to move them from the line and put them in the sheds when they should have been there, and the result is

that they will want considerable repairs during the coming year, when we shall have three extra locomotives which will enable us to do that. Therefore, the repairs are put at a high figure. I think the note explains that. There is a considerable increase in the number of coaches and vehicles. We have had during this year and for one or two years past during heavy traffic to borrow carriages from the Chinese section, and that expenditure on the hire of carriages during week-ends and holidays will be saved by having a proper amount of rolling stock. I might add before I close that I am sorry not to have seen any of the unofficial members during the fortnight which has elapsed. Your Excellency made the suggestion that they might like to come and consult with me, and although I have been very busy I would have been glad to see them. In the Straits Settlements the procedure is that the unofficial members sit continuously with the Colonial Secretary and the Treasurer and have all files and information given them as they want them, so that every point of doubt or difficulty is cleared up on the spot. I hope that next year the unofficial members will consent to that arrangement, as I am sure it will not only save time and trouble, but it will also elucidate points a great deal better than can be done in debate.

HIS EXCELLENCY — If unofficial members as a body would prefer my delivering orally my address next year I will try and do so, but I cannot promise that I will not read the address. There was a day when a few readings over of the address such as printed this year would have been sufficient to fix it in my memory to enable me to deliver it and to repeat it verbatim. But I am afraid at my time of life I cannot rely on my memory sufficiently to perform a feat like that, but if you prefer to have the speech read instead of reading it yourselves, I am quite willing to fall in with your ideas. Both hon. unofficial members who have spoken have referred to the opium revenue. I would have been glad if they had said nothing about the subject. I am strongly of opinion that it is a subject about which the less one says the better. I have not undertaken the task of trying to think out how long the revenue will last, and as I see no immediate prospect of los-

ing it, I do not think I should be using my time to much advantage if I were to undertake the task, nor do I think it would help us to get permission to make such a contract as the hon. member who represents the Justices of the Peace refers to. The existence of such a contract would not weigh much with His Majesty's Government one way or the other if they decided that our dealings in opium were to cease. At the same time, I appreciate the foresight of both hon. members in wishing this important question should not be lost sight of. The hon. member who represents the Chamber of Commerce is firm in his convictions, as he always is, and he will have nothing of our scheme for removing and relaying the buoys in the harbour. Now, in order to show how necessary that scheme is, I think I may just read a few lines from my despatch to the Secretary of State:—"The result is that the old-established shipping firms, many of whom employ steamers of small tonnage engaged in the coasting trade of China or in local trade with the Philippines, Japan and Siam, monopolise many of the best berths in the deepest water, to the prejudice of newly-established lines of steamers trading with Europe, Canada and America which employ vessels of heavy tonnage and deep draught. Many of these have to lie at a considerable distance from the business centre of the City, and complaints have been made in recent years by the Agents of some of the largest vessels frequenting the Port that they are forced out into distant and inconvenient parts of the harbour. Suggestions have been made that to meet the demand for berths for deep draught vessels, the dredging of some of the more remote portions of the anchorage should be resorted to." Now, those are very strong arguments based on solid facts. Suggestions and recommendations had actually been made to the Government to dredge the harbour in order to make more room in it, and if such dredging were resorted to, enormous sums would have to be expended, which, in view of the precarious nature of our revenue it would be very unwise for us to embark upon. I do not think the hon. member or any shipping man need be afraid of the scheme. It is proposed, as indicated in the despatch, to divide up the berths into classes. Therefore, it will not be a case of a man going to hunt all over the harbour for his buoy. He will have his buoy in a certain circumscribed area in a particular part of the harbour, and it will be a simple matter to indicate to him the

number of the buoy either by wireless, which I hope we shall have then, or by signal if he does not carry a pilot. I may mention that in Singapore the system is already in vogue of berthing vessels by signal or other communication at the Tanjong Pagar wharves, and the system works well. The fees we propose to charge are \$8 a day first class, \$6 a day in the second class and \$4 a day in the third class, and we calculate that the revenue therefrom will just about cover, no more, the interest on capital and current expenditure. The hon. member who represents the Chamber of Commerce expressed the opinion that \$10,000 would not be enough to remove and relay the buoys. That is quite right; it would not be sufficient, but we only propose to relay them by tens a year. There are 40 buoys to be dealt with, and we will take them in hand ten annually. Therefore, the total sum for relaying will be about \$40,000, and not \$10,000. The hon. member also referred to the large expenditure incurred on the redemption of subsidiary coin. It is a very large amount, but I would remind him that we made a profit originally of \$2,400,000 on the issue of that coin, and we have not yet spent in redemption as much as we originally made in issue. I am heartily glad to see, however, that the hon. member endorses the policy that the Government had embarked upon. He next asked that the column as revised should be carried out throughout the estimates. Now, I do not really see that any great advantage would be gained. The revised estimates are merely the index to the figures upon which the estimates for the succeeding year are based. We cannot say, for instance, what the revenue for this year will be, until the year is closed, but we put down that estimate in order to show approximately how we arrive at the figure for the succeeding year. The estimates for all Crown Colonies are drawn up in the way ours are, and it is very necessary to have a uniform system. The hon. member also referred to the Volunteers and their paucity, and I heartily agree with him that they are too few. Perhaps, when the present war is over some different system will be inaugurated by which we will have many more volunteers. But he was not quite right, and it is perhaps necessary I should correct him when he said the Reserves were filled with men over 35 years of age. We accept men under 30 years who have been in the Army and Navy

