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LEGISLATIVE COUNCIL, CEYLON.

ADDRESS OF HIS EXCELLENCY SIR EDWARD NOEL WALKER, K.C.M.G., ON OPENING THE
SESSION OF THE LEGISLATIVE COUNCIL, OCTOBER 4, 1899.

HONOURABLE GENTLEMEN OF THE LEGISLATIVE COUNCIL,

IN the absence of the Governor, and as a delay until the return of His Excellency in the end of next month would probably occasion inconvenience, it is my duty to open this Annual Session of the Legislative Council, and to place before you shortly the present position of the finances and of the other more important public matters, and to state generally the legislation and other business which it is at present proposed to submit to you for your consideration and advice.

It is my pleasing part to congratulate the Council on the continuance of prosperity, as indicated in the maintenance of the revenue on its long-established and very moderate rates of taxation. For the first eight months of the current year two-thirds of the amount estimated for 1899 have on the whole been collected—there being deficiencies in some items and excesses in others—and my expectation from the indications in daily official information are that the total of 25 millions will be quite reached by the close of the year. A comparison with the same period in 1898 is equally satisfactory. Notwithstanding the reductions of rates and taxes, estimated as representing a sum of Rs. 431,300, the increase so far in 1899 is Rs. 119,943. The excesses are Rs. 281,762 under the head of Customs, Rs. 26,723 of Port Dues, Rs. 76,370 of Fees of Court, and Rs. 11,465 of Land Sales; while the deficiencies are Rs. 11,021 in Licenses, Rs. 27,502 in Postal, Rs. 11,182 in Railway, Rs. 11,607 in Rents, Rs. 166,888 in Interest, Rs. 42,813 in Miscellaneous Receipts, and Rs. 5,363 in Sale of Government Property. The only two items calling for comment on account of their amounts are Customs on the one side and Interest on the other. In the former, the increase is pretty equally spread over the items of grain, spirits, oil, and other goods, while there is a deficiency in cotton manufactures, which is more than accounted for by the reduction this year of the rate of duty. The receipts from Interest are smaller by reason of the absorption of the cash balances in advances on account of Loan Works, and of the necessity of fortifying the depreciation fund of the Currency Notes in consequence of its having fallen below the limit prescribed, and of thus diverting from revenue a portion of the interest receipts. That relates to the immediate position of the revenue.

As regards the actual Receipts and Expenditure in 1898, it will have been observed from the published statements that the former (Rs. 25,138,669) exceeded the estimated amount by Rs. 1,727,669, and those of the previous year by Rs. 1,133,147, thus nearly maintaining the annual average rate of increase of one and a half million of the four preceding years. The increase was in every head of revenue, being however not continued at quite the same rate in Customs, Licenses, Fees of Court, Railway, and Sales of Property, but being higher in Port Dues, Postal, Rents, Interest, and Land Sales.

The expenditure in 1898 was Rs. 22,843,852, having exceeded that of the previous year by Rs. 1,209,474, and principally under the heads of Survey to the extent of Rs. 100,220, Medical Rs. 179,176, Military Rs. 76,374, Postal Rs. 97,613, Railway Rs. 301,953, and Public Works Rs. 205,573.

Such increased expenditure must have contributed largely to the convenience and accommodation of the community and have promoted the development of the Island to the benefit of all classes.

The surplus of Revenue over Expenditure in 1898 was thus Rs. 2,294,837, and made up the balance available for appropriation at the commencement of the current year to the accumulated amount of Rs. 4,524,923, exclusive of a sum of Rs. 809,156, partly lent to local authorities and partly recoverable as arrears of revenue and as overpayments.

The total net amount of Public Debt at the close of 1898 at the current rate of exchange was Rs. 55,125,949, a little over two years' revenue, and has been incurred to the extent of Rs. 32,367,381 on account of Railway Extension, Rs. 17,580,907 on Harbour Works, Rs. 266,212 on Irrigation, and Rs. 4,911,449 on Colombo Waterworks. The annual outlay on the Colombo Harbour has now been brought within the growing receipts from Port Dues, but the present small excess cannot be relied on with increasing demands for accommodation and quick despatch and with the existing moderate scale of dues. The capital expenditure on those works, as well as that on Irrigation and on the Colombo Water Supply, cannot be regarded as directly reproductive from a financial point of view. The total outstanding debt is, however, little more than our present Railway lines have cost us on the whole, and is certainly less than they could be sold for to-morrow as a going commercial concern. We therefore may claim to enter without any unsecured liability whatever on any borrowing for further Harbour Improvements and Railway Extensions now about to be commenced.

