Prior to 1906, there was no healthcare infrastructure in Brunei and the majority of the Pekan Brunei population lived in the water village (Kampong Ayer). Around that time, Brunei had suffered two major epidemics, namely cholera and smallpox. Without any healthcare system in place, the infections spread rapidly resulting in significant number of casualties. Peter Blundell, a cutch factory manager later described about the outbreaks in his book, 'City of Many Waters', ‘a dreadful time for Brunei, and most of the huts had to mourn the loss of one or two of their inhabitants’. Even members of the royal household fell victim to these two epidemics. Those who died included Sultan Hashim’s two elder sons, his grandson and the Bendahara’s daughter. During the time of the outbreaks and even for sometime after, Brunei had to rely on medical services (Colonial Surgeon) provided from Labuan, a British Strait settlement.

MSH McArthur criticised Kampong Ayer, for the ‘cramped conditions under which the inhabitants lived. The damp, the lack of exercise, and the germs in the filth and mud under the huts could not but affect unfavourably the health of all inhabitants. The infant mortality was great, the constitutions of many adults extremely weak.’ One of the earliest policies proposed was to move Kampong Ayer to dry land.

In 1911, the first government dresser, (later referred to as Hospital Assistant and now Nursing Officer) Leong Ah Ng was appointed. He was also the Government Postmaster. In the same year, the first population census was carried out and estimated the total population of Brunei to be 21,718. Kuala Belait was then a small fishing village with an estimated population of 1,193 and without any healthcare infrastructure.