and men of 30 years of age who have had five years' volunteer service, and of 32 years of age who have had three years' volunteer service. Therefore, there are a number of men in the Reserves who by reason of their naval, military or volunteer service are eligible long before they reach 35, and that is one of the reasons which makes this body such a valuable body of men, having such a large number of trained men in the ranks. The hon. member who represents the Chamber of Commerce echoed my own fears when he referred to the large increase in personal emoluments. The increase is very large, and I think that if we had not framed these estimates before war broke out we should have framed them in a more economical manner as regards fixed establishments as far as we could. For instance, it is quite possible we should not have taken over the Ellis Kadoorie School, which is going to cost us over \$33,000 less certain economies in the Education Department over and above the expenditure of last year. The other items, though big, are hardly avoidable. In the Sanitary Department there is a considerable increase which is partly covered by prospective economies in managing the scavenging ourselves. In the Public Works Department there is also a considerable increase which, as the Director of Public Works explained, is due to the addition of three land surveyors, and the Post Office shows a very large increase, principally due to the radio-telegraphic staff amounting to \$16,000. I can assure the hon. member that these estimates of expenditure are very carefully scrutinised, and any criticisms which hon. members make annually on that subject are most welcome. The Colonial Secretary and I both have a difficult task in keeping down expenditure, and if we know we have the unofficial members at our back in inculcating economy, our hands are much strengthened. The hon. member who represents the Chamber of Commerce also paid us a welcome compliment on our policy of not borrowing money. Year in and year out we have been advised to build our public works out of borrowed capital, but I think the remarks made concerning the opium revenue shows how wise is the policy to pay as much as we can out of revenue. He next adverted with a very light touch to the Military Contribution. Well, I hope that he and his colleagues will never refer to the subject again as long as I am

Governor, because I never like acting in opposition to the wishes of the unofficial members, but this is a subject on which I am absolutely obstinate, and I think I may well be. If you will recollect, some time ago I laid on the table a despatch from the Secretary of State with regard to the cost of the garrison in Hongkong, and from that interesting document it appeared that the total cost of the garrison for the year 1912-13 was £614,000, and the contribution of the colony in respect of that was only £143,000, leaving the British taxpayer, that much burdened and long suffering individual, to find the other £470,000. As long as that condition of things exists I do not think we can properly ask to shift more of the burden on to his shoulders to lighten our own. I do not think there is any other question the hon. member has referred to that I have not touched upon.

HON. MR. HEWETT—As I moved a resolution I have to stand by my right to reply.

HIS EXCELLENCY—I beg pardon. I understand you want to move an adjournment.

HON. MR. HEWETT—I want to refer to your Excellency's speech in the first place. I consulted the Colonial Secretary and he informed me that I would have to move an adjournment in order to enable me to have the right to reply. I also have another amendment to move for the reduction in a certain vote, and I gave notice of this in my opening remarks.

HIS EXCELLENCY—I will just explain the procedure. Of course, as you know, no member can speak twice unless he proposes a resolution. If you move an adjournment you can only make remarks concerning the motion. You cannot move an adjournment and make a speech on the estimates. You can move an adjournment, which will have to be seconded and put to the House, and if the motion is carried you can reopen the debate.

HON. MR. HEWETT—I rise to a point of order. I have on a previous occasion attempted to reply to the speeches made by the official members and the Governor in reply to a speech I was asked to make on financial matters by my unofficial colleagues. At one time I was ruled out

of order because I did not move a resolution: On other occasions, at least one, I did move a resolution, and I was allowed to speak. My unofficial colleagues and I discussed this question the other day, and we were in some little doubt as to how a reply should be made. I came up personally to see the Colonial Secretary, who saw you, and he gave me to understand that if I moved an adjournment it gave me the right to reply to the remarks of the official members. I consider, Sir, it is wrong that I should not be allowed to reply, for it is not as though I am doing this off my own bat.

