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FIFTH ANNUAL REPORT

OF THE

PHILIPPINE COMMISSION

TO THE

SECRETARY OF WAR.

(Without Exhibits.)

BUREAU OF INSULAR AFFAIRS, WAR DEPARTMENT,

1904.

JANUARY 16, 1905.—Message and accompanying papers referred to Committee on Insular Affairs and ordered to be printed.

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AUTHENTICATED
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To the Senate and House of Representatives:

I transmit herewith, for the information of the Congress, the annual report of the Philippine Commission, together with the separate reports to the Commission of the civil governor of the islands, and of the heads of the four departments.

I also inclose a letter from the Secretary of War submitting the reports for my consideration.

THEODORE ROOSEVELT.

The WHITE HOUSE, *January 16, 1905.*

WAR DEPARTMENT,
Washington, January 4, 1905.

I have the honor herewith to submit the annual report of the Philippine Commission, together with the separate reports to the Commission of the civil governor of the islands, and of the heads of the four departments. I ask that the reports be transmitted to Congress. The reports are accompanied by the exhibits mentioned in them, consisting chiefly of the reports of heads of bureaus and of the governors of the forty provinces. Of the exhibits I transmit only the report of Maj. Gen. Leonard Wood, U. S. Army, the governor of the Moro Province, because that shows the working of the first attempt to organize into government the Moro and hill tribes of Mindanao and the far southern islands. The other exhibits are on file and will be printed in the bound volumes. It would now consume too much time to prepare them for transmission. I also transmit a separate report of the civil governor of the expenditures from the fund of $3,000,000, provided in the appropriation bill of March 3, 1903, by the terms of which the civil governor was required to render a statement to Congress of the amount and character of the expenditures.

The reports are full of interest, but do not call for great detail in comment by me, because the principal subjects were referred to in my annual report. The reports show the great benefit which has been conferred upon the islands by a continued state of tranquillity. Except in the wild, mountainous regions of the unexplored island of Samar, and in the Moro region of the Rio Grande, and Lake Lanao in the sparsely settled island of Mindanao, and in the island of Jolo, conditions as to tranquillity and ladronism continue to improve, and except in the places mentioned agriculture and the arts of peace are not at all interfered with by lawless bands or depredations.

It is quite satisfactory to observe the good effect of a settled policy with respect to the civil service, under a stringent civil-service law, upon the personnel and efficiency of the service. Many of the Filipinos are learning English and applying for examination as English clerks. It is certain that the number of these applicants will grow, and that the necessity for maintaining so many Americans in the service will rapidly diminish as the years go on. This will accomplish a twofold purpose: first, of training the Filipinos in governmental methods, and, second, of obtaining a body of civil servants whom it

will not be necessary to pay as large salaries as have been paid to Americans rendering the same service.

The differing conditions under which services of Americans and services of Filipinos are rendered justify the difference in compensation; and the Filipinos can not complain if the result of their filling a large part of the offices is gradually to reduce the salaries which shall be paid. It is entirely natural that they should be able to live on a much less salary, in their own tropical country, than Americans transplanted from a temperate zone, and we may, therefore, look for a gradual reduction in the regular governmental expenses in the future, due to the substitution of natives for American clerks, messengers, and other employees. It was inevitable in the forming of an American government in the Philippine Islands that its expense at first should be out of proportion to the general revenues, as compared to the expense of governments by other nations in their dependencies, because it was necessary to employ so many Americans.

Unfortunately, the falling off in the revenues of the Philippine government, due chiefly to depressed conditions in agriculture, has reduced the fund available for education. From the central government last year the amount expended did not exceed $1,200,000. The year previous it had exceeded $1,400,000. We are now offering facilities for primary education to but 19 per cent of the youth of school age in the islands. The truth is that we could readily expend, without wasting the money, $5,000,000 a year in the maintenance of the public schools of the Philippine Islands, and it is hoped that the revenues will increase so that ultimately the fund for school purposes shall be as large as it should be. By reference to the report of the secretary of public instruction, it will be seen that the expense per capita of the youth of school age in the islands from the central government is much less than it is in any State of the Union, and less than it is in Japan.

