

**Statement of the Minister of Finance Made to the Legislative Assembly, July 21st, 1884.**

MR. PRESIDENT:

As the House has been informed by His Majesty, I have to submit for consideration certain reductions in the general Estimates. The earnest desire of the Government to use such economy in the administration of public revenues as will place the expenditure of the country well within its means, was made known to you in the speech with which His Majesty opened the present session. The Estimates of Expenditure which I then presented to the Assembly were framed in accordance with this view. The country, in consequence of its recent career of rapid industrial progress, has need for so many other works of importance, and of so many other costly undertakings that the Government naturally hesitated to reduce the budget too much. The numerous petitions and motions for works of undoubted public utility which have since been presented for the consideration of this House, involving, as they would, if acceded to, a very large expenditure in excess of that contemplated by the Government, show how far the Estimates fall short of providing for the works which the people of this country deem to be actually necessary. The discussions which have already taken place show, however, that the feeling of all parties in the House is distinctly with the Ministers in their desire to curb expenditure. Moreover, during the three months which have passed since the Estimates were framed, the conviction has been growing in the minds of all observant men that the outlook for the commercial and industrial enterprises of the kingdom offers slight signs of improvement, and that a serious depression might, even under the most favorable circumstances, result from the appreciable fall in the value of our staple export, a fall from which there seems to be no prospect of an early recovery. Encouraged to economy therefore by their own convictions and by the support of the Assembly, and discouraged from attempting many expenditures which they had really deemed necessary by the depressed condition of affairs, the Government now submits a revision of the estimates formerly laid before you. His Majesty the King, in his message to the House, has set a noble example to the country when he requests that the reduction of expenditure should commence with the privy purse. If then it be proposed to abandon or postpone many things which are deemed to be necessary or on which individual members may have set their hearts, I trust the Assembly will unhesitatingly follow the example which the King has set, and will accept the proposals for reducing expenditure which I now submit.

In the explanations which I am about to offer, in order to avoid complications, make comparisons with the Appropriation Bill now under consideration, omitting references to any changes in it which have already been made in Committee, some of which, indeed, the House will be asked to reconsider.

In accordance with the wish expressed by His Majesty in his message to the Assembly, we propose to reduce the appropriation for "His Majesty's Privy Purse and Royal State" from \$50,000 to \$45,000. Cheerfully following in His Majesty's footsteps, Ministers propose a similar reduction in their own salaries, from \$12,000 to \$11,000. In the Estimates as presented to you, there was provision for well-deserved increases of salary for the Associate-Judges and some high officials in the service of the Government. These proposals, proper in themselves, are now compelled to look upon as inopportune, and therefore to postpone.

The reductions I have spoken of, with another of an incidental character caused by the resignation of an officer whom we do not propose to replace, amount to \$27,000. In the expenses of the Supreme Court, and of criminal and civil proceedings, we propose a reduction of \$7000; and in those of the Survey, \$10,000. In the appropriations for the Department of Foreign Affairs, we abandon that for Foreign Missions, against which the House has already recorded an adverse vote; some other items which were struck out in committee we shall ask the House to reconsider, and I therefore do not include them in the reductions I propose. The armed constabulary force we propose to disband at the end of the current month. This will effect a saving of about \$55,000 upon the Appropriation as originally presented. We think that a saving of \$4000 may be made in the pay of tax assessors and tax collectors. The building of a Custom-house and Store at Mahukona we propose to put off to a more convenient season. An item for \$15,000 for repairs to public buildings appears in the bill in addition to \$50,000 for buildings and repairs included in the Extraordinary Estimates lately presented. We propose to make the latter sum serve for these purposes. The several reductions of which I have now spoken amount in all to \$142,165. The reductions proposed on the Extraordinary Estimates will be as follows:

Enlargement of Oahu Jail, \$50,000, to be postponed; road damages, \$60,000, reduced to \$30,000; subsidy to railroads, \$350,000, to be postponed; roads and bridges, \$100,000, to be postponed; dredging and steam tug, \$150,000, reduced to \$70,000. From this it will be seen that we propose to put off for

the present expenditures to the amount of \$760,000 which had been contemplated, and which are really commendable if circumstances permitted us to undertake them.

