

27th July, 1939.

PRESENT:—

HIS EXCELLENCY THE GOVERNOR (SIR G. A. S. NORTHCOTE, K.C.M.G.).

HIS EXCELLENCY THE GENERAL OFFICER COMMANDING THE TROOPS, (MAJOR GENERAL A. E. GRASETT, D.S.O., M.C.).

THE COLONIAL SECRETARY (HON. MR. W. J. CARRIE, *Acting*).

THE ATTORNEY GENERAL (HON. MR. C. G. ALABASTER, O.B.E., K.C.).

THE SECRETARY FOR CHINESE AFFAIRS (HON. MR. H. R. BUTTERS, *Acting*).

THE FINANCIAL SECRETARY (HON. MR. S. CAINE).

HON. COMMANDER G. F. HOLE, R.N. (Retired), (Harbour Master).

HON. DR. P. S. SELWYN-CLARKE, M.C., (Director of Medical Services).

HON. MR. C. G. PERDUE (Commissioner of Police, *Acting*).

HON. MR. A. B. PURVES (Director of Public Works, *Acting*).

HON. SIR HENRY POLLOCK, KT., K.C., LL.D.

HON. MR. S. H. DODWELL.

HON. MR. CHAU TSUN-NIN, C.B.E.

HON. MR. LO MAN-KAM.

HON. MR. LEO D'ALMADA E CASTRO, JNR.

HON. MR. T. E. PEARCE.

HON. MR. J. K. BOUSFIELD, M.C.

HON. MR. LI TSE-FONG.

MR. C. B. BURGESS (Deputy Clerk of Councils).

MINUTES.

The Minutes of the previous meeting of the Council were confirmed.

ANNOUNCEMENT.

H.E. THE GOVERNOR.—Honourable Members,—Before the business on the agenda is taken I would ask your attention for a brief moment to a statement which I feel it is my duty to make. It is evident that in some quarters of this Colony there is an impression that the preliminary agreement recently reached in Tokyo between the British Ambassador and the Japanese Foreign Minister indicates or foreshadows a weakening of British policy in China, and that this belief is having a disheartening effect upon those who hold it.

I wish to state clearly and emphatically that in my view there is no ground whatever for that apprehension, which, I am convinced, has been sedulously and ingeniously spread and fostered by those who are ill-disposed towards Great Britain or who are at enmity with China. The suggestion has been publicly and categorically denied in Parliament by the Prime Minister and the Secretary of State for Foreign Affairs in the following identical words, "The declaration at Tientsin does not, and cannot, change the British Government's policy in China": Sir Robert Craigie has used a very similar phrase. I am certain that those words mean exactly what they say, no more and no less: and I am clear that to cast doubt upon them must render more difficult the pursuance of that British policy in China. In certain unfriendly quarters elsewhere the agreement has been publicly hailed as a blow to British prestige and a set-back to China. To represent the British Prime Minister's plain statement of policy as in any way insincere or equivocal is to endorse such propaganda and to play the game of those who set it about. (Applause).

HON. MR. T. N. CHAU.—My Chinese Colleagues and I are very pleased to hear the statement that has just been made by Your Excellency. I am sure such a statement will help to dissipate any false impression that might have been created among the Chinese population. (Applause).

PAPERS.

THE COLONIAL SECRETARY, by command of H.E. The Governor, laid upon the table the following papers:—

Order made by the Governor in Council under the Lighting Control Ordinance, 1936, Ordinance No. 55 of 1936, for the practice in lighting control to be held on Thursday, 27th July, 1939, dated 20th July, 1939.

Administration Reports, 1938:—

Report on the Social and Economic Progress of the People of the Colony of Hong Kong.

Part I.—General Administration:—

Report of the Superintendent of Imports and Exports.

Part III.—Public Health:—

Report of the Chairman of the Urban Council.

Report of the Botanical and Forestry Department.

VOLUNTEER AMENDMENT BILL, 1939.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to amend the Volunteer Ordinance, 1933."

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

REGISTRATION OF PERSONS AMENDMENT BILL, 1939.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to amend the Registration of Persons Ordinance, 1939."

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

HYDROCARBON OILS AMENDMENT BILL, 1939.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to amend the Hydrocarbon Oils Ordinance, 1939."

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

COMPULSORY SERVICE BILL, 1939.

THE ATTORNEY GENERAL moved the second reading of a Bill intituled "An Ordinance to make provision with respect to compulsory service."

