

LEGISLATIVE COUNCIL.

No. S. 239.—The following Bills were read a first time at a meeting of the Council held on the 15th June, 1933:—

[No. 11 :—26.4.33.—1.]

(C.S.O. 1 in 4299/29).

A BILL

INTITULED

An Ordinance to amend further the Supreme Court Ordinance, 1873.

BE it enacted by the Governor of Hong Kong, with the advice and consent of the Legislative Council thereof as follows:—

Short title.           1. This Ordinance may be cited as the Supreme Court Amendment Ordinance, 1933.

Substitution for Ordinance No. 3 of 1873, ss. 9, 10 and 11, as amended by Ordinance No. 1 of 1929.           2. Sections 9, 10 and 11 of the Supreme Court Ordinance, 1873, as amended by the Supreme Court Amendment Ordinance, 1929, are repealed and the following sections are substituted:—

Constitution of the Supreme Court.           9.—(1) The Supreme Court shall consist of and be holden by and before a Chief Justice and one or more other judges.

Ordinance No. 8 of 1933.           (2) Every Chief Justice and every Puisne Judge shall, save when appointed by the Governor under the provisions of section 10 of this Ordinance or under the provisions of section 2 (4) of the Full Court Ordinance, 1933, be appointed by Letters Patent under the public seal by the Governor, in accordance with such instructions as he may receive through a Secretary of State, and shall hold his office during the pleasure of His Majesty, subject to suspension by the Governor in like manner as other officers in the Colony.

Temporary appointments.           10.—(1) In case the office of Chief Justice or of any Puisne Judge becomes vacant by death or otherwise, it shall be lawful for the Governor to appoint another fit and proper person to fill the said office until His Majesty's pleasure is known.

(2) In case of the temporary illness or absence of the Chief Justice or of any Puisne Judge, it shall be lawful for the Governor to appoint a fit and proper person to fill his office until he resumes the duties thereof: Provided always that, until such appointment is made, the whole business of the court, except in the hearing of matters required to be heard before the Full Court, shall devolve upon and be transacted by the remaining or continuing Chief Justice or Puisne Judge or Judges.

(3) If in any other case the Governor either for the purposes of the Full Court Ordinance, 1933, or for any other reason considers it desirable that a temporary additional judge or temporary additional judges should be appointed, it shall be lawful for him temporarily to appoint a fit and proper person or persons to be a temporary additional judge or temporary additional judges and to terminate any such appointment as and when he shall think it desirable.

Ordinance  
No. 8 of  
1933.

(4) Judges temporarily appointed by the Governor under this section shall be given instruments of appointment under the public seal: Provided that any such instrument, in the case of a judge temporarily appointed for the purposes of the Full Court Ordinance, 1933, may provide that it shall take effect whenever and as often as the services of the judge may be required by the Chief Justice for the purposes of the said Ordinance: Provided also that nothing herein contained shall be deemed to require a special instrument in the case of the Judge of His Britannic Majesty's Supreme Court for China when a member of the Full Court under the said Ordinance.

11. No Chief Justice or Puisne Judge shall be capable of accepting or performing any other office or place of profit or emolument not authorised by law, and any such acceptance or performance shall be *ipso facto* an avoidance of his office of Chief Justice or Puisne Judge: Provided that this section shall not apply to a judge temporarily appointed under section 10.

Chief  
Justice and  
Puisne  
Judges not  
to hold  
other office  
of profit.  
Proviso.

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#### *Objects and Reasons.*

1. This Bill repeals sections 9, 10 and 11 of the principal Ordinance, No. 3 of 1873, as amended by Ordinance No. 1 of 1929, and re-enacts them in a redrafted form which clarifies the procedure and effect of the appointment of permanent and temporary judges of the Supreme Court.

2. In the new section 9 the old sub-sections (2) and (3) as amended in 1929 are redrafted and consolidated as sub-section (2).

3. In the new sub-section 10 (1) the words "In case the office of the Chief Justice or of any Puisne Judge" are substituted for the words "In case the office of any judge in the permanent service of the Colony", and correspondingly alterations have been made in sub-section 10 (2).