The total proposed reduction of the Estimates is \$912,415. The estimated revenue of the biennial period is \$2,336,870 42. The ordinary and extraordinary estimates of expenditure as reduced by the proposals now submitted amount to \$2,850,328 34, leaving only \$513,457 92 to be actually provided for by the Loan Act. Those expenditures, of which the Loan Fund is to bear the burden, we deem indispensable, and I hope that the House will sustain us in this opinion. The improvements for which that outlay is recommended will in every way repay the country, and the weight of taxation for that outlay will not be felt by the community.

**Academic School for Girls.**

The Academic School for Girls, under the charge of Mrs. Geo. Wallace, has just closed its second year. When the school closed last year it was felt by all interested in its members that wonderful progress had been made in a short time.

The second year's record surpassed the first.

Written examinations occupied the school for a week preceding the three days of public, oral examination.

English and U. S. history, geometry (six books), algebra (through gradates), arithmetic, English grammar, (etymology and syntax) were the subjects of the papers. All who have examined the very full and correct papers of the pupils, and have attended the closing exercises have been struck by the great clearness and thoroughness of the teaching. It has been most pleasant, too, to note the bright, cheerful manner of both teacher and pupils.

On Tuesday afternoon a spelling match interested and amused the audience for about an hour. Miss Bella Woods of Hawaii was the best of many good spellers and bore off the palm in this exercise. A short time was then occupied with recitations, essays and pianoforte music. All were of great excellence, and bore marks of careful preparation.

Wednesday morning, after a most interesting examination in English history and algebra, recitations, essays and music were rendered by those who had not contributed in that way upon Tuesday. A French triologue by Misses Barnard, Mist and Benson was exceedingly well done. Miss Austin proved admirable in recitation. A triologue by Misses Benson, Austin and Fuller was very amusing and capably done.

The recitations being ended, Mrs. Wallace presented testimonials to Miss Marian Austin for four months, Miss Belle Fuller for three months, Miss Mando Benson for two months, Miss Bella Woods for one month. These were rewards for perfect marks in conduct, and all studies for the times specified.

The school then united in singing a very beautiful hymn, beginning "Youthful days are passing o'er us." Two members of the school, Miss Austin and Miss Coney, will meet with their fellows no more. Miss Coney has already gone to England and Miss Austin goes soon to Vassar College, for which she has been preparing.

The last session of the school was a very lively and animated one. Mrs. Wallace and pupils invited all the parents and many of the friends of the pupils from half-past seven till eleven Thursday evening. Mr. Boyer was at the piano, the floors were splendid, the programme unexcelled, and a happy, merry company of young folks tripped it "on the light fantastic toe" till after midnight, thus ushering in the long vacation, which has been well earned, and will no doubt be thoroughly enjoyed.

**LEGISLATIVE ASSEMBLY. SESSION 1884.**

SIXTY-SECOND DAY.

TUESDAY, July 22, 1884.

Mr. Ahole, Chairman Select Committee, reported, recommending that the bill to amend Section 33 of Chapter 44 of the Laws of 1882, relating to sale of liquors, be laid on table. Report adopted.

Also, from same committee, that the bill granting J. H. Nolte the right to sell light beers at the Casino be indefinitely postponed. Report adopted.

Also, from same committee, a substitute bill for the Hitchcock and Kunnamano bills, to prohibit the sale of liquors to women and minors by retail dealers. The new bill prohibits the sale of any liquors between the hours of 9 o'clock p.m. of Saturdays and 6 o'clock a.m. the following Mondays, and provides for a local option respecting the issuance of liquor licenses. Read second time. Ordered to be printed, and made special order of the day, in Committee of the Whole, for Tuesday next.

The Minister of the Interior presented a report in answer to a resolution introduced by Mr. Frank Brown, as follows:

In September, 1874, the Government, W. L. Green Minister of the Interior, sold to Hackfeld & Co. [Grant 2,123] the premises corner of Fort and Queen streets. In this sale one of the boundaries defined was a street along the makai line. In 1880 Samuel G. Wilder, the Minister of the Interior, decided to move this street some 60 feet makai of the original line to clear a corner

of the Edinburgh premises in the rear of Hackfeld & Co.