He said: Sir,—Since the first reading of this Bill it has been suggested to me by the representatives of certain business houses that the public sittings of the tribunals provided for in clause 12 (1) of the Bill might lead to the disclosure of secrets of business organization which it would harm any firm concerned to disclose in public. This question has been considered by Your Excellency and your advisers as well as by the chairmen of the two tribunals, and I am authorized to state that the Government is not prepared to amend the sub-clause, as that clause already gives the tribunals power to conduct their

proceedings wholly or partly in private whenever the majority of the tribunal so decides. It is considered inconceivable that the tribunals will force anyone to disclose in public business secrets which ought not to be so disclosed, and that in a matter of this kind employers should realize the elasticity of the clause as drafted and trust to the good sense of the tribunals. I may add that the provisions of the clause are practically identical with those of section 12 of the Military Service Ordinance, 1918, which dealt with the tribunals which sat twenty-one years ago and which worked quite smoothly.

HON. MR. LO MAN-KAM.—Your Excellency,—I suppose it is human nature for peoples of every clime and place to imagine that the times through which they are living constitute a record of difficulties. I venture to think that such a view of our contemporary times will have more historic justification than any such view in past history. It seems impossible to doubt that future generations of men will read with astonishment and bewilderment the history of our epoch. They will read of the advance in scientific knowledge, and of material progress unaccompanied by any corresponding evolutionary advance in ethics and morals; of amazing mechanical inventions and their perverted use in the destruction of human beings; of the utter contempt and disregard of solemn obligations on the part of civilised States; of a reign of unbridled aggression, and of “grab and take” reminiscent of the jungle days; of a great peaceful country, the Republic of China, being overrun by an aggressor, and being subjected to unimaginable horrors and sufferings, with peaceful and democratic countries having to look on, sympathising, but impotent to intervene; of the well-nigh superhuman efforts of Great Britain to arm herself against unprovoked aggression and to make her influence felt once more in the sacred cause of Peace amongst nations.

In such a historical picture the willingness of the British people in England to submit, in “peace” time in 1939, to compulsory military service, which is so repugnant to the British ideal of personal freedom, will no doubt be noted with admiration. And it may be that, in such a picture, the action of this Council, with the complete unanimity of its members, in passing this Bill into law, which is the first measure of its kind in “peace” time in the history of the Colony now approaching its Centenary, will have a foot-note as a significant action of a tiny part of the British Empire in the general cause of Peace.

Sir, in explaining at last week’s meeting that it was intended at the present time to apply the provisions of this Bill only to British subjects of European descent, Your Excellency was kind enough to state:—

“I trust sincerely that the many other British subjects in this Colony will understand that this differentiation is being made solely on the grounds of practicability.”

May I, on behalf of my colleagues and myself, express to Your Excellency our grateful appreciation of your statement?

Military Conscription, in the usual sense of that term, usually implies the failure, or the unsatisfactory working, of voluntary enrolment. Chinese British subjects have never failed to respond to the Colony's call in time of her need, and if this measure were an ordinary measure for compulsory military service, with the implication I have suggested, I would have deemed it my duty, as a representative of the Chinese, to submit that no case whatever had been made out as against them for compulsory military service. But, Sir, in my view this Bill is not a mere military conscription Bill; it is, as its preamble states, a measure "to make provision in respect to compulsory service." As I understand the position, the idea underlying the measure is this:—that in order to be prepared to meet most effectively, and as soon as possible, an emergency which we all devoutly hope will never eventuate, it is considered essential that there should exist some central authority, equipped with the necessary power, to organise, in orderly stages and without waste or overlapping (which would not be easy in any system of voluntary service), all available personnel for all the varied essential services of the Colony. In such a general mobilisation of services for the common good, all who are selected for service under the provisions of this Bill will be performing valuable public services. For them there should be public appreciation; there can be no question of personal stigma. Such, Sir, is my understanding.

Under clause 11 of the Bill, every person assigned to the Military or Air sections of the Hong Kong Defence Reserve "shall be deemed to have been duly admitted as a member of the Hong Kong Volunteer Defence Corps." Under clause 6 a person certified as medically fit in the Reserve can enrol in the Corps, subject to Your Excellency's announcement as regards persons belonging to certain key post groups. In view of the close connection between the Corps and this Bill I desire to say a word about the Corps.

Sir, the Colony is justly proud of its Hong Kong Volunteer Defence Corps. But in order that its splendid *esprit de corps*, its efficiency, may not be impaired, it is essential that all its members should be able to feel that, as fellow members working in union for a common cause, they do in fact receive equal treatment in every respect, and in all matters, without any discrimination between race or creed.

I understand, Sir, that there has been some rumour as to the possibility of racial discrimination being made in regard to pay on mobilisation, and that this rumour has occasioned some concern. I need hardly point out that this concern has no reference to the sordid question of mere dollars and cents. It arises from a deep conviction that volunteers working for a common cause should receive equal treatment, and from a just resentment that any racial discrimination should exist in any matter whatsoever. I therefore venture respectfully to invite Your Excellency to state in this Council that any fear of racial discriminative treatment in the Corps in any matter is groundless.