4. The old sub-section 10 (3) was added in 1929 to enable the Governor to appoint temporary judges in addition to the judges in the permanent service of the Colony and contemplated such appointments "to relieve from or in his judicial duties a judge who may be engaged at the time in other public work, or to appoint an additional judge for the purpose of dealing with a pressure of judicial work," (see Objects and Reasons in 1929 Hong Kong Hansard p. 14) and gave power to the Governor to appoint a temporary judge

in any case not covered by the previous sub-sections. In redrafting the sub-section it has been considered desirable to provide for more than one temporary additional judge, to make express reference to the temporary members of the Full Court, and to omit, as in case of sub-section (1), the words "in the permanent service of the Colony".

5. Sub-section 10 (4) is new. It appears from the Objects and Reasons of the 1929 Ordinance (1929 Hansard p. 14) that the intention of the saving in section 9 (2) was to provide that temporary judges need not be appointed in the formal manner in which permanent judges are appointed. The new sub-section (4) added to sub-section 10 clarifies the method of appointment of temporary judges.

6. Section 11 of the principal Ordinance which avoids the office of a judge of the Supreme Court taking or performing any other place of profit or emolument not authorised by law has been redrafted and made inapplicable to judges temporarily appointed under section 10. The section in the principal Ordinance evidently contemplated the situation of a permanent judge accepting or performing the duties of another office and not the situation of the holder of another position being required temporarily to assist as a judge in the Supreme Court.

C. G. ALABASTER,  
*Attorney General.*

*April, 1933.*

(C.S.O. 3591/33).

A BILL

INTITULED

An Ordinance for the further amendment of the Code of Civil Procedure.

BE it enacted by the Governor of Hong Kong, with the advice and consent of the Legislative Council thereof, as follows :—

1. This Ordinance may be cited as the Code of Civil Procedure Amendment (No. 2) Ordinance, 1933. Short title.

2. The following new section is added after section 427 in the Code of Civil Procedure :— New section 427A added to Ordinance No. 3 of 1901.

427A. Where any goods in the possession of an execution debtor at the time of seizure by the bailiff or other officer charged with the enforcement of a writ, warrant, or other process of execution, are sold by such bailiff or other officer, without any claim having been made to the same, the purchaser of the goods so sold shall acquire a good title to the goods so sold, and no person shall be entitled to recover against the bailiff or other officer, or anyone lawfully acting under the authority of either of them, except as provided by section 46 of the Bankruptcy Ordinance, 1931, for any sale of such goods or for paying over the proceeds thereof prior to the receipt of a claim to the said goods, unless it is proved that the person from whom recovery is sought had notice, or might by making reasonable inquiry have ascertained, that the goods were not the property of the execution debtor : Provided that nothing in this section contained shall affect the right of any claimant, who may prove that at the time of sale he had a title to any goods so seized and sold, to any remedy to which he may be entitled against any person other than such bailiff or other officer or purchaser as aforesaid. Effect of Sales in execution without notice of claim by third party. 3 & 4 Geo. 5, c. 34, s. 15. Ordinance No. 10 of 1931.

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*Objects and Reasons.*

This Ordinance adds a new section to the Code of Civil Procedure on the lines of section 15 of the Bankruptcy and Deeds of Arrangement Act, 1913 (3 and 4 Geo. 5, c. 34) with the following modifications :—

(a) the expression “bailiff or other officer” has been substituted for “sheriff, high bailiff or other officer”, as there are no sheriffs or high bailiffs in Hong Kong,

(b) the words “except as provided by section 46 of the Bankruptcy Ordinance, 1931” have been substituted for the words “except as provided by the Bankruptcy Acts, 1883 and 1890.” The Act of 1913 referred to sections 145 and 146 of the Act of 1883, and to section 12 of the Act of 1890. The local section is section 46 of the 1931 Ordinance which is based on section 41 of the Act of 1914.

(c) the words “or purchaser” have been added after “bailiff or other officer” at the end at the suggestion of the Incorporated Law Society of Hong Kong. As the editor of Chitty’s Statutes (Vol. 17, p. 590, note (j)) points out, if the claimant can recover the goods from the purchaser the provision in the earlier part of the section that the purchaser of the goods shall acquire a good title is of no avail.

