

-3-

of opium existed; but in that year the opium factory was abolished and its business merged in that of ^{the} State Monopoly Office, which as now constituted carries on the manufacture of camphor, table salt, opium and tobacco. Taking, therefore, the total expenditure of the State Monopoly Office from more recent accounts, no correct estimate can be made as to the percentage of expenditure properly chargeable to the manufacture of opium. It would be more useful to compare the nett income derived from the manufacture of opium with the expenses of the opium factory during the five years of its separate existence.

The gross income from opium, the expenditure of the opium factory, the nett profit or loss accruing to the Government of Formosa from the manufacture of opium, and the percentage the nett income from this source bore to the total revenue of Formosa in the years referred to, were as follows:-

Fiscal year	Gross income from opium	Expenditure of opium factory	Nett profit or loss accruing from manufacture of opium	Percentage the nett inc. bears to the total rev.
	Yen	Yen	Yen	
1896-97	-----	1,801,585)		-----
1897-98	1,540,272	1,216,232)	1,477,545	-----
1898-99	3,438,834	1,993,520	1,445,314	11.7
1899-00	4,222,321	3,325,076	897,245	5.1
1900-01	4,236,687	3,337,150	899,537	4.0

In considering the ratio of the nett income to the total revenue in the above statement, it should be borne in mind that the total revenue of Formosa increased from Yen 22,269,695.00 in the fiscal year 1900-01 to Yen 33,871,328.00 in 1907-08.

~~Question (4) has been withdrawn.~~

(leave out)

In reply to question (5):-

In 1902 there were 143,492 licensed opium-smokers, and