The trade of the Island has naturally followed the good direction of the revenue, the value having increased in 1898 over that in 1897 by Rs. 12,367,465, or at the rate of 7 per centum, of which Rs. 1,794,878 was in imports and Rs. 10,572,587 in exports. An increase of 300,000 bushels in the importation of rice accounts for the former, and is a satisfactory indication of the prosperity of the people. Tea, which now represents a little more than one-half of the value of our exports, has enjoyed its proportion of the increase; cacao proceeds slowly to extend; cinchona has somewhat recovered; and coffee has decreased in the year by one-third and is not now one-fiftieth of what it was in its palmy days of 21 years previously; while the value of the products of the cocoanut exported has increased in 1898 by one-fourth and now represents nearly 23 per centum of the total value of exports. In Shipping the total tonnage continues to increase and has reached an aggregate of 3,605,706 tons, while the numbers decrease owing to the displacement of sailing vessels and to the increasing size of steamers. The value of coal used by steamers has risen from Rs. 8,000,028 in 1896 and Rs. 7,425,532 in 1897 to Rs. 9,725,070 in 1898. The quarantine restrictions on account of plague precautions have naturally interfered with the trade of native vessels from India.

The Tea industry may, I believe, claim to be in a sounder and better position financially than it was a couple of years ago. Though a large area of tea land has still to come into bearing, the energy and success of those interested in increasing the consumption of Ceylon tea in foreign lands has contributed much in keeping the demand well abreast of the supply. While any appreciable fall in price would probably throw some less productive estates out of cultivation, as was the case in India last year to our possible advantage towards equalizing of demand and supply, there are happily not wanting indications of a rise in the market, at any rate to some slight extent. From an agricultural point of view, there would appear to be cause for some anxiety and for a continuance of vigilance and activity in repressing blight, the ravages of which may in time reduce the productiveness of the tree but will never probably destroy it. It is gratifying to note that the Planting Community with their wonted energy and resource have availed themselves of scientific aid in their battle against this enemy, and they can count in this respect on the sympathy and support of the Government, so far as it is needed and so far as it can be given in their own interests and in those of the other classes of the community. The supply of labour seems to be still sufficient notwithstanding that the arrivals of immigrants have been only 17,213 and the departures 25,538, up to a recent date this year, against the corresponding figures of 89,105 and 44,636 in 1898.

HARBOUR WORKS.

Since this time last year a commencement has been made with the north-west, or island, breakwater in Colombo Harbour, with the result that the rubble foundations have been partially deposited for a length of 1,620 feet, the outer or south-west end being marked by a lightship showing a red light. The north head of this breakwater is founded for its full length of 150 feet, of which 120 feet are visible, being brought up to the level of seven feet above low water. This is the level of the top of the concrete blocks, and at this level the Titan for setting the blocks of this breakwater will be erected as soon as the weather permits.

The block-loading Titan which is intended to lift the 30-ton blocks into the block barges for conveyance for setting in the north-west breakwater, has been erected on the block jetty and works satisfactorily. Besides the blocks required to finish the head itself, 1,018 blocks are already made, representing a length of breakwater proper of 281 ft.

The total area of land reclaimed from the harbour since the commencement of these works is $25\frac{1}{2}$ acres, of which $8\frac{1}{2}$ acres form part of the new coaling ground. The remaining 17 acres are available for other purposes.

The concrete blocks for the Patent Slip, numbering 1,216 and weighing on an average about 5 tons each, are nearly completed. For the guide jetty over 200 concrete cylinders, 4 tons each, are required. About half of these have been made. As soon as the necessary plant arrives from England, work will be commenced on the slip proper.

Of the five Grain Sheds, one is complete and two are in skeleton, delay being experienced owing to scarcity of workmen, but it is anticipated that the sheds will be complete by the end of the year. The jetties in connection with the sheds are quite finished.

The total quantity of material dredged from the harbour for the twelve months ending 30th September is about 467,000 cubic yards or 700,000 tons. One mooring has just been added, two others will be put down in the course of the next month, and twelve sets have been ordered from England. Accommodation will then be provided for 31 ships in the south-west monsoon and 30 ships in the north-east, the present accommodation being for 22 and 20 respectively.

The construction of the barge-repairing basin is in progress.

In 1896 the design of the graving dock now under construction was submitted in outline form by the Consulting Engineers, and on the 28th May, 1897, the Secretary of State for the Colonies in a despatch to His Excellency the Governor approved "the necessary steps being taken for beginning the work as soon as practicable." The detail drawings were then put in hand and on their completion brought to the Colony by Mr. Matthews at his inspection visit in February of this year. On the 1st March the first sod was cut by His Excellency the Governor with an inaugural ceremony, and the work of excavation was immediately started and has continued with all practicable speed, so that at the present time 32,495 cubic yards have been excavated and the greater part of the overlying ground has been removed to the level of the dock quay. Owing to the south-west monsoon little progress has been possible with the construction of the coffer dam, but as soon as a commencement can be made the piling of this dam will be put in hand and completed with all despatch. A rubble protecting berm, to enclose the coffer dam and prevent damage to the same by the heavy seas breaking on this portion of the harbour foreshore, is now being constructed, and will be tipped from both ends to expedite completion.