Finally, may I, Sir, on behalf of my Chinese colleagues and myself, once more pledge the willing co-operation and support of the Chinese Community in any measures which Your Excellency may find it necessary to take in the interests of the Colony in these abnormal times? (Applause).

THE COLONIAL SECRETARY.—Your Excellency.—The only point which has arisen to which an answer seems required is the suggestion of racial discrimination within the Hong Kong Volunteer Defence Corps. I am grateful to the Honourable Mr. Lo Man-kam for the opportunity to state that his fears on this subject are groundless.

This Government fully agrees that all members of the Corps should receive equal treatment in every respect and at all times. (Applause).

H.E. THE GENERAL OFFICER COMMANDING.—Your Excellency,—Last week when this Bill was read for the first time in this Council I was away in North China. I therefore take this opportunity to assure Hon. Members how much importance I, as Fortress Commander, attach to it.

No one can forecast the future in the present circumstances and nobody can say what will happen. It may be that this Fortress will be attacked. If it is attacked, we shall resist to the full power of our resources and strength.

I mention this point because it is possible that rumours to the contrary may have reached the ears of Hon. Members—rumours spread by those ill-disposed towards us. I wish to point out that these rumours are entirely false. It is our intention to defend the Colony to the end, and those who proclaim to the contrary are making mis-statements.

It is my duty to bring to the notice of Hon. Members any questions which I consider are important to the defence of this Colony. This Bill I consider to be essential in order that the British European manpower may be organised and distributed in the best way possible.

It is possible that Hon. Members may be in doubt on the rather vexed question of key men, and I think they will be glad to hear how it is proposed to solve the problem of those Members of the Volunteers who are now in fact key men. I have pointed out on various occasions in the past that, in my judgment, the number of key men who will remain in a real emergency will be comparatively few, but the fact remains that there are undoubtedly a number of essential services and civil organisations which must be maintained in any circumstances and are as important and, in some instances, more important in war than in peace.

At this moment there are undoubtedly a number of members of the Volunteers who are key men and whose services will be required in their civil occupations in war, either permanently for the initial

stages, or who can only be spared from their normal duties for service in the Volunteers for a comparatively short time. It may be there are some who will be spared for two or three days and then return to their normal civil occupations.

Hon. Members will, no doubt, wish to know how employers are to ensure the retention of the services in war of those members of their staff whom they regard as key men. Any employer who considers that the services of a member of his staff who has joined the Volunteers are essential in war must represent this fact to the Commandant of the Volunteer Defence Corps. The employer must, in fact, claim his man. If no satisfactory agreement can be reached between the employer and the Commandant of the Volunteer Defence Corps, the matter will be referred to a Tribunal to be set up by His Excellency the Governor. I hope very much that this arrangement will be found satisfactory. Whatever decision is reached in the case as regards key men, and whether it is decided that he is to remain in civil occupation, the man will remain a member of the Volunteers. If he is to remain permanently or temporarily in his civil occupation in war he will continue to be a member of the Volunteers, he will retain his status, and will wear the Volunteer uniform in his civil occupation.

I fully realise the difficulties provided by this question of key men, and my sympathies are with those gentlemen who are anxious to join the Volunteers and to train themselves to assist in the defence of the Colony but who are, for excellent reasons, prevented from doing so.

From reading Hansard of the last meeting of this Council I realise there was a feeling of genuine regret on the part of certain Hon. Members that this Bill was restricted to British Europeans. His Excellency the Governor has explained why that was necessary, but I want to take this opportunity of informing Hon. Members of my very high opinion of the efficiency of the Portuguese, the Colony-born and the Chinese units of the Volunteer Defence Corps. These units are expanding and developing and are going on very well indeed. I feel confident, and I know Hon. Members will share my feelings, that we can count on the fullest possible assistance from the Chinese and other communities and that they would fight and give their lives and services readily for the defence of the Colony.

H.E. THE GOVERNOR.—Honourable Members,—Before this Bill is put to the vote I wish to try to make one point clear. There is something of a misunderstanding abroad of the fundamental nature and purpose of the Compulsory Service Bill. That misunderstanding is due to the tendency to concentrate too much on the 'active service' side of the Colony's defence—and this bill's object is solely defensive—and to give too little thought to the equally necessary services that must be kept going, if the defence of the Colony and the bare necessities of civil life are to be maintained during war-time, as of course they must be.