Notwithstanding the necessity, however, for reducing the expenditures in the bureau of public instruction, one year more of experience and practice has added much to the value of the public school system and to the number of pupils enrolled and in attendance upon the schools. The enrollment has increased from 183,000 to 263,000 in one year, and a perusal of the reports of the various governors of the provinces shows that in each province there is a demand for more American teachers and more Filipino teachers. The expenditure by the central government is not the only expenditure for public education in the islands. Both the municipal and the provincial governments contribute somewhat, so that last year the expenditures, including the central, provincial, and municipal governments, was near $2,000,000.

It would be a wise course for Congress to enact a law to require that of the proceeds of the sale of public lands and timber in the Philippine

Islands 25 per cent should constitute a fund to be invested in interest-paying securities, the interest on which must be forever devoted to the support of primary schools in the islands. There should be a similar requirement devoting 5 per cent of the proceeds of public lands and timber to the creation of a fund to be used in the same way for the maintenance of higher education.

One of the most satisfactory results of the government's transactions during the year in the islands is the establishment on a firm basis of the new coinage. The details of this are set out in full in the report of Secretary Ide, transmitted herewith. The Spanish-Filipino coin and the Mexican coin have been practically driven out of the islands—the former by purchase of the government and a recoinage into the new coins, and the latter by legislation hostile to the importation and circulation of the Mexican, as well as by a strong demand for it in other countries. The danger which presents itself now is the rise in the price of silver, which, if it continues, may make the silver peso worth more than 50 cents gold, the present standard of value, and thus lead to the melting up of the new silver pesos of the Philippine Government.

By a cable dispatch received since the report, the Commission recommend that they be allowed to issue silver certificates which may be redeemed either by the payment of the new silver pesos on demand or by the payment of the United States gold coin at the legal and fixed ratio of $1 gold for 2 pesos. The Commission has now on hand, in the vaults of the Philippine Treasury, two millions of dollars in gold coin, and it may thus avoid the necessity for the purchase and coinage of bullion enough to make four millions of pesos. Gold coin of the United States is made legal tender in the Philippines by the "Philippine coinage act" of Congress, approved March 2, 1903. I can not see that there can be any objection to the proposed provision, and it will certainly facilitate and render more elastic the fiscal operations of the Government.

During the year the Commission has enacted an internal-revenue law and abolished the industrial taxes which had come down from the Spanish régime. The industrial taxes subjected all kinds of business, even the smallest, to a license tax, and was thought to work proportionately harder on the smaller businesses than upon large enterprises. The present bill imposes a tax on the production of liquor and alcohol, upon the manufacture of cigars and cigarettes, and also upon banking and corporations. These taxes are new, and while not heavy, as compared with the taxes imposed in this country upon the same subjects-matter, are such a departure from the methods of taxation in the Philippines that they have given rise to considerable criticism by members of the Filipino public, and especially by persons largely interested in the business which is to pay the tax.

The law has not been in operation a sufficient length of time to justify criticism or praise of it. If the hope of the Commission is realized it will enable them to relieve the municipalities and the provinces from the lack of income from which during the agricultural depression they have suffered. It will also relieve the general business of the country from a large number of small impositions which, in the aggregate, were quite burdensome; but satisfaction from a relief in taxation is never equal in intensity to the complaints of those who are subjected to new taxation, and the benefits of a change can not be weighed until the whole public has been accustomed to it.

Reference to the report of the secretary of finance and justice will show that the falling off in the customs revenues has necessitated the enactment of an internal-revenue law, and that the policy which has been pursued heretofore, of paying for permanent improvements out of the current receipts, must be discontinued, because the loss in the customs receipts has been so great that indications point to a deficit this year. This renders very important the enactment of that section of the bill which has already passed the House and Senate, authorizing the issuing of five millions of bonds by the Commission for general improvements. The secretary of finance and justice recommends that the proceeds of these bonds be allowed to be used to reimburse the general funds in the treasury for the sums expended for the port of Manila and the Benguet road. It is not thought that the present form of the bill will authorize such reimbursement, and the bill in its parliamentary history has gone so far as not to permit amendment in that respect. It is possible that if cable advices from the islands show the certainty of a deficit, unless this recommendation of the secretary of finance and justice be followed, Congress may be asked for an amendment justifying the use of the proceeds of the bonds for such reimbursement, at least to the extent to which the revenues of the islands have been drawn upon for the permanent improvement done during the fiscal year ending 1905. It is likely that the customs revenues during the next six months will increase to their normal amount, and in that case the possibility of a deficit will disappear.