SURVEYS.

The progress of the Topographical and Cadastral Surveys has been extremely satisfactory, especially when taking into consideration the very late recess last year which necessitated the carrying of the plan work on to, in some cases, March of the present year. As was anticipated in the last Administration Report, there has been a falling off in the large scale surveys, although not to the extent expected. So far this year the Survey Department has completed about 160,000 acres of cadastral surveys alone. These figures are of course approximate, as no computations have as yet been made, but are within rather than over the mark. The topographical survey has however well made up for any loss in the cadastral work, as it covers about 3,000 square miles: this is, with the 1,500 miles surveyed topographically last year, 4,500 square miles, or nearly one-fifth of the Island, in practically a year and a half. This area was previously unmapped, a few sketches and isolated surveys representing all that had been done up to 1898. Now we have a complete map of the whole of the mainland of the Northern Province and a large area of the North-Central Province, within which during the current year we have surveyed and thus mapped 2,049 miles of roads and paths, 1,314 miles of rivers and streams, 715 villages, and 1,688 fanks besides yoda-elas, and, in fact, everything that could be discovered. Some tanks may be left out, due to the fact that they are so covered with forest that they are unknown even to villagers. In addition to the foregoing, no less than 1,143 applications and special questions have received attention at the hands of the application staff, the areas of which cannot yet be given. In the aggregate, this year shows the largest return yet surveyed in any single year, and it is one which is expected to be maintained. The Topographical party has been in the field under tents since February, and has only just been recessed at headquarters to draw up the year's plans, the Cadastral parties in the Eastern, Southern, Sabaragamuwa, and Central Provinces being recessed at the respective provincial headquarters.

Of matters in which such progress as may have been expected has not been made, I would allude to the following by way of explanation. The Commission on a proposed Agricultural Department has given much attention to the subject entrusted to it, and has had several meetings which it is now hoped will result in the presentation of its report in the course of this month. The Committee which has had under consideration the means of providing additional accommodation for the Courts of Law in Colombo have arrived at a scheme and plans, which have been submitted within the last day or two for consideration, and will, I believe, receive general acceptance. The building of the new Technical College has not been commenced, in the consideration given to the plans and in a decided difference of opinion on the question of site. It is now resolved to re-build on the site occupied by and adjoining the present College, which has in the opinion of the majority advantage over others proposed, and the requisite adjustment of plans is being now made. The Public Works Department, with the other heavy demands on it during the year, have not been able to complete the plans and estimates for their own new head office in Colombo.

I would bring to your notice as deserving our grateful recognition at the present time of scientific investigation a noteworthy addition to the Medical Department in the new Bacteriological Institute, the fabric of which has been presented to the Government through the generosity of Mr. J. W. Charles de Soysa. The institute is a handsome two-storied building, and will be opened for work during the next session of the Medical College.

SANITATION.

At the present time the general health of the Island is good, there being an absence of zymotic diseases in epidemic form, which is admittedly a good criterion of the general health of a community. There are four places throughout the Island where smallpox recently existed to a very slight extent, namely, in the Teldeniya, Deltota, Kongahawela, and Dambulla districts, but the disease is not spreading.

During the last quarter of 1898 there were severe outbreaks of malarial fever in the Northern and North-Western Provinces, notably at Jaffna and in the Kurunegala District. These virulent outbreaks were widespread and occasioned much distress and mortality. Their cause cannot be definitely traced, and in this connection it may be mentioned that this Government has complied with the request of the Secretary of State to co-operate with the object of studying the alleged connection between malaria and the mosquito. The necessary apparatus has been sent to about a dozen notably malarious districts for the medical officers to work at the subject, and it is hoped by the medical profession, as a result of these experiments which are being undertaken throughout the whole of the British Colonies and India, that that dread disease malaria, which has caused more havoc among colonies than anything else, will be eradicated, or at any rate controlled. Other parts of the Island were visited by their usual periodical outbreaks of malaria, but there was nothing of particular moment to call for more than the ordinary measures for relief.

There were during the last twelve months mild outbreaks of smallpox in various places, the most serious being in the Chilaw District. The outbreaks of this disease can generally be traced to immigrants, and the absence of serious spread would suggest that the people of this Island are well protected by vaccination. With the exception of these outbreaks of smallpox and malaria, the general health of the population during the past year has been good.