In 1881, H. A. P. Carter, Minister of the Interior, sold a portion of the said street, adjoining the Edinburgh premises, to the proposed new line of the street, at public auction, for the sum of \$1,960. This action was protested against by H. Hackfeld & Co., who objected to any change in the street line.

In December, 1882, Hackfeld & Co. having objected to the sale or lease by Government to other applicants, in view of their prior right to a street line front, made an application for the purchase of this frontage to the new line, as a compromise, making an offer of the sum of \$2,000.

The grant was made (No. 3,353), under date of December 22, 1882, by J. E. Bush, Minister of the Interior, for the consideration of \$2,000 and relinquishment of right of way.

Mr. Wilder explained that the transaction was made to prevent a wrong to the firm in question.

Mr. Dole did not endorse Mr. Wilder's action. He considered it was contrary to law, and he felt sure the land would have brought more at public auction than it did at private sale.

The Minister of the Interior replied to a resolution of Mr. W. O. Smith asking for statement of leases of public lands from April 1st, 1882, to date, submitting said statement.

On motion of Mr. Smith, the report was received, and ordered to be printed.

Mr. Hitchcock presented a report from the Select Committee on Public Buildings, recommending the following appropriations:

Court House on Hawaii	\$6500
Court House on Maui	500
Court House on Lanai	100
Court House on Kauai	100
	\$7000

Mr. Kalua moved that the petition of the Secretary of the Board to investigate the genealogy of Hawaiian chiefs, praying that his salary, due for the three months from January 1st to March 31st, 1884, and refused payment by the Minister of the Interior, be paid.

Mr. W. O. Smith moved the petition lie on the table until the report of the Board of Genealogy is received. Carried.

Mr. Kalua moved that the Attorney-General be requested to state to the Assembly if the lease of certain water rights to Claus Spreckels for thirty years at \$500 per annum is a good and binding lease according to law. Carried.

Mr. Hitchcock presented a petition from the residents of Hamakua, asking for the passage of an Act annexed to appoint District Boards of Road Commissioners of five members each, to have full powers over the roads and bridges in their respective districts throughout the Islands.

The petition and accompanying draft of bill were referred to the Committee on Commerce.

Mr. Ahole presented the petition of Niagara, public dispenser at Lahaina, asking for an increase of salary.

Mr. Isenberg, by special leave, gave notice of an Act to repeal the Act relating to the custody of public moneys.

The House adjourned at noon till 2 o'clock p.m.

AFTERNOON.

RESOLUTIONS.

Mr. Kalua moved to take from the table and place the bill to amend Sections 1419 and 1420 of the Civil Code on the orders of the day for Thursday next. Carried.

Mr. Anzara moved to place the bills to amend Sections 1477 and 386 of the Civil Code, relative to fisheries, on the orders of the day. Carried.

ORDERS OF THE DAY.

The bill to allow defendants two peremptory challenges in jury trials, in both criminal and civil cases, was read a third time and finally passed.

The bill to amend Section 1 of Chapter 23 of Laws of 1872, relating to marriage contracts. It includes Chinese leprosy as a good ground for divorce.

Mr. Cecil Brown favored an indefinite postponement of the bill, for the reason that he did not think the object of its introducer would be accomplished by the passage of the bill.

Mr. Kunnamano moved to refer the bill to a select committee.

The motion to indefinitely postpone was lost, and the motion to re-commit to a select committee was carried, and Messrs. Kunnamano, Nakaleka, Kaulukou and Palohau were appointed.

In Committee of the Whole, Auditor-General Walker in the Chair, the House considered the bill to provide for the payment of all salaries and expenses of the Government. It authorizes the Minister to pay all salaries, etc., due from the commencement of this biennial period until such time as the new Appropriation Bill shall go into effect.

Mr. Dole moved to refer the bill to the Finance Committee.

Mr. Kalou favored the motion. He said this seemed to be an appropriation bill. If this passed the Government could go right on, independent of the Legislature and the new appropriations.