HIS EXCELLENCY—The motion has got to be seconded and carried, and if it is carried you can reopen the debate.

HON. MR. HEWETT—I submit it is very hard on unofficial members who come here once a year to discuss the Budget to be absolutely debarred from making a reply in any circumstances whatsoever to the Governor's speech. I submit, Sir, that that is wrong, and if I am not allowed to do anything else I would ask for a suspension of the Standing Orders. It is always permitted at Home in the House of Commons, and has been permitted here in the past. I think it is very wrong. Why should we be muzzled? I am not going to say anything to upset the Government or cast it in gloom or anything of that sort.

HIS EXCELLENCY—Will you allow me to speak, please?

HON. MR. HEWETT—Certainly, Sir. I beg pardon.

HIS EXCELLENCY—I am a firm believer in following rules. It is no good having rules if you do not obey them. Rule 26 of the Standing Orders says that no member may speak twice. If you wanted to make a personal explanation of any statement you made in your speech you would be in order. I understand you wish to reply to remarks made by myself and other official members. To regularise the matter you must move the adjournment of the House, it must be seconded, and if it is carried then you can reopen the debate. I have no wish to stop you speaking. The official members can vote any way they like, and if the House carries the motion I will be very glad to go on with the debate. Of course you can speak again, so can I, or the Colonial Secretary.

HON. MR. HEWETT—I again rise to a point of order. This is the only one time in the year the unofficial members have an opportunity of criticising the financial policy of the Government, and the man elected to speak for the unofficial members should have the right of reply. I have had it in the past, and to make quite sure that I should have the right to-day I called officially on the Colonial Secretary and understood from him that I should have that right.

HIS EXCELLENCY—Will you be good enough to move the adjournment?

HON. MR. HEWETT—I have two amendments to move, the adjournment of the debate on the budget and the reduction of the Harbour Department vote.

HIS EXCELLENCY—Why don't you move the adjournment?

HON. MR. HEWETT—There are only four unofficial members here, and I don't know what this vote will be. The point I wish to make is that under certain conditions I should have the right to reply.

HIS EXCELLENCY—I am very sorry. These Standing Orders were made and drawn up by my predecessor and passed by this honourable Council, and the Council said by their own orders that members should only speak once, and you want to break that rule. I looked up the debates this morning, and saw that in 1910 you were ruled out of order, and last year you were also ruled out of order. I am quite willing to hear you.

HON. MR. HEWETT—We are swamped by the official vote. We ought to have the same right to reply as they have in the House of Commons, which is the mother of parliaments, and all our debates are based on her procedure.

HIS EXCELLENCY—Will you kindly move the adjournment of the debate and we'll carry the motion for you. Then you will have a right to speak.

HON. MR. HEWETT—I beg to move the adjournment of this debate till this day six months.

HON. MR. WEI YUK—I beg to second.

HIS EXCELLENCY—This day six months is absurd.

HON. MR. HEWETT—I will say this day fortnight.

HON. MR. POLLOCK—Might I suggest that it would assist if we move the suspension of No. 26 of the Standing Orders.

HIS EXCELLENCY—You can do it that way.

HON. MR. POLLOCK—I beg to move that.

HON. MR. WEI YUK seconded, and the motion was agreed to.

HON. MR. HEWETT—The explanation of the Director of Public Works on all the points I have made is eminently satisfactory, but I think he slightly misunderstood me when I spoke on the question of the estimates for his department. I quite understand estimates ought to be made as closely as possible, and that is what we ask. We do not ask to have close estimates made for such buildings as the Law Courts and the Post Office. A decrease of \$130,000 in 2¼ million is, of course, going as near as any reasonable man could expect to get. With regard to the hon. Colonial Treasurer's remarks on subsidiary coinage, I understand that \$11,000,000 has been withdrawn from circulation. The original amount was about \$38,000,000 or \$40,000,000, and we require from \$2,000,000 to \$2,500,000 for our own use. As \$11,000,000 is wiped out, that leaves \$26,500,000. We may reasonably take it that about one-third of that at least has disappeared into bullion. Therefore, I presume that the Colonial Treasurer will be called upon to buy something like \$13,000,000 or \$14,000,000 more. That is further loss, and we stand to lose 15 or 16 per cent. on that sum of money. I wanted to arrive at some sort of estimate as to how much more this Colony will have to pay for the rehabilitation of its coinage. With regard to what the Colonial Treasurer said about house rents, I think he overlooked the fact that in assessing the value of house property it is generally taken at 75 per cent. of the value; because there are always a certain number of houses which are empty. Therefore, I maintain that the present assessment, taken a year or two ago, is probably higher than any which has been taken in the last five years. With regard to what was said about the railway, if \$62,000 represents the cost of that coal, and good steaming engine coal is put into the tender, then it works out at a price of about \$8¼ to \$8½, which is not excessive.

THE COLONIAL SECRETARY—I can give you the figure. But in the yard the cost is \$8.30 per ton.

HON. MR. POLLOCK—I was not dealing with the price. I was speaking of the value.

HON. MR. HEWETT—The price seems to me, even if it were \$10 in the yard, not excessive. With regard to the procedure of the debate, I must say I am sorry I cannot refer to the old question. Were the Governor to get up and make his speech verbally, as I said, it would be very much more illuminating, and I don't think there is anything more to be gained by sitting in conference, as suggested by the Colonial Secretary, and it would be making a travesty of the debate if the whole thing were done in committee. With regard to the moorings, your Excellency misunderstood what I have said. I entirely favour the relaying of the moorings, but I object to the new system and am afraid of it. Your Excellency has for the first time told us what the price is to be per diem for the use of these moorings, and I think the charge is very high, far higher than I charge for the use of my moorings when I let them to my friends. My point is that if it is necessary to relay the moorings I certainly think it is better to do so than to go to the vast expense of dredging the harbour, but let the shipping companies have their moorings in their present positions. Your Excellency speaks of relaying moorings once in four years.

HIS EXCELLENCY—No, we are taking them by degrees, ten a year.

HON. MR. HEWETT—Roughly speaking, there are 39 or 40 moorings, and the calculation is \$10,000 a year to relay ten moorings. I would not attempt to leave my moorings down for four years. I remove mine every two years.

HIS EXCELLENCY—The hon member does not understand me. We cannot take up the whole forty and relay them all at once because there would be no buoys available.

HON. MR. HEWETT—But you cannot dare to keep your moorings down for four years without relaying them.

HIS EXCELLENCY—I will make a note of that.

HON. MR. HEWETT—I remove mine every two years. Even then in that condition I have seen steamers break away from their moorings in a typhoon and go down the harbour. With regard to the question of the annual accounts rendered, I still think it would be of very great assistance if we could have a detail of the revised estimates put in the body of the accounts, because in many cases there is a large difference between the original estimates and the revised estimates. Now, Sir, I beg to move the elimination from the account of the amounts of \$10,000 and \$250,000 voted for the Harbour Master's Department.

HIS EXCELLENCY—You had better wait until we get into Committee to do that.

HON. MR. HEWETT—Very good, Sir.

The motion was then put to the meeting, and the Bill was read a second time.

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

HON. MR. HEWETT then moved the rejection of the vote of \$250,000 for the Harbour Master's Department.

HON. MR. POLLOCK seconded.

The motion was declared lost, but Hon. Mr. Hewett wished to divide.

A division was taken, and resulted as follows:—

For: Hon. Mr. Lau Chu Pak, Hon. Mr. Hewett, Hon. Mr. Pollock, Hon. Mr. Wei Yuk.

Against: The Captain Superintendent of Police, the Secretary for Chinese Affairs, the Director of Public Works, the Colonial Treasurer, the Attorney-General, the Colonial Secretary and the General Officer Commanding.

On Council resuming,

THE ATTORNEY-GENERAL reported that the Bill had passed through Committee without amendment, and moved that it be read a third time and passed.

THE COLONIAL TREASURER seconded, and the Bill was read a third time and passed, the unofficial members all voting against it.

HIS EXCELLENCY—Council stands adjourned *sine die*.

FINANCE COMMITTEE.

A meeting of the Finance Committee followed, the COLONIAL SECRETARY presiding, when the following votes were passed:—

Public Works

The Governor recommended the Council to vote a sum of \$23,500 in aid of the vote Public Works, Recurrent, Hongkong, Water Works, Maintenance of City and Hill District.

Judicial

The Governor recommended the Council to vote a sum of \$3,240 in aid of the vote Judicial and Legal Departments, Special Expenditure, A.—Supreme Court, New Furniture.

Military

The Governor recommended the Council to vote a sum of \$3,240 in aid of the vote Military Expenditure, B.—Volunteers, Other Charges, Capitation Grant for Recruits, Efficient and Proficients.

Compensation

The Governor recommended the Council to vote a sum of \$148.50 in aid of the vote Public Works, Extraordinary, Compensation to owner for resumption of Lot No. 33, Ho Mun Tin.

War Department

The Governor recommended the Council to vote a sum of \$50,000 in aid of the vote War Department Expenditure, in order to provide for all expenditure incurred by the Civil Departments of Government whether such expenditure is ultimately to be recovered from the Imperial Government or not.

For the Governor

The Governor recommended the Council to vote a sum of \$1,118 in aid of the vote Governor, Other Charges:—

Furniture:—

Piano	\$450
Supervising of Inventory	468
Incidental Expenses	200