There is a satisfactory sanitary fact to which I would draw your special attention, and it is that during the last twelve months no single case of cholera has been known to exist in this Island. The returns for the last ten years have been looked through without finding a similar record. This freedom from cholera, which in former years was almost always with us, can only be accounted for by the closing of the North road cooly route, and by the special arrangements that exist for the introduction of coolies and other like immigrants *vid* Tuticorin, Colombo, and Ragama Camp.

Particular attention has been directed to improve the sanitation of towns and villages, with some encouraging results. The water supply, which is such an important factor in the health of the people, is in many places still defective, and unfortunately the consideration of schemes for better supplies for some of the larger towns is often beset by engineering difficulties and has had to give way to other demands on the time and attention of the Public Works Department.

The precautions considered to be necessary to prevent the introduction of Plague from the neighbouring continent of India and from other infected countries have been continued; and it may be interesting, as well as assuring, to you and to the community, that I should take this opportunity of reminding you of them.

The chief danger to the Island from this source was the possible introduction of the disease by natives of India, who come over in large numbers to obtain employment in connection with the tea industry and other forms of labour. To prevent this, and at the same time to interfere as little as possible with the labour supply of the Colony, was the most difficult question that arose. The measures adopted involved the closing of the North road cooly route and the concentration at Colombo of the whole of the immigration. To effect this an agreement was entered into with the British India Company, in accordance with which steamers of the Company call twice a week at Negapatam, Ammapatam, Tondi, or Paumben, and bring on to Colombo all passengers passed as healthy by our medical officers, who by the courtesy of the Government of Madras have been stationed at the ports in question. Tuticorin is now however the principal port of embarkation for Ceylon of such passengers, and there has been established immediately on the Railway premises, and nine and a half miles from the port, a depôt for their reception, lodging, and forwarding under medical inspection. The project was much assisted by the Madras Government and by the Railway authorities and may be claimed to be working successfully. On arrival at Colombo the passengers are carefully examined and the necessary measures of disinfection adopted. Estate coolies land and entrain at the root of the Breakwater and proceed direct to Ragama, where they are again inspected, detained for some hours, and if found to be healthy permitted to proceed to their several destinations.

To meet the requirements of this system camps have been constructed at Ragama, at the instance and under the administration of the Government Agent. They are capable of accommodating about 3,000 persons, and are so arranged that if need be the occupants of each camp can be completely and effectively segregated for the necessary period of incubation of disease. The Port of Galle continues to be the port set apart under the regulations which, on the advice of the Plague Committee, have been adopted by this Government with a view to prevent the introduction of the disease. There a hospital and house of observation have been erected, the services of a special medical officer have been engaged, and the requisite attendants secured. Fortunately but one case of plague has had to be treated, but it is confidently believed that the measures adopted are sufficient and would prove in case of necessity to be efficient.

At Colombo there are in the harbour three hulks available as hospital ships or for disinfecting purposes; on one of them a steam disinfector has been set up; an additional assistant has been given to the Port Surgeon; and in connection with the hulks a full staff is available.

The ports north of Colombo, with the exception of Kayts, where grain can be imported, have been closed to traffic with India, and the ss. Serendib has been put on to regulate the traffic and prevent illicit landing on our coasts.

Within the Municipal limits of Colombo much has been done in the direction of improved sanitation, and preparations have been made with a view of combating plague should it appear amongst us, the cost of these special preparations being divided between the Municipal Council and the Government. The town has been divided into a number of blocks, for each of which an Emergency Committee has been selected. Hospital accommodation is available at Kanatta for 364 patients, and at Urugodawatta for 45 patients. Two camps have been erected at Kanatta for purposes of isolation and observation, capable of giving shelter, in case of need, to a considerable number of people; these camps are equipped and supplied with all necessary accommodation, and have a good water supply laid on.

In the Provinces the Government Agents and the Assistant Agents have carried out the necessary measures with prudence and zeal. For Municipalities and Local Boards the hospitals and camps regarded as necessary have been erected, one-half the cost being met from general revenue. In the districts outside Municipal and Local Board limits suitable sites have been chosen, and while in some instances buildings have been erected, in the majority of cases it has been considered sufficient to select and prepare sites and to collect materials so that temporary buildings can be run up at a few hours' notice.

Owing to the difficulty of procuring sites on Crown land in the Colombo District, portable angle-iron-frame hospitals have been provided at convenient centres. In all ten of these hospitals have been distributed in the Colombo District; nine have been sent to the Central Province; seven are held in reserve at Colombo, and eleven have been distributed among the other districts. In connection with the possible appearance of plague on estates in the Planting Districts, it is expected that every estate proprietor or superintendent will have in readiness on his estate an isolated building sufficient to accommodate the first case or two, and will to the best of his ability segregate all who may have been in contact with the infected persons, and will disinfect the infected lines. Should

the attack continue or threaten to spread, the necessary measures will be taken by the Government officials, who will assume full control and responsibility. The Planting Community has responded to the good policy of preparing sites and paying special attention to the cleanliness of coolly lines.