The improvement of the Manila Harbor has made good progress, and so, too, has the Benguet road. We may infer from the report that this road, leading from the lowlands to the highlands at an altitude of 6,000 feet, will soon be entirely completed, and that the laying of an electric road on this highway is a matter which will consume a comparatively short time. The importance of bringing Benguet into close communication with Manila is great. The opportunity for recuperation of the civil employees of the government, both American and Filipino, as well as that of the army, can not be exaggerated.

The work of constructing a temporary wharf at the important

port of Cebu has been completed, and the improvement of the harbor of Iloilo is in progress. There are a number of roads under construction connecting provinces in the islands, and these will doubtless be increased in number as the surveys of the engineers are brought in. A large part of the $3,000,000 voted by Congress has been, and is being, expended in the construction of roads. It may be inferred from the report of Governor Wright that business is much improved, but that as yet it does not appear in the increased receipts of the customs.

A satisfactory system for increasing the water supply of Manila has been adopted, and also a sewerage system. After the local engineers had devised plans, Mr. Desmond Fitzgerald, the well-known civil engineer of Brookline, near Boston, visited the islands and passed upon the plans. The plan for the water supply was approved by him in almost every detail. The plan for the sewerage system was considerably amended. As soon as the bill, which has passed both Houses and is merely awaiting acquiescence in the amendments of the Senate, shall become law, provision will be made for the issuing of the necessary bonds, and this most important work to secure the health of the inhabitants of the metropolis will be seriously begun.

The unduly great number of prisoners confined in Bilibid Prison, the State's prison of the islands, has called forth the protest of the warden and also of the attending physician. I am in receipt of a cable dispatch from Governor Wright saying that this evil is being remedied by an assignment of part of the prisoners to work on the roads in Albay, by assignment of another part to use for governmental purposes by the government of the Moro Province, and by removal of still another part to a penal station on the island of Paragua, where the necessary accommodations are being constructed.

The reports of Governor Wright and of Commissioner Worcester show, what has appeared in the reports from the islands since the American occupation, the necessity for reducing the tariff on Philippine products entering the United States, in order that we may give to the islands a market in America, leading to a revival of business in the islands. I have already mentioned this so often that it is unnecessary to repeat what was said in my annual report.

The report of Major-General Wood on conditions in the Moro Province is of much interest. The Moro government act was framed with a view to giving the persons responsible for the Moro government great latitude in dealing with the various Moro tribes, and the wisdom of that latitude is shown by the event. It was supposed when the Moro act was passed that the Moros were sufficiently advanced in tribal government to have customary laws which, after the elimination of such features as were savage or barbarous, might be adopted for practical use; but General Wood's report shows that among the cus-

toms of the Moros there is practically nothing which a government under the auspices of the United States can make itself responsible for, and he recommends that the effort be to make the criminal laws of the islands substantially uniform throughout the archipelago, and in this view I fully concur.

The union of the military arm with the civil arm in the Moro Province has proved to be an excellent arrangement and I see no reason why it should not indefinitely continue. The Moro is so different from the Filipino, and so much below him in civil governmental capacity, that while such a union is entirely unfitted for the development of the Christian Filipinos, it seems to be the only kind of a government adapted to the Moros.

The proposal of General Wood to take into the Moro Province the two Christian Filipino provinces of Surigao and Misamis for convenience of administration I can hardly approve. There is a part of the province of Misamis that includes so many Moros and is so far removed from the capital that the suggestion that it be included in the Moro Province perhaps ought to be followed, but the other and principal part of Misamis and the province of Surigao are so separate from the Moro country and so completely Christian Filipino in character that mere convenience of administration will not justify their absorption into a government so different from that of the other Christian provinces.

No one can read the reports, and especially the reports of the provincial governors, without being convinced that the time is ripe for the establishment of a system of railroads, which the bill that has now passed both Houses and is awaiting a mere agreement upon amendments, will bring about.