Mr. Cecil Brown favored the motion to

refer. He said if the bill read that the Minister of Finance should be authorized to make these payments during this session of the Legislature only, or until the Appropriation Bill is passed, it would be right. As it read now, if it became a law, the Legislature could be prorogued at any time, and the Government go right along. He wanted the provisions of the bill changed.

The Minister of Finance said the bill was prepared at the instance of Chief Justice Judd, who represented that some money was needed for expenses for the Judiciary Department. There was no desire or intention that this bill should take the place of the Appropriation Bill. He was willing it should go to the Finance Committee.

The Committee of the Whole rose and it was so recommended.

The consideration of the bill to provide for recovery of stolen property was postponed until its introducer was present.

Third reading of the bill to authorize the disposing of Government lands in small holdings.

Mr. Hitchcock moved to consider Mr. Dole's bill in relation to Homesteads at the same time, and also that Mr. Dole's be the foundation bill, because it contained forms for the blanks required to be used. Motion carried.

Mr. Hitchcock moved that the maximum number of acres allowed for a homestead should be fifteen instead of twenty acres of pasture land.

Mr. Bishop did not think it made much difference whether the limit to the lots was large or small. It would be left to the discretion of the surveyor. Rich land would be divided into smaller lots; and if the surveyor found five acres of good rich land, he would include the same in the holding five acres of poorer land that would otherwise be of no account.

Mr. Hitchcock's motion was lost. Mr. Kalua moved that the minimum size of the lots be increased from one-half to one acre.

Mr. Hitchcock favored the one-half acre, for the reason that quite a taro patch could be produced on such holdings.

Mr. Dole said a great many holdings upon which taro was grown were less than half an acre.

Mr. Hitchcock moved that the minimum limit of lots be stricken out. Agreed to, and the words "and not less than half an acre" were stricken out.

Mr. W. O. Smith moved to limit the lots in watered places to not exceeding two acres instead of five. Two acres of taro land was a large holding in many places.

It being discovered that there was no quorum present, on motion of Mr. Bishop at 3:55 p.m., the House adjourned till 10 o'clock a.m. on Wednesday.

SIXTY-THIRD DAY.

WEDNESDAY, July 23.

The House met at 10 a.m. Minutes of preceding day read and approved.

Mr. Dole presented a report from the Committee on Judiciary on the bill relating to the Honolulu Police Court, recommending in effect that the Court in question should not be placed upon a different footing from other Police Courts of the Kingdom. Adopted.

The Minister of the Interior submitted his answer to the resolutions of Messrs. Pilipo and W. O. Smith, relating to road moneys, &c.

On motion, the answer was ordered to be printed.

Mr. Isenberg read his Banking Act, of which he had given notice, and printed copies were distributed.

On motion of Mr. Bishop, the bill was read a second time by its title, and on motion of Mr. Kalua, it was made the special order of the day for Thursday.

ORDER OF THE DAY.

Second reading of a bill to amend Section 4, Chapter 62 of Penal Code to provide for the establishment of hospitals for lepers on the different Islands. Considered in Committee of the Whole, Mr. A. S. Cleghorn in the chair.

Mr. Kaulukou moved the bill pass.

The Committee rose, and their recommendation was adopted.

Second reading of the Appropriation Bill in Committee of the Whole. Dr. J. Moit Smith in the Chair.

The following items passed:—

New wharves and repairs	\$20,000 00
Am't accrued upon wharves	19,518 44
Wharf, Kailua, Hawaii	800 00
" Keaehou	800 00
" Hookena	2,500 00
" Waianalo	1,000 00
" Pukou	3,000 00
" Kaulakai	3,000 00
General and Queen's Hospital	16,000 00
Landing at Kukaiauka	5,000 00
For wharf and crane at Koloa	2,500 00
For extension of Lihue wharf	800 00
The House adjourned at 4:30 p. m.	

SIXTY-FOURTH DAY.

THURSDAY, July 24, 1884.

The House met at 10 a.m. Minutes of previous meeting read and approved.