In this connection it may be mentioned that instructions have been drawn up for the guidance of Headmen and have been translated into the vernacular languages. The Government Agents and their Assistants take particular care when on circuit to see that the Headmen possess an intelligent acquaintance with these instructions, and one of the most reassuring features in the case is the interest displayed not only by the Headmen, but also by the villagers generally, and the apprehension entertained by them of a possible visitation. Should it be found necessary to deal with an outbreak of plague, we have—I speak on the authority of the Principal Civil Medical Officer—a force of some 50 qualified medical men available for plague duty, and two ladies, members of the Ceylon Medical Department. Besides these there are twenty unqualified medical assistants and a number of medical students whose services would also be available. In the matter of nurses and attendants we have twenty-four trained nurses who have volunteered for plague duty, and ten probationers in training to take their places if required. In Colombo twenty male and female attendants are held ready for plague duty; and in the Planting Districts twelve additional male attendants are distributed among the various hospitals to be trained for plague duty. In the matter of police, in addition to the large force employed in Colombo Harbour a special force of two sergeants and twelve constables is stationed at Galle, one sergeant and twelve constables at Kayts, and one sergeant and four constables at Kalpitiya. Besides this, the Inspector-General of Police has on his list a reserve force of 35 police pensioners, who are paid a small monthly retainer from plague funds and are available at any time to take the place of a like number of regular police at Colombo, who would be set free for duty wherever wanted. The value of the inoculation of plague serum as a prophylactic against plague having been fully confirmed in India and elsewhere, arrangements have been made by the Medical Department by which a supply of the serum has been periodically received for some months past.

For these successful arrangements and for this comforting security the Government and the community are indebted to the diligence and vigilance of the Committee presided over by the Auditor-General, now acting as Colonial Secretary, who collect and have mastered all information relating to the progress of plague in the East, and have been effectively and loyally assisted by Civil and Medical Officers in the discharge of these responsibilities. We have been fortunate so far in having had no plague introduced into the Island, but this success does not warrant us in being less watchful.

CRIME.

The procedure instituted in 1897 in the special measures for the suppression of crime has been continued during the past year. The compounding of grave offences, which was a serious blot on our Criminal Administration, has ceased, and inquiry into crime is now prosecuted speedily and vigorously. Homicides, attributable for the most part not to malice or design, but to the hasty and passionate use of dangerous weapons, continue to be too frequent.

The number of such offences in 1898 was 113, the average for the previous five years being 121, and the number recorded in the previous year 126. The slight decrease in the number of homicides is compensated for by a correspondingly small increase in the number of cases of serious hurt tried in the Superior Courts, the number for 1898 being 733 as compared with 713 in 1897. Dealing only with offences tried in these courts, the year 1898 compares favourably with the previous year. In 1898, 2,007 persons were tried in the Supreme and District Courts against 2,201 in 1897. In respect of the less serious offences tried in the Police Courts comparison is again favourable to 1898, the number of offences having fallen from 76,685 in 1897 to 71,226 in 1898. The number of offences against the person shows a decrease of 16 per cent., and the number of cases of cattle stealing 18 per cent.

There can be no doubt but that in the past two years crime has been more actively dealt with. The system now pursued, under which the responsibility for the active direction of both the regular and the village police is reposed in the same officer, provides for immediate inquiry, and is calculated to ensure speedy trial. Nothing would appear more provocative of crime than postponement and delay, and nothing—on the contrary—more conducive to its repression than the assured knowledge that prompt punishment will overtake the offender.

The Southern and Western Provinces maintain their unhappy pre-eminence as being the most criminal districts, while the North-Central Province and the Provinces of Uva and Sabaragamuwa

share the distinction of being the least criminal. There has been in the past year a marked improvement as well in the North-Western as in the Central Province.

The question whether corporal punishment acts as a deterrent to the use of the knife cannot yet be fully determined, although the decrease in the number of acts of violence justifies the hope that the object of this punishment is gradually being attained. Meanwhile every precaution is adopted that the punishment is not lightly inflicted. In 1893 the Magistrates imposed flogging in 355 cases. The sentence was set aside by the Supreme Court in 65 cases and remitted by the Governor in 23 cases. When it is considered that corporal punishment was imposed in 1893 only in 12 out of every 500 cases of offences against the person, it may safely be concluded that the power given to Magistrates is not recklessly exercised. As a measure of precaution the record of every case in which such punishment has been imposed is carefully reviewed, and the facts considered by the Governor before the sentence is left to its legal operation. With these safeguards it may be concluded that corporal punishment is never inflicted save where it is fully deserved.