During the last year the report of the opium committee, which was appointed by the civil governor under an act of the Commission to visit the various countries of the Orient to investigate the method of regulating the opium traffic in those countries, and to recommend a proper opium law for the Philippines, was submitted to the Commission. The report has not yet been forwarded to this Department, but the investigation was so widespread, so impartial, and so thorough that I have no doubt it will be a most valuable contribution to the cause of good government. It recommends the adoption of a law similar to the one now in force in Formosa. Shortly stated the proposed bill provides a government monopoly for three years and prohibition of importation thereafter except for medical purposes. The committee was composed of the chief health officer of the islands, Major Carter, U. S. Army; Doctor Albert, a prominent physician of Manila, a native Filipino; and the Right Rev. Charles H. Brent, D. D., the Protestant Episcopal Bishop of the Philippines. The danger from the spread of the opium habit among the Filipinos, which is an imminent

one, due to the fact that the trade has been subject to little or no regulation since the Spanish Government ceased to be, will, I hope, under the new provisions, become less and less.

The Commission by a communication subsequent to their report suggest that the plan of the opium committee ought to be adopted, with one variation, and that is that instead of a government monopoly for three years there be instituted a system of very high license, with an official registration of those addicted to opium smoking, and a total prohibition of sale to or use by nonsmokers, to be followed after three years by absolute prohibition of any importation of opium, save for medical purposes. I am inclined to think that the proposed amendment is a wise one, but until the receipt of the full report of the committee and the comments of the Commission it is perhaps premature to express an opinion. In any event, to adopt the report of the committee either in the form they propose or the amended form proposed by the Commission, there will have to be an amendment to the tariff law of the Philippine Islands, which shall authorize the Commission to forbid the importation of opium. The present tariff law permits the importation of the drug at a certain duty. The Commission has not power to amend the tariff law, and it would seem, therefore, to be beyond its power to forbid the importation of the drug. The needed amendment can be provided for in the proposed general law amending the Philippine tariff, to which I shall now refer.

The customs law of the Philippine Islands, originally adopted by the Commission, with the approval of the President, and subsequently confirmed by the act of March 8, 1902, has not proven to be entirely satisfactory. The civil governor appointed a committee of merchants to recommend amendments which were considered by the insular collector of customs, and subsequently by the Commission, and have now all been forwarded to this Department. It was hoped that in the Philippine bill, now near enactment by Congress, which I have already referred to, power would be given to the Philippine Commission to amend the law without referring the matter to Congress. As that amendment was lost, however, when submitted to the Senate, it becomes necessary to submit to Congress at this session a recommendation for a bill to make the needed amendments in the present tariff law. Within a few days, with your permission, I shall submit to you a form of a bill amending the tariff law, requesting its transmission to Congress for its consideration.

It appears from the report of Governor Wright, and from subsequent information received from him by cable, that of the friars' lands contracted to be purchased the lands of the Augustinians and of the Recolletos have been transferred, and the purchase price has been paid. Difficulty has arisen, however, with the representative of the Philippine Sugar Estates Development Company, which was a promoting

company taking over the title of the Dominicans. The chief difficulty was in a failure of title with respect to two or three haciendas which could only be made good by quitclaim deeds from two auxiliary or ancillary corporations of the Dominican Order, in whom the legal title was shown by the record to be. It appears that the representative of the Sugar Estates Development Company has broken off the negotiations, and has attempted to renounce the obligation of the contract. I have directed Governor Wright to take legal proceedings equivalent to a bill for specific performance of the contract of purchase. Meantime, the purchase money of the Dominican lands, which amounts to something over $3,000,000, is deposited in a trust company in New York, and is drawing interest at a rate of 3½ per cent, which is not less than the net rate at which the bonds authorized by Congress for this purpose were issued and sold.

The dispute over the possession of churches, conventos, and cemeteries between the Roman Catholic Church on the one hand and municipalities who claim the right of possession to these properties on the other, and who have turned them over to the new so-called "Independent Filipino Catholic Church," under the leadership of Gregorio Aglipay, continues. Neither party is willing to take the legal steps under the present procedure to test the question of title and ownership, and it seems wise to form a special tribunal of the Supreme Court into which the disputing parties shall be brought and compelled to set up their title and to submit the issue to the court for decision. The public is sufficiently interested to justify this intervention of the Government to secure a final settlement of controversies which, if allowed to continue, are certain to lead to disturbance of the peace. A bill referring the controversies to the Supreme Court has been drawn by Governor Wright and submitted to this Department for suggestions. It will doubtless be enacted about the 1st of February, and it is hoped that all disputes will be ended by judgment of the Supreme Court before the end of the present calendar year.