C. G. ALABASTER,  
*Attorney General.*

*May, 1933.*

A BILL

INTITULED.

An Ordinance to amend further the Probates Ordinance, 1897.

BE it enacted by the Governor of Hong Kong with the advice and consent of the Legislative Council thereof, as follows:—

1. This Ordinance may be cited as the Probates Amendment Ordinance, 1933. Short title.

2. Section 11 of the Probates Ordinance, 1897, is amended by the addition of the following sub-sections at the end thereof:— Amendment of Ordinance No. 2 of 1897, s. 11.

(3) The Official Administrator may employ a solicitor or other agent to do any business which may be sanctioned by the court.

(4) Applications by the Official Administrator to the court may be made personally, and without notice or other formality; but the court may in any case order that an application be renewed in a formal manner, and that such notice thereof be given to any person likely to be affected thereby as the court may direct.

3. Sections 18 and 19 of the Probates Ordinance, 1897, are repealed and the following sections are substituted:— Substitution for Ordinance No. 2 of 1897, ss. 18 & 19.

18. Where any person dies, whether in the Colony or elsewhere, leaving estate in the Colony in respect of which he dies intestate, such estate shall vest in the Official Administrator who may, if he thinks fit, receive and take possession of the same until administration is granted in respect thereof. Vesting of estate of deceased person in official administrator.

19. Where the whole of such estate does not, in the opinion of the Official Administrator, exceed in value the sum of two hundred and fifty dollars, it shall be lawful for him, if he thinks fit, without any legal formality, to get in and administer the same in a summary manner, for the benefit of the persons he may deem interested therein, without a grant or other legal formality. Summary administration of intestate estates not exceeding \$250.

4. Section 20 (1) of the Probates Ordinance, 1897, is amended by the substitution of the word "following" for the word "follwing" in the first paragraph thereof. Amendment of Ordinance No. 2 of 1897, s. 20 (1).

5. Section 24 of the Probates Ordinance, 1897, is repealed and the following section is substituted:— Substitution for Ordinance No. 2 of 1897, s. 24.

24. A commission at the rate of 5% on the first \$1000, 2½% on the next \$4000 and 1% on the balance, or such lower rate or rates as the court may approve on the application of the Official Administrator in the case of any parti- Commission on moneys received.

cular estate, shall be chargeable on the gross value of all property of whatsoever nature received or taken possession of, or realised or otherwise dealt with, by the Official Administrator under this Ordinance.

Substitution  
for Ordinance No. 2  
of 1897,  
s. 29.

6. Section 29 of the Probates Ordinance, 1897, is repealed and the following section is substituted:—

Redress  
against  
action of  
Official  
Adminis-  
trator.

29. No action shall be brought against the Official Administrator for anything done by him in respect of the execution or the intended execution of any power vested in him by this Ordinance, or for anything done by him in the exercise of his office as administrator under any grant of letters of administration made to him under this Ordinance, if it was done *bonâ fide*; but any person who feels aggrieved thereby may apply for redress to the court by summary petition verified upon oath, and the court may thereupon take such evidence as it thinks fit, and may make any order in relation to the matter which the justice of the case requires.

Amendment  
of Ordinance No. 2  
of 1897,  
s. 33.

7. Section 33 of the Probates Ordinance, 1897, is amended by the repeal of the words "on his giving such security, if any, as the court may direct, and every such administration may be limited in such manner as the court thinks fit" at the end thereof, and by the substitution therefor of the words "on his giving such security, if any, as may be required under this Part or as the court may direct, and every such administration may be limited in such manner as the court thinks fit".

Amendment  
of Ordinance No. 2  
of 1897,  
s. 40.

8. Section 40 of the Probates Ordinance, 1897, is amended by the repeal of the proviso thereto.

Repeal of  
Ordinance  
No. 2 of  
1897,  
ss. 55 and  
56 and  
heading.

9. Sections 55 and 56 of the Probates Ordinance, 1897, and the heading thereto are repealed.

Substitution  
for Ordinance No. 2  
of 1897,  
s. 59.