The power of quartering police under Ordinance No. 15 of 1896 has been exercised in four instances in 1898. In the Southern Province an outbreak of lawlessness consequent on caste disputes between two villages necessitated the enforcement of the Ordinance in Gandara and Talella in the Matara District. In the Eastern Province at Kalmunai an organized attack by Moors on Sinhalese fishermen with serious results in loss of life and property justified the imposition on the Moors of the cost of maintaining police. In Chilaw disturbances between Sinhalese and Moors necessitated police interference, for which both races paid. In the North-Central Province the suppression of evidence relating to what was evidently a cruel murder called for the quartering of police on the village. In the current year the enforcement of the Ordinance has been found necessary only in the village of Nakelagamuwa in the Tangalla District.

The returns—especially for the later months—give promise that the present year will show a considerable diminution in crime everywhere except, perhaps, in the Southern Province, in which acts of violence and the use of the knife continue to be frequent. The police returns show 2,362 true cases of serious offences for the first half of 1899 as compared with 3,152 in the same period of 1898, a reduction of one-fourth. In the supervision of the returns and correspondence relating to crime the Government has had the advantage of the useful and effective assistance of three experienced judicial officers in succession, and it has been the sincere desire and studious intention of the Executive to avoid even the appearance of any interference with judicial discretion in pursuing the strenuous efforts instituted by the Governor in the special endeavour to suppress serious crime.

SUBJECTS FOR CONSIDERATION.

Papers will be laid before you to-day from which it will be seen that the Secretary of State, in pursuance of the resolutions of this Council, has authorized the construction of the whole line of railway connecting the North of the Island with Colombo. Deferring to the views expressed in this Council and to subsequent representations, Mr. Chamberlain has also given his consent to the construction of the Uda Pussellawa extension, which affords so suitable and promising a pioneer and experimental line for up-country communication.

The preliminary steps in the construction of the Northern and of the Kelani Valley extensions are being pushed on, and are perhaps in a more forward state than naturally meets the public eye. It will doubtless have been noticed that the Crown Agents have called for tenders, to be delivered by the 4th January next, for the construction of a railway from Kurunegala to Kankasanturai.

We shall be ready for the contractors. A locally experienced and appreciated Engineer has been selected in Mr. Oliver, who will be in the Island in a day or two, for the supervision of the Kelani Valley and Uda Pussellawa works, which are to be constructed departmentally and in which an early active commencement may thus be expected.

That part of the expenditure under this proposal which will be applied to Irrigation Works has not been before the Council in the same detail. It is the result of the attentive consideration which the Governor has given to irrigation in his presidency for three years of the proceedings of the Central Board, on which this Council is represented. Honourable members will have an opportunity of discussing the plans and estimates before any final appropriation is made, and I ask the Council to defer any judgment until the return of the Governor. It is a matter which the Secretary of State has also much at heart in the special interests of the native and settled population of the community.

As to the manner in which the total cost of construction of these works is to be met, the Secretary of State anticipates that all members of the community will not at once agree with the view

which he has taken in deciding that such cost shall be met in moieties from funds to be raised by loan and from current revenues with their already accumulated surplus. Taking the total cost of these works at Rs. 20,641,000, assuming the surplus at the close of 1899 to be five and a half million rupees, at which it may be safely estimated, and allowing for the annual contribution to Irrigation of Rs. 200,000 under Ordinance No. 6 of 1892, the average annual amount to be marked as set aside under this decision from current revenues would be no more than Rs. 541,615 in the next six or seven years. If spread over a period of eight years, the annual contribution from current revenue would not be much in excess of Rs. 400,000. This is no great amount in our present growing prosperity, and is not likely, in the growth of our revenue, to interfere with the continuance of the expenditure on useful and beneficial public works to the extent which it has been our good fortune to be able to pursue for some years.

Nor does this decision really contain any new policy. A reference to the Ordinances of 1871 to 1879 will disclose appropriations to Railway extensions and improvements of four and a quarter millions of rupees out of the surplus revenues of those past years. This practice was interrupted by the temporary misfortunes of the Island and by the consequent contraction of our revenue. Now that the tide of prosperity has so fully turned, it seems only right and proper that we should return to that prudent course. In that case our predecessors relieved us of a burden which we may now in turn make lighter for posterity.