Very respectfully,

WM. H. TAFT,
Secretary of War.

The PRESIDENT.

ANNUAL REPORT OF THE PHILIPPINE COMMISSION TO THE SECRETARY OF WAR.

MANILA, P. I., *November 1, 1904.*

SIR: The Philippine Commission has the honor to submit its fifth annual report, accompanying which will be found the reports of the civil governor, the secretary of the interior, the secretary of finance and justice, the secretary of public instruction, and the secretary of commerce and police. This report is intended to cover the period from December 22, 1903, the date of our last annual report, to November 1, 1904.

CONDITIONS AS TO PEACE AND ORDER.

In our last annual report we stated that "the conditions of the islands as to tranquillity are quite equal, so far as peace and good order are concerned, to what they were at any time during the Spanish régime." While we believe this to have been a true and conservative statement, it was also true that at that time there were still a considerable number of small ladrone bands operating in some of the provinces of the archipelago. These bands seem always to have existed to some extent among the Filipinos; usually, though not always, they were recruited from inhabitants of the mountain regions and were accustomed, when opportunity offered, to steal cattle and plunder remote villages in the lowlands, retreating as a rule in safety with their booty. The great mass of the people, however, were domestic and peaceable.

The insurrection against Spain, which began in 1896 and was afterwards continued against the United States, finally developing into a guerrilla warfare, caused widespread demoralization among the mass of the people, and as a result ladronism greatly increased. After the collapse of the insurrection and after all organized opposition to our authority had ceased the great mass of the people resumed their ordinary and peaceful vocations, but they continued to suffer from the depredations of numerous bands of ladrones, who not infrequently were commanded by some veteran outlaw whose career ex-

tended back to Spanish times. It was obviously necessary that these bands should be exterminated before it would be possible for the people to live in safety in their homes or to till their fields; hence, at an early day after the establishment of civil government, the Philippines Constabulary, composed of natives commanded as a rule by American officers, was organized and began operations against them with most satisfactory results. These predatory bands as a rule contented themselves with preying upon their own people, often killing or mutilating those who refused them assistance or were supposed to be unfriendly to them. Sometimes, as a measure of protection, the unfortunate people who were exposed to their depredations would compound with them by furnishing them food and information, which would enable them to elude the constabulary, but as a general rule the people lived in deadly fear of them, and with good reason. As the people came to understand that the government had both the will and the ability to protect them they began to cooperate cordially with the constabulary and other peace officers by giving information against these cutthroats, so that it became possible to kill or capture them. As a result of the persistent efforts of the constabulary thus aided by the people there is to-day in the great island of Luzon not a single organized band of ladrones to be found. Nearly all of the leaders save five or six have been killed or captured, and those still at large are in hiding and practically without followers. What has been said as to Luzon is also applicable to the Visayan Islands, with the single exception of Samar.

There is no reason to suppose that the orderly and peaceful conditions which at present exist will be otherwise than permanent.

However, in order to get a true picture of the situation as it actually is, it is proper to remark that the Philippine Islands are all of volcanic origin, that their centers are mountainous and covered with a heavy growth of timber and other vegetation, and are generally difficult of access. The great bulk of the civilized Filipinos live on or not remote from the coast line, but there are scattered communities living in the mountains who come little in touch with civilizing influences, who are densely ignorant and superstitious, and who, indeed, in many instances are little removed from savagery. It frequently happens that some enterprising man among them who has the elements of leadership, by exciting their cupidity or playing upon their superstitions, will obtain a considerable following and will perpetrate all sorts of outrages upon the peaceful and inoffensive inhabitants within his reach. It is hardly fair to presume that the inclinations and habits of semibarbarous marauders of this description can at once be changed. They must first be reached through their fear of consequences and made to understand that their traditional manner of life is neither safe nor profitable, and thereafter

they may gradually be brought into a decent and orderly manner of living. It may therefore be inferred that for several years to come there will be irruptions from this source and that they will make raids upon the civilized Filipinos living in the lowlands as heretofore, so long as a tempting field for their incursions is offered them. The Commission, so far as its finances permit, is engaged in building roads to open up these remote sections of the interior and to make them accessible.