The Attorney-General, in compliance with a resolution, reported the expenses of the Department for the past biennial period as \$12,966 28, apportioned as follows:

Extra legal services:

Oahu	\$ 190 00
Maui	790 00
Hawaii	1,905 00
	\$ 2,185 00

Rewards paid informers:

Attorney-General's Office	\$5,715 00
Hawaii	215 00
Maui	50 00
	5,980 00

Expenses for witnesses in criminal cases and extra police service, &c.:

Oahu	\$1,261 98
Hawaii	1,049 88
Maui	307 50
Kauai	151 90
	2,770 31

Miscellaneous expenses:

Traveling expenses Marshal	\$ 201 00
Traveling expenses Attorney-General	494 00
Incidental expenses	1,029 97
Acting Police Justice	150 00
Telephones	156 00
	2,030 97

Balance unexpended	\$12,966 28
	7,033 72

Amount of Appropriation, \$20,000 00

Report was accepted, and ordered to be printed.

The Attorney-General, in compliance with a resolution requesting his opinion of the legality of a certain lease of water rights in Hamakua, Hawaii, to Claus Spreckels, stated that Mr. Spreckels had called upon him at his office and stated that if the House wished it, he would consent to an amendment of the lease upon the return to him of such rents as he had paid the Government, and that he was willing to lose the \$9,000 he had expended for surveying the premises. The Attorney-General said that if the House accepted the proposition to annul the lease, and so ordered, an opinion as to the legality of the lease was unnecessary.

Mr. Cecil Brown moved that the Minister of the Interior be instructed to annul such lease, and that the rents paid by Mr. Spreckels under it should be refunded by the Government.

Mr. Widemann said this action affected only this one case, and not any of the other leases of a similar character given to Mr. Spreckels.

The Attorney-General said in his opinion the lease was perfectly valid.

Mr. Hitchcock moved, as an amendment, that the Attorney-General take steps to cancel the lease only, as it was improper to make any arrangements at this time and in this way for a return of the money.

Mr. Cecil Brown accepted the amendment.

Mr. Nawahi said there was something strange about this matter. The Attorney-General had said the lease was a good one, and yet Mr. Spreckels wanted to give it up. Mr. Isenberg explained the reason for it—that water would not run up hill.

Mr. W. O. Smith explained that the resolution sought general information as to the legality of other leases of a similar character, and given in a similar manner, without advertising the same. He called for a report in writing.

Mr. Bishop said it seemed to him to be an object to get that lease out of the way, and he was in favor of the motion and wanted it settled—the question concerning the validity of the other leases.

The Attorney-General then submitted his opinion as to the legality of the lease in writing. It was laid on the table.

The motion authorizing the Attorney-General to cancel the lease was put and carried.

Mr. Kaulukou submitted a minority report from the Select Committee of Thirteen, on the Prison and Police system and force of the Island, recommending the passage of the bill providing for Boards of Police Commissioners on the several Islands. Laid on table.

RESOLUTIONS.

Mr. Dole moved that the Attorney-General be requested to give an opinion as to the legality of certain leases of Government lands to W. M. Gibson by the Minister of the Interior. Carried.

The House resolved itself into Committee of the Whole, Mr. Nakaleka in the Chair. Consideration of the Bank Bill, entitled an Act to alter and amend the law relating to the incorporation of Banking Companies.

Section 1 was read, when Mr. Nawahi moved to strike out the first section. He said the country did not need any greater facilities than are now afforded.

Mr. Dole said they could not appropriately object to this bill which was carefully drawn without any objectionable features.

The motion to indefinitely postpone the first section was lost.

When Section 2, which defines what each charter shall designate was reached.

On motion of the Attorney-General the words, "the amount of stock subscribed by the incorporation," were inserted between lines 11 and 12.

Mr. Dole moved to amend Section 2 so as to make the liability of stockholders limited. Motion lost and the Section was passed as amended by the Attorney-General.

At 12:30 p. m. the Committee rose and the House adjourned till 1:30 p. m.

On resuming the session, the consideration of the Bank Bill was continued, and it passed with a few unimportant amendments. House adjourned at 4:30 p. m.

Rev. Mr. Logan, wife and children, and Miss Martin sailed last week on the schooner Jennie Walker for Micronesia.