The financial credit of this Island stands high, as is evidenced by the terms on which we have borrowed money in the London market, and I do believe that this repute rests much on the ground that we have borrowed only on account of remunerative and reproductive enterprises, and, abstaining from any risk of imputation of unduly charging to loans, have appropriated our current revenues freely for substantial and permanent purposes, the expense of which might sometimes perhaps legitimately, and with no departure from true principles or from practice elsewhere, have been charged to capital account and borrowed money. For this reason, it behoves us in my opinion to accept without question this decision, which is dictated by considerations of financial prudence, in which others than ourselves will naturally be regarded elsewhere as more independent judges, and the ready acceptance of which must contribute to the stability of our financial credit. I therefore confidently appeal to you to respond without demur to the expression of the Secretary of State of trust that this will be regarded by the Legislative Council as the best solution of the question under existing circumstances, and to allow the construction of these extensions to proceed rapidly without any further contention on the now comparatively small factor of the incidence of the cost. To those who would take exception to the public moneys being partly spent for the benefit of those who may not have so largely contributed to the revenue, I would say that the Northern Railway might be regarded alone, if no other grounds existed, as a fitting monument of appreciation of profits drawn out of the Island and as a measure of benefit for a large and important native section of the community.

A despatch from the Secretary of State will be communicated to you respecting the proposed consideration of the incidence of Taxation in Ceylon. The Government is quite prepared, should you still desire it, to appoint a Commission of Inquiry to that end, on the prescribed condition that there shall be on the whole no reduction of revenue from taxation.

You will be invited to commence an annual provision for a Geological Survey of the Island in pursuance of a report by an experienced officer of the Indian Geological Survey, whose services were placed at the disposal of this Government, and whose suggestions to the desired end will be laid before you. The work, which has been long generally desired and has been strongly urged in some quarters, is expected to require fifteen years for completion, and will undoubtedly commend itself to your favourable and generous consideration. A geological survey seems called for, not only to make us acquainted with our resources and property in this respect, but as an equipment of a well-ordered colony and as a contribution to the general cause of Science. The Director-General of the Geological Survey of the United Kingdom had taken an interest in the proposal, and pending the result of a conference with him by the Governor it is not proposed to enter at present into a discussion of the details, and a round sum will be meantime proposed in the Supply Bill in the apprehension that the salaries are fixed somewhat high in the circumstances and means of Ceylon.

In pursuance of the views expressed in this Council it was contemplated to extend by degrees and after inquiry to other branches of the Clerical Service some such improvement in position and pay as had been granted to that branch to which admission was gained by the competitive examinations. It was proposed to entrust the inquiry to the Committee which had been engaged on the

previous scheme, with the addition of a member from the Department concerned. This Committee has extended its inquiry and has now proposed a comprehensive scheme of reclassification of salaries for the large Department of Post and Telegraphs, now employing 117 hands, which takes in not only the clerks as originally intended, but also the postmasters, the signallers, and the sorters. The scheme which it will be proposed to adopt, subject to some further consideration, and which will entail an immediate cost of Rs. 17,097, with a prospective incremental increase to the probable mean of Rs. 51,512, will come into operation on the 1st January next, and you will be asked to consider this scheme in the same manner as that for the Clerical Service was dealt with by you. Such inquiry as has been made entails considerable labour, but other Departments will be taken up in like manner by degrees.

LEGISLATION.

The three Bills, viz., the Ordinance amending and consolidating the Law relating to Pilots, that amending and consolidating the Law relating to Habitual Criminals, and that amending "The Buddhist Temporalities Ordinance, 1889," the first reading of which was moved by the Attorney-General on the 28th of June last, will be re-introduced into Council during this session. The object of and reasons for the measures were duly explained to you last session, and it is therefore unnecessary for me to occupy your time with a recapitulation of them.

The Select Committee of the Council appointed to inquire into and report upon the conditions under which opium is imported, sold, and consumed having recommended "that the practice now existing of issuing licenses for the sale of opium outside Municipal and Local Board limits should be discontinued, and that in place thereof the privilege of retail sale in each Province outside such limits should be sold annually in the same manner that arrack rents are now sold," an amendment of the law was required, and at the same time it was considered desirable to consolidate the whole law dealing with the possession and sale of opium. A Bill repealing the Ordinances No. 4 of 1878, No. 9 of 1889, No. 2 of 1893, and so much of Ordinance No. 9 of 1897 as has not been repealed by the Ordinance No. 2 of 1898, has been drafted and will be shortly placed before you. As all the recommendations of the Select Committee have been adopted by the Government and embodied in the Bill, I anticipate that the measure will meet with your approval. As the licenses for the coming year have to be settled soon, and as they will be affected by the proposed legislation, I would invite your early consideration of this measure.