A striking instance of the tendencies of these mountaineers is furnished by recent occurrences in the island of Samar, which is the third in point of size in the archipelago. Two months since several hundred of these hillmen who lived about the headwaters of the Gandara River, under the leadership of one of their number who styles himself Papa (Pope) Bulan and who, as is usually the case, claims to be divinely inspired and to have the miraculous power of conferring invulnerability upon his followers, suddenly descended upon the native towns along the coast line, plundered and burned the outlying barrios, and began killing men, women, and children indiscriminately. The constabulary of the province promptly took the field against them and were rapidly reinforced by constabulary and scouts from other provinces. As a result of the operations against these "pulahanes," as they are termed by the natives, they were soon broken up into small bands and are being pursued and killed or captured. Careful inquiry has been made to ascertain, if possible, whether there was any special motive for this outbreak. Some of the captured members of the band, upon being questioned, state that the immediate cause was that certain of their countrymen, who were prominent in the insurrection and who have been employed by mercantile houses as agents for the purchase of hemp, had oppressed them by paying them only a nominal price for their hemp, thereafter turning it in to their principals at a much larger price. There is no special significance in this incident except in so far as it illustrates the low intelligence and semibarbarous condition of many of the inhabitants of the mountains of Samar and of some of the other islands of the archipelago. The Spaniards impressed themselves less, perhaps, upon the people of Samar than upon the inhabitants of the other islands, and except Mindanao, the home of the Moros, there is therefore more combustible material there than in the other islands. Doubtless many of the inhabitants of these mountain regions who are completely isolated from the outside world have never seen a white man. It may be well also to mention that the civilized Filipinos are in great terror of them and eagerly cooperate, so far as their fears will permit, with the constabulary and scouts in their elimination.

The relations between Americans and Filipinos, we are glad to be

able to say, are generally cordial, and there continues a steady growth of confidence and good feeling between them. This has been contributed to by the best elements of both races. The bitterness and distrust, which were the natural outgrowth of the insurrection and its events, have largely disappeared. With but few exceptions, the Filipinos of education, intelligence, and property have heartily cooperated with the authorities; and this remark applies both to those who have been in official relations with the government and to those in private life. Here and there is found a Filipino of more or less importance who is still irreconcilable and hostile to American authority, and occasionally an American who dislikes and distrusts all Filipinos, but the number of such men is comparatively few and their influence is small and steadily waning. All those who are justly entitled to be called leaders of public opinion among the Filipinos have definitely cast their lot with the Americans and have expressed themselves as content to leave their fortune and their future to the American people.

It is true that what is known as the "Hongkong junta," composed of a few Filipinos, some of whom in the past have been men of considerable local prominence, from time to time during the year has given feeble evidences of life and antagonism. They have endeavored, from the safe distance of Hongkong, by correspondence and through emissaries, to stir up trouble and to keep alive the dying embers of insurrection. One of their number, Artemio Ricarte by name, who styled himself "The Viper," came from Hongkong to Manila some time in December last for the purpose of organizing another insurrection. He was one of the irreconcilables who was deported to Guam and later brought back to Manila with other prisoners from that island, but upon refusing to take the oath of allegiance was not permitted to land and went to Hongkong. After reaching Hongkong he became one of the leaders of the junta, and under his inspiration they began preparations looking to an outbreak in the islands. To that end he opened up a correspondence with a large number of persons who had been more or less prominent in the former insurrection. Many of those who received his letters promptly turned them over to the authorities and disavowed any connection with him. Ricarte came clandestinely to Manila, having with him a trunk full of blank commissions, proclamations, and other revolutionary literature. He at once began operations in cooperation with a crack-brained playwright by the name of Tolentino, who had written a number of seditious plays. Ricarte dubbed himself "generalissimo of the forces in the field" and Tolentino "dictator," and the two began busily filling in commissions and distributing them to a number of irresponsible young men about Manila. These commissions, together with their holders, were soon picked up by the police force, and, so