10. Section 59 of the Probates Ordinance, 1897, is repealed and the following section is substituted:—

Allowance  
of remunera-  
tion to  
executor,  
adminis-  
trator or  
attorney.

59. It shall be lawful for the court to allow to any executor or administrator, including an administrator appointed *pendente lite* as aforesaid, (or to a person acting under a power of attorney as attorney for an executor or administrator in the matter of the sealing of a probate or administration under Part VI, or in the matter of the realisation and administration of an estate under a probate or administration so sealed) such remuneration out of the estate of the deceased person as may be just and reasonable for his pains and trouble therein; Provided that no allowance whatever shall be made to any executor or administrator or attorney who neglects to pass his accounts at such time, or to dispose of any moneys, goods, chattels, or securities with which he is chargeable in such manner, as, in pursuance of any rule or order or practice of the court, may be requisite: Provided also, that no such remuneration shall exceed 5% on the first \$1000, 2½% on the next \$4000 and 1% on the balance of the gross value of all property of whatsoever nature administered.

11. Section 61 of the Probates Ordinance, 1897, is amended by the insertion of the words “in the Colony” after the words “whole estate” in sub-sections (1) and (3) thereof.

Amendment of Ordinance No. 2 of 1897, s. 61.

12. Section 64 of the Probates Ordinance, 1897, and the heading thereto are repealed and the following heading and section are substituted:

Substitution for Ordinance No. 2 of 1897, s. 64 and heading.

*Estates of subordinate police and prisons officers.*

64.—(1) Any person employed in the police force, not above the rank of sub-inspector, and any person employed in the Prisons Department, not above the rank of principal warder, who shall die whilst so employed, shall not be deemed to be within the meaning of the preceding provisions of this Ordinance.

Summary administration of estates of subordinate police and prisons officers.

(2) The Inspector General of Police and the Superintendent of Prisons respectively are hereby constituted administrators of the estates of such persons in their departments and are required, without any legal formality, to get in and administer the same, and, within one month after the death of any such person, to certify the same and the amount thereof to the Registrar of the court for registration in the court, and to pay over to the Treasurer the balance of every such estate, after payment of all lawful claims against the same.

(3) It shall be lawful for the Colonial Secretary, in his discretion, on the application of the Inspector General of Police or the Superintendent of Prisons, as the case may be, to sign an order upon the Treasurer for the payment of the whole or any part of such balance to such person or person as may appear to him, to be entitled thereto, and the Treasurer shall comply with such order.

13. Sub-sections (2) and (3) of section 65 of the Probates Ordinance, 1897, are renumbered as sub-sections (4) and (5) respectively, and the following sub-sections shall be inserted at the end of sub-section (1):—

Amendment of Ordinance No. 2 of 1897, s. 65.

(2) Where such goods and effects have been handed over to, or taken possession of by, the Official Administrator, he may after such enquiry as he may think sufficient, distribute them, in such manner as he may consider just and convenient, amongst the persons who may appear to him, in his discretion, to be entitled thereto or if he can find no such persons within six months of the time when the goods and effects come into his hands, then he shall sell them and pay the proceeds of sale into the Treasury, to a special account to be there kept for that purpose, or into the account of the Government at such Bank as the Treasurer may direct.

(3) The provisions of the Unclaimed Balances Ordinance, 1929, shall apply to moneys paid into any account under this section as they do to any balance of an intestate estate under section 19.

Ordinance No. 5 of 1929, s. 4.

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*Objects and Reasons.*

1. Section 2 adds two sub-sections to section 11 of the principal Ordinance. The new sub-section (3) authorising the Official Administrator to employ a solicitor or other agent with the sanction of the court is derived from sections 24 (10) and 61 (c) of Ordinance No. 10 of 1931.

The new sub-section (4), regulating applications to the court by the Official Administrator, follows the procedure laid down for such applications by the Official Receiver under Bankruptcy Rule No. 156 published in the Hong Kong Government Gazette of the 18th November, 1932.