The law dealing with General Cemeteries and Burial Grounds is at present contained in no less than eight Ordinances, and it has been considered desirable to consolidate the law dealing with this subject and to amend it in certain respects. A Bill will therefore be submitted to you for that purpose, repealing the Ordinances referred to and containing among others the following principal amendments :—

- (a) The definition of "burial ground" has been amended so as to include any land or ground, other than a general cemetery, which is used for the cremation of the dead.
- (b) The powers vested in the "Governor" and "Governor with the advice and consent of the Executive Council" are vested in the "proper authority," and the term "proper authority" is defined for that purpose.
- (c) The proper authority is given power to sell any portion of a cemetery for the special use of any religious denomination applying for the same.
- (d) In any case in which a portion of a cemetery is sold to any denomination, provision is made for the appointment of a caretaker by those interested in such portion.
- (e) The various penalties for breaches of the provisions of the law have been slightly increased.

After the coming into operation of the Ordinance No. 1 of 1898 the Directors of the Widows' and Orphans' Pension Fund requested the Treasurer to make abatement from the salaries of all officers holding pensionable appointments who drew a salary of Rs. 250 or upwards per annum from the Colonial Treasury. Certain public officers who were appointed prior to the passing of the Ordinance No. 15 of 1884 and were not liable prior to the passing of the Ordinance No. 1 of 1898 to have such abatements made from their salaries, objected to such abatements being made, and the Executive Government being of opinion that such objection was reasonable has caused a Bill to be drafted exempting all such officers from the provisions of the Ordinance and enabling the Directors to repay to such officers all sums which have been contributed to the Fund by them under the provisions of the Ordinance No. 1 of 1898. This Bill will be duly laid before you, and I feel sure will meet with your approval.

An Ordinance has been drafted and will be introduced to amend "The Courts Ordinance," No. 1 of 1889. As Members of this Council are probably aware, the schedule to that Ordinance has been very frequently amended by various Proclamations which have issued from time to time. By the new Ordinance it is proposed to substitute a fresh schedule, so that there will be in future no difficulty in ascertaining the judicial districts and divisions into which the Island has been divided for the purpose of the administration of justice and the places at which the respective Courts are held. The new Ordinance further provides that the concurrence of the Judges of the Supreme Court should only be required when the division of the Island into circuits is revoked, altered, or amended. The changes in the limits of divisions and districts proceed rather on information which has to be supplied by the Government and its officers, and it has seemed more suitable that the entire responsibility should rest with the Executive, to provide sufficient Courts in the Island and to see that these Courts are so situated as to suit the convenience of the public and facilitate the administration of speedy justice.

The attention of the Government has recently been called to the fact that the statutory provisions in force in the Island differ materially from the provisions contained in the Merchant Shipping Act, 1894. As it is desirable that in matters connected with merchant shipping uniformity of practice should as far as possible be preserved, particularly where cases arise of investigation into shipping casualties and the conduct of shippers, a Bill has been drafted amending the law relating to Inquiries into Shipping Casualties and the conduct of Ships' Officers, and will be introduced into Council during the present session. The existing Ordinance on the subject, No. 4 of 1863, is based upon the provisions of former Merchant Shipping Acts which were repealed by the Merchant Shipping Act, 1894. The Bill which will be presented to you has been adapted from Chapter 6 of the Merchant Shipping Act, 1894, and will, while repealing the Ordinance No. 4 of 1863, bring the practice of our Courts into conformity with the general practice which is laid down in the Merchant Shipping Act, 1894. It is obviously desirable that the conditions and procedure under which the cause of casualty to a British ship may be inquired into and reported upon by a Court of Inquiry in this Island should be practically the same as in the rest of Her Majesty's dominions, for the report of the Court may involve serious consequences to the owner of the vessel. A formal investigation in this Island should therefore be surrounded as far as possible with the safeguards deemed essential in the United Kingdom; more especially is this similarity of procedure necessary in the cases of formal investigations, in which the professional prospects of a ship's officer may be seriously affected by the decision of a Court to cancel or suspend an Imperial certificate. The Bill has been approved by the Board of Trade, and I feel confident that it will meet with the approval of the Members of this Council.

Bills have been drafted to consolidate and amend the Law relating to Carriages, Carts, and Coaches and to consolidate the Law regulating the carriage of Passengers and Goods by Boats. These are now under the consideration of Government, and it is hoped will be brought before you during the current session. There are other amending Ordinances which are in the course of preparation, amongst them one to amend "The Waste Lands Ordinances," to which your attention will shortly be called.

Inviting your advice and continued co-operation in such matters as will be placed before you, and asking for such time as I shall have the honour to preside here that consideration and assistance which I have so long and so fully received from the Council as one of its Members, I now, in the Queen's name, declare the session of the Legislative Council to be duly opened.