far as ascertained, no commission was issued to anyone below the rank of general. Ricarte thereafter made a secret tour through several of the provinces of northern Luzon, but found, to his astonishment, that he was unable to make any headway in recruiting his forces, as the people were deaf to his appeals. He did, however, succeed in corrupting a corporal of constabulary, who had formerly served under him during the insurrection, and the members of his detachment, which was temporarily stationed in the province of Pampanga, although it belonged to the constabulary of the province of Ilocos Sur. Shortly after having seen Ricarte, this corporal with his detachment returned to Vigan, the capital of Ilocos Sur, and while on guard at the constabulary barracks seized them and thereby secured a number of guns. He liberated the prisoners in the jail, armed them, and left the town with his detachment. He was at once pursued by the constabulary and scouts, upon whose approach his party dispersed, but were picked up one by one until all were finally captured without resistance. In the meantime Ricarte returned to the neighborhood of Manila, and for several months made every effort to secure recruits to his cause, but without success, and was captured finally at Mariveles, in the province of Bataan, by a constabulary officer, upon information furnished by the municipal president of Mariveles and the clerk of the court of that province. It was believed at the time that he was endeavoring to escape to Hongkong. Tolentino was soon picked up also. The entire episode was ridiculous and was of no importance save that it demonstrated that Ricarte had no sympathizers or followers either among the prominent Filipinos or among the people and was a reassuring bit of evidence of their loyalty and good sense.

THE MORO PROVINCE.

In dealing with existing conditions as to peace and order it is proper to give separate consideration to the Moro Province, which includes all of the great island of Mindanao except the two Christian Filipino provinces of Misamis and Surigao, on the north coast, and also includes the Sulu Archipelago. With the exception of some 66,000 Filipinos, generally the descendants of convicts deported by the Spaniards from the northern islands, the great area of territory embraced in the Moro Province is inhabited by Moros, who profess the Mohammedan religion, and by a number of other non-Christian tribes. There has never been any accurate census taken of the non-Christian population, but from the best sources of information available it is estimated at somewhat less than half a million souls, of which the Moros number about 150,000. Although the Moros were always nominally under the sovereignty of the Spaniards, the latter,

as a matter of fact, never exercised any real control over them, contenting themselves with maintaining a few military posts upon or near the coast and from time to time making feeble attempts to bring them into a state of submission, but without any considerable success. Several years before the outbreak of the Spanish war General Weyler, then governor-general of the islands, conducted a military expedition on quite an extensive scale against the Moros of the Lake Lanao region and succeeded in establishing a military post upon the shores of the lake and in floating two or three small armed launches upon its waters.

Thus matters stood at the time of American occupation in the summer of 1898. Soon after the cession of the Philippine Islands to the United States by the treaty of Paris hostilities began between the insurgent forces and the American troops in the island of Luzon and in the Visayas, which demanded our entire attention. In the meantime the Spaniards withdrew all their troops from Mindanao. As soon as this withdrawal occurred the coast Moros immediately occupied the posts thus abandoned and their petty chiefs began business on their own account, cruelly maltreating and oppressing the Christian Filipinos, who were comparatively few in number and unable or unwilling to resist. Major-General Otis, commanding the American forces and military governor of the islands, sent an expedition commanded by Brig. Gen. John C. Bates to look after matters in Mindanao and the Sulu group in the summer of 1899. At this time little was known of the Moros save that they professed the Mohammedan religion and were a warlike people who had always resisted the domination of Spain. It was therefore deemed advisable to do no more than to reoccupy the military posts along the coast, which was done without opposition during the latter part of 1899. General Bates entered into a treaty with the sultan of Sulu by which the latter recognized the paramount sovereignty of the United States, but it was agreed that he was not to be interfered with in the direct government of his people, and a modus vivendi was established between him and the Americans. The authority of the sultan of Sulu embraced only the islands of the Sulu Archipelago and did not extend beyond them, being in no way recognized by the inhabitants of the island of Mindanao, in which are found at least two-thirds of the Moro population. The attention of both the military governor and the civil authorities who succeeded him was for several years thereafter primarily devoted to the suppression of insