

CANAL REPORT SHOWS GOOD PROGRESS MADE

Col. Goethal's Summing Up of
Year's Work at Panama Pub-
lished by War Department.

EXPLAINS INCREASE IN COST

Subsistence Department Runs 17 Ho-
tels—12 Schools for White Children
and 17 for Colored Maintained.

WASHINGTON, Nov. 21.—Satisfactory progress in the construction of the Panama Canal is shown in the annual report of the Isthmian Canal Commission for the fiscal year ended June 30, 1909, made public by the Secretary of War to-day.

The report, which is signed by Lieut. Col. George W. Goethals as Chairman and Chief Engineer, deals with the organization of the work, the construction and engineering problems which were solved, the civil government of the Canal Zone, the sanitary conditions which were greatly improved, and the estimated cost of the canal. While the report contains few facts which have not been printed from time to time, and scarcely any comment by Col. Goethals, it affords an interesting resume of what has been accomplished during the year.

As to the cost of the work the Chief Engineer has the following to say in explanation of the increase of the total to \$375,201,000, as against the 1902 estimate of \$144,233,358.

The act of June 28, 1902, authorized the construction of the canal and made provisions for the necessary funds, the amount stipulated being based on the report of the Board of Engineers in its report of 1899 to 1901, and aggregating \$144,233,358, including sanitation and police. A modification of the plans then submitted was made by the minority of the Board of Consulting Engineers and adopted by Congress in 1906, which fixed the cost for engineering and construction, exclusive of the purchase price, the cost of sanitation and civil government and the interest, at \$139,705,200. In the preparation of this estimate, the same unit prices were assumed as were adopted by the board of 1899 to 1901. In the interval, however, wages had increased and the cost of materials and manufactured articles had risen. Prosperous conditions in the United States, combined with the unsavory reputation that the Isthmus had regarding its healthfulness, made it necessary, in order to secure labor, to increase the wage scales from 30 to 60 per cent. over those paid in the United States for similar classes of work. Certain gratuities as additional inducements were also offered, which in the main have since been continued. Moreover, the provisions of the eight-hour law were made applicable to the Isthmus.

The unit prices were therefore materially increased. Various changes had also been made in the adopted plan, increasing the quantity of work to be done. In addition, more detailed surveys and plans than were originally available had been made, and the work had progressed sufficiently to give reliable data relative to unit costs. This enabled a revised estimate to be prepared and submitted at a hearing before the Committee on Appropriations of the House of Representatives in February, 1909.

This estimate shows that nearly 50 per cent. more work is necessary in order to complete the canal than was contemplated by the original estimate and that the unit prices, due to labor conditions, cost of materials, and gratuities given the employes, have been increased about 20 per cent. The estimate, as prepared, shows that the total cost of engineering and construction alone sums up to \$297,766,000; to which, if the purchase price and the estimated cost of sanitation and civil government be added, there results the sum of \$375,201,000 as the total cost of the canal.

Labor, Subsistence, Housing.

The other points of freshest interest relate to the conduct of the Quartermaster's department, the police arrangements, schools, and sanitary conditions.

The Quartermaster's department has charge of the recruitment of skilled and unskilled labor, the care and assignment of all quarters, together with furnishing them, distributing fuel, commissary supplies, and distilled water, and since July 1, 1909, the construction and repairs of all buildings.

Skilled labor is recruited through the Washington office in conjunction with an agent stationed in New York City and on the Isthmus. During the year 1,093 new employments and 884 reemployments were made on the Isthmus, and of those appointed in the United States 754 arrived on the Isthmus.

A steady increase of the unskilled labor force continued until it reached its maximum on April 28, when the reports show a total of 33,699 men actually working for the commission and the Panama Railroad, the largest force of record. The number of Europeans and West Indians brought to the Isthmus during the year shows a decrease over the preceding year; they numbered 741 Europeans and 1,892 West Indians. The force of European laborers decreased, as the Spanish Government prohibited emigration to Panama, so that no new men are now procurable from that source by recruitment.

The subsistence officer's report shows that:

Hotels, messes, and kitchens are operated for the comfort and convenience of the employes from Palo Seco to Nombre de Dios wherever required by the necessities of construction. There are, in addition to the Tivoli Hotel, seventeen hotels, nineteen messes, and twenty-one kitchens, providing food for 7,700 people. The Tivoli Hotel shows a profit for the year; the operation of the line hotels shows a loss, the messes and kitchens a profit. The subsistence feature of the commission is self-supporting, after making similar allowances to the various hotels and kitchens in the form of equipment as is furnished to married employes.

The health conditions on the Isthmus are reported by the Chief Sanitary Officer as showing an improvement over the preceding year.

The total number of admissions of employes to hospitals and sick camps, including those sick in quarters, amounted to 46,194, representing for the year 23.49 as the number of men sick daily out of every thousand names on the payrolls, as against 23.85 for the preceding year. The number of deaths was 530, and assuming that the average number of names on the payrolls for the various months during the year amounted to 44,261, the number of deaths would be equivalent to a death rate of 11.97 per thousand, as against 13.32 for the preceding year.

No cases of plague or yellow fever originated on the Isthmus. One case of the plague, however, developed on a ship at Balboa, and was transferred to the quarantine station, where death ensued. The ship from which the case was taken had been the required number of days under the quarantine regulations from the infected port.

Police, Courts, Schools.

Col. Goethals has the following to say of the police activities and of courts on the Isthmus:

On June 30, 1909, the police force consisted of 245 employes. The number of arrests

made was 6,275, as against 6,075 during the previous year. Of those arrested 5,003 were subsequently convicted; 4,881 of misdemeanor, and 122 of felony; with the exception of 60, whose cases have not been disposed of, the remainder were dismissed. On the charge of murder 8 arrests were made; 2 were released because of insufficient evidence; 2 were tried and acquitted; 2 were sentenced to life imprisonment, and 2 are awaiting trial.

The Supreme Court held thirteen sessions during the year. It confirmed the decision of the Circuit Court in three criminal cases, and reversed the decision of that court in one criminal case. Eight civil cases were filed during the year, of which five were decided.

In the Circuit Courts criminal cases were filed against 398 persons; 204 were convicted and 55 acquitted. Cases against 114 persons were dismissed; and 25 cases were pending at the end of the fiscal year. At the beginning of the year 46 civil cases were pending; 239 were filed during the year; 163 were disposed of, and 122 were pending at the end of the year.

In the District Courts criminal cases against 6,025 persons were filed; 4,646 were convicted; 385 committed for action by the Circuit Courts; 770 acquitted, and 219 discharged, leaving 5 pending at the end of the year. Civil cases were filed against 749 persons; of these 732 were disposed of, and 17 were pending at the close of the year.

Of the Isthmian schools, in which the races are separated, the report says:

During the year the schools of the Canal Zone were reorganized and systematized. For white children 12 schools are maintained, and for colored children 17. The enrollment of Oct. 1, 1908, showed 622 whites and 1,073 colored. The pupils were carefully graded and uniform methods of instruction established. Two high schools are also provided, one at Culebra and one at Cristobal. School buildings for white children were erected—a one-room building at Tabernilla, a two-room building at Corozal, and a four-room building at Gatun.