When the Compulsory Service Ordinance comes into force every man who is called up for and passes the medical examination will be placed by the Tribunal in the group where he can best serve the Colony's interests. The ultimate question before every man, therefore, is not 'Shall I, or shall I not, join the Army or Navy?' but 'Where does my duty lie?' That question is one which in many cases a conscientious man finds very difficult to decide, especially as he is not in a position, as a rule, to know all the aspects of the case: and the chief reason for the passing of this Bill is to set up a body, which having all the issues before them, can make such decisions from the only point of view which really matters, that is to say that of the common weal. Recently a certain number of men both in Government service and in key industries who have applied to join the Volunteers have found themselves prevented from doing so by instructions which came from me. I sympathise with them in their disappointment but it was in my opinion necessary in the interests of the community to issue those orders. The honourable and gallant member of this Council, who would command the fortress in case of war, has just explained why it would be necessary in that eventuality to recover from the volunteer forces a considerable number of key-post men and how that is to be done. It would clearly be futile and trouble-making to allow that problem to enlarge itself at this juncture: I therefore took the step which I have just mentioned.

I have only one thing to add. The Compulsory Service Ordinance is not a conscription measure in the usually accepted and contemptuous sense of the word. Its sole object is to organise the European British section of this community so as best to serve this Colony's interests. Idle talk of a stigma attaching to such an organisation is not merely quite beside the mark, it is harmful to those interests and I trust that no more will be heard of it.

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

On the motion of the Attorney General, seconded by the Colonial Secretary, Council then went into committee to consider the following Bills clause by clause:—

VOLUNTEER AMENDMENT BILL, 1939;

REGISTRATION OF PERSONS AMENDMENT BILL, 1939;

HYDROCARBON OILS AMENDMENT BILL, 1939;

COMPULSORY SERVICE BILL, 1939.

Upon Council resuming,

THE ATTORNEY GENERAL reported that the Volunteer Amendment Bill had passed through committee without amendment, and moved the third reading.

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

THE ATTORNEY GENERAL reported that the Registration of Persons Amendment Bill had passed through committee without amendment, and moved the third reading.

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

THE ATTORNEY GENERAL reported that the Hydrocarbon Oils Amendment Bill had passed through committee without amendment, and moved the third reading.

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

THE ATTORNEY GENERAL reported that the Compulsory Service Bill had passed through committee without amendment, and moved the third reading.

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

ADJOURNMENT.

H.E. THE GOVERNOR.—Council stands adjourned *sine die*.

FINANCE COMMITTEE.

Following the Council, a meeting of the Finance Committee was held, the Acting Colonial Secretary presiding.

Votes totalling \$278,605 under Estimates, 1939, contained in Message No. 7 from His Excellency the Governor, were considered.

132.—12, Imports and Exports Office: 19, Opium, Preparation and Carriage, \$31,000.

HON. SIR HENRY POLLOCK.—In the old reports of the Superintendent of Imports and Exports, in order to obtain a correct statement of accounts, the cost of personnel emoluments, besides charges for preparation, was included, but now this is not done.

THE FINANCIAL SECRETARY.—In Appendix III of the Estimates where the charges are set out there is included part of the salary of the Superintendent and the office staff and part of the salary of Chinese Revenue Officers.

HON. MR. DODWELL.—This vote gives the impression that the Government is encouraging the smoking of opium by importing larger quantities.

THE CHAIRMAN.—The Government are merely importing legally what has been imported illegally previously. It is not an increase.

HON. SIR HENRY POLLOCK.—I have always been under the impression that smoking of heroin and taking of heroin pills is a much greater evil than smoking of opium.

HON. MR. DODWELL.—I am entirely in agreement with that.

THE CHAIRMAN.—I gather from the report of the Superintendent of Imports and Exports that the increase is entirely due to the substitution of legal for illegal opium.

146.—31, Public Works Extraordinary:—General Works: 23, Miscellaneous, \$15,000.

HON. MR. LO.—I can't understand what this means.

THE FINANCIAL SECRETARY.—This is a vote to meet the cost of additional office accommodation, alterations and things of that kind which are too small to form special sub-heads, and owing to the necessity of all sorts of minor developments in connection with the emergency conditions the vote has become exhausted much earlier than usual.

149.—31, Public Works Extraordinary:—Miscellaneous: Erection of six garages at Barker Road, \$1,250.

HON. MR. D'ALMADA.—This is rather a bad estimate. It is 31 per cent. out on a small sum like \$4,000. Is this due to the cost of materials having gone up?

THE FINANCIAL SECRETARY.—Yes, I think the cost of materials has gone up much more than expected.

151.—31, Public Works Extraordinary:—Buildings: Camp for Chinese interned soldiers, \$120,000.

HON. MR. D'ALMADA.—Is this going to be a permanent building?

THE FINANCIAL SECRETARY.—It is to be the same as the other refugee camps.

HON. MR. D'ALMADA.—How long is it expected to last.

THE HON. DIRECTOR OF PUBLIC WORKS.—Possibly five years.

HON. MR. D'ALMADA.—So it would be of some practical use after its present intended user is ended?

THE CHAIRMAN.—I think it could be dismantled and moved elsewhere.

All the votes were approved.