2. Section 3 substitutes for sections 18 and 19 of the principal Ordinance redrafted sections making it clearer that an intestate's estate in the Colony is to vest in the Official Administrator, until administration is granted, whether the intestate died in the Colony or elsewhere and that the limit of \$250 referred to in section 19 of the principal Ordinance applies to the value of the whole estate in the Colony and not to whole estate wherever situate.

3. Section 4 corrects a typographic error in section 20 (1) of the principal Ordinance as printed in the edition of the Ordinances authorised as the only proper statute book of the Colony for the Ordinances 1844-1923 by section 12 of Ordinance No. 18 of 1923.

4. Section 5 substitutes for section 24 of the principal Ordinance a section in which, instead of the fixed 5% commission, a scale corresponding with the scale allowed in practice under section 59, is enacted. The words "or such lower rate or rates as the court may approve on the application of the Official Administrator" are added to provide for cases where the scale may be excessive, as where the Official Administrator temporarily takes possession of a large estate pending a grant under section 18 and does not actually administer it.

5. Section 6 substitutes for section 29 of the principal Ordinance a section in which it is re-enacted with the substitution of the words "vested in him by this Ordinance, or for anything done by him in the exercise or the intended exercise of his office as administrator under any grant of letters of administration made to him under this Ordinance, if it was done *bonâ fide*;" for the words "vested in him by section 14 or section 19". The amendment whilst limiting the operation of the section to acts done in good faith, extends the protection it affords to the Official Administrator and makes a similar extension of the summary remedy afforded to persons aggrieved.

6. Section 7 repeals the last two and a half lines of section 33 of the principal Ordinance and re-enacts them with the addition of the words "as may be required under this Part or". Under sections 40 and 41 which are, like section 33, in Part III of the principal Ordinance, the security is by way of bond unless the court otherwise directs.

7. Section 8 repeals the proviso to section 40 of the principal Ordinance which in conjunction with section 64 might be deemed to imply that the Inspector General of Police is bound to take out letters of administration for deceased members of the police force.

8. Section 9 repeals sections 55 and 56 of the principal Ordinance and the heading thereto. The practice of preparing and distributing calendars of grants fell into disuse many years ago and it is not considered necessary to revive it.

9. Section 10 repeals section 59 of the principal Ordinance and re-enacts it with the addition of the words in brackets, as doubts had arisen as to whether attorneys for executors or administrators under Part VI of the principal Ordinance were within the section. In the re-enactment the words "or attorney" are added to the first proviso and a second proviso is added providing a maximum scale as in the case of section 24.

10. Section 11 amends section 61 (1) and 61 (3) of the principal Ordinance to make it clear that the limit of \$500, as in the case of the \$250 under section 19, applies to the value of the whole estate in the Colony and not to the whole estate wherever situate.

11. Section 12 substitutes for section 64 of the principal Ordinance a revised and redrafted section in which estates of subordinate officers of the Prisons Department are included and the Superintendent of Prisons is appointed their administrator. In sub-section (1) the expression "not above the rank of sub-inspector" is substituted for the expression "under the rank of inspector" for greater clarity and because the former expression is used in the Police Force Ordinance (see No. 37 of 1932, ss. 14 and 15). Also the expression "without any legal formality" is inserted in sub-section (2), which represents the latter part of the old sub-section (1), to conform with section 19. In sub-section (3), which represents the old sub-section (2), the words "in his discretion" have been inserted, to conform with the old section 65 (1) (ii).

12. Section 13 adds two new sub-sections to section 65 of the principal Ordinance. The new sub-section (2) gives to the Official Administrator, with respect to larger estates of passengers dying on voyages to the Colony, like powers to those given with respect to small estates to the Harbour Master under section 65 (1); but the period of holding is extended to six months. The new sub-section (3) applies the provisions of the Unclaimed Balances Ordinance, 1929, to estates dealt with under section 65. That Ordinance, under section 4 thereof, already applies to estates dealt with under section 19 of the Probates Ordinance. It often proves impossible to trace the relatives in these cases.

C. G. ALABASTER,  
*Attorney General.*

*May, 1933.*

(C.S.O. 3105/30C.)

A BILL

INTITULED

An Ordinance to make provision for the redemption of the bonds issued under the authority of the Public Works Loan Ordinance, 1927.

BE it enacted by the Governor of Hong Kong, with advice and consent of the Legislative Council thereof, as follows :—

Short title.

1. This Ordinance may be cited as the Public Works Loan Redemption Ordinance, 1933.

Redemption of bonds issued under Ordinance No. 14 of 1927.

2. Subject to the provisions of section 4 of this Ordinance, the bonds issued under the authority of the Public Works Loan Ordinance, 1927, shall be paid off at par on presentation thereof at the head office of the Hongkong and Shanghai Banking Corporation, on and after the first day of August, 1933, from and including which date all interest on the principal moneys represented thereby shall cease and determine, whether payment of the principal shall have been demanded or not.

Issue of Conversion Bonds.

3. The Governor is hereby authorised to issue bonds, which shall be known as Conversion bonds, to an amount sufficient to produce the sum required for the purposes of this Ordinance and the expenses of the issue and management.

Provision for exchange of Public Works Loan bonds for Conversion bonds.

4. The holders of bonds issued under the authority of the Public Works Loan Ordinance, 1927, who desire to exchange their said bonds for Conversion bonds of like nominal value issued under section 3 of this Ordinance, and who shall have signified such desire by application in writing received at the head office of the Hong Kong and Shanghai Banking Corporation on or before the 11th day of July, 1933, shall be entitled to make such exchange instead of having their bonds paid off under section 2; but no such holder who has not so signified his desire on or before the said date may make such exchange without the approval and sanction of the Colonial Treasurer.

Provision as to moneys required.

5. The moneys required for the payment off of the bonds issued under the authority of the Public Works Loan Ordinance, 1927, may be paid out of the sinking fund established under that Ordinance, or out of the revenue and assets of the Colony; and the moneys required for the principal moneys and interest for the Conversion bonds issued under the provisions of this Ordinance, and for the expenses of issue and management, are, subject to the provisions of section 10, hereby charged upon and shall be payable out of the revenue and assets of the Colony.

Rate of interest on Conversion bonds.

6. The interest on each Conversion bond shall be at the rate of four per centum per annum and shall run from the day named in that behalf in the bond and shall be paid half-yearly at the head office of the Hong Kong and Shanghai Banking Corporation on the days named in that behalf in the coupons.

7. The Governor shall in each half-year ending with the day on which the interest on the Conversion bonds falls due appropriate out of the revenue and assets of the Colony a sum equal to one half-year's interest on the whole of the bonds outstanding in order that the interest for the said half-year may be paid therefrom.

Provision  
for payment  
of interest.

8. Every Conversion bond and coupon and the right to receive the principal and interest represented thereby shall be transferable by delivery.

Transfer by  
delivery.

9.—(1) Subject to the provisions of sub-section (2), the Conversion bonds issued under this Ordinance shall be redeemable at par on the first day of August, 1953, from and including which date all interest on the principal moneys represented thereby shall cease and determine, whether payment of the principal shall have been demanded or not.

Redemption  
of Conversion  
bonds.

(2) At any time or times the Governor may authorise the redemption, by purchase at current market rates, of Conversion bonds of such denominations and to such respective total values as he may from time to time determine.

10.—(1) The Governor shall in each year ending on the 31st July, subsequent to the year ending on the 31st July, 1933, appropriate out of the revenue and assets of the Colony, for the formation of a sinking fund for the Conversion bonds, an additional sum of not less than three dollars and forty-five cents per hundred dollars on the total nominal value of all the Conversion bonds issued.

Provision  
as to  
sinking  
funds.

(2) The said sinking fund shall be applied in the first instance in payment of all expenses of or incidental to the redemption of the Conversion bonds and in the next place in repayment of the principal moneys represented by the Conversion bonds.

(3) In case the said sinking fund shall be insufficient for the payment of the principal moneys at the time when such payment shall become due the Governor shall make good the deficiency out of the revenue and assets of the Colony.

(4) The moneys appropriated for the formation of the said sinking fund shall, so far as they are not required for the purposes of sub-section (2), be dealt with in such manner as may be approved by the Governor in Council.

(5) The moneys appropriated for the formation of the sinking fund, established under the Public Works Loan Ordinance of 1927, and not required for the payment off of the bonds issued under the authority of that Ordinance shall be dealt with in such manner as may be approved by the Governor in Council.

Ordinance  
No. 14 of  
1927.

11. On the repayment of the moneys represented by any Conversion bond or coupon issued under this Ordinance, or on the repayment of the moneys represented by any bond or coupon issued under the Public Works Loan Ordinance, 1927, or on the giving of any such bonds in exchange for a Conversion bond (or for a scrip certificate to be exchanged later for a Conversion bond), the bond or coupon paid off or given in exchange shall be delivered up to the Hong Kong and Shanghai Banking Corporation and shall be cancelled by the said Corporation.

Delivery up  
of bonds and  
coupons for  
cancellation  
on payment  
or exchange.

Ordinance  
No. 14 of  
1927.

Powers  
of the  
Governor.

**12.** The Governor shall have power :

(a) to determine the amounts for which the conversion bonds shall be issued :

(b) to determine the form of the Conversion bonds ;

(c) to provide for the issue in the first instance of scrip certificates to be exchanged later for the bonds

(d) to provide for the issue of coupons for the payment of interest ;

(e) to determine the days on which the half-yearly interest is to be payable ; and

(f) to give any directions necessary for the purpose of carrying out this Ordinance and not inconsistent with its provisions.

Exemption  
from  
defence  
contribution.

**13.** All moneys appropriated out of the revenue and assets of the Colony for the payment of the interest on the Conversion bonds and for the formation of a sinking fund, and all dividends, interest or produce of any investments which represent any portion of the sinking fund, shall be deducted from the Colonial revenues before the calculation of the sums payable to His Majesty's Government under the Defence Contribution Ordinance, 1901.

Ordinance  
No. 1 of  
1901.

Amendment  
of Ordin-  
ance No. 5 of  
1901, s. 14.  
Ordinance  
No. 14 of  
1927.

**14.** Paragraph (16) of section 14 of the Trustees Ordinance, 1901, as enacted by section 14 of the Public Works Loan Ordinance, 1927, is repealed and the following paragraph is substituted therefor :—

(16) in any Conversion bonds issued under the Authority of the Public Works Loan Redemption Ordinance, 1933.

Repeal of  
Ordinance  
No. 14 of  
1927.

**15.** The Public Works Loan Ordinance, 1927, is repealed.

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*Objects and Reasons.*

1. The Public Works Loan Ordinance, No. 14 of 1927, authorised the issue of bonds for the purpose of raising a loan of \$5,000,000 at 6 per cent for waterworks, aerodrome, and harbour development and other public works.

2. The loan was redeemable at par on the 1st November, 1938, but provision was made for the redemption by purchase or for drawings at any time or times after the 31st October, 1932, as the Governor may from time to time determine.

3. It is now considered desirable to make provision for the redemption of the bonds at par on the 1st August, 1933, in the case of all bond holders who do not before the 11th July, 1933, or such later date as the Colonial Treasurer may approve, express their desire to exchange their bonds for a new issue of Conversion bonds bearing interest at 4 per cent. The method proposed in this Ordinance avoids the necessity for a formal drawing by lot, prescribed by section 5 (3) of Ordinance No. 14 of 1927, as it is intended to redeem all bonds not exchanged for the new Conversion bonds.

4. These Conversion bonds will be redeemable at par on the 1st August, 1953, and will not be redeemable before that date otherwise than by purchase in the open market which is authorised by section 9 (2).

5. The principal moneys and interest represented by the Conversion bonds, which like the Public Works Loan bonds will be bearer bonds transferable by delivery, will be charged on and secured by a sinking fund and the revenue and assets of the Colony.

6. The Conversion bonds will be authorised investments in which any trustee, not expressly forbidden by the terms of the instrument creating the trust, may invest funds in his hands.

7. The moneys appropriated for the payment of interest on the Conversion bonds and for the formation of the sinking fund and all dividends, interest or produce of any investments which represent any portion of the sinking fund, will be exempted from the defence contribution payable under Ordinance No. 1 of 1901.

C. G. ALABASTER,  
*Attorney General.*

*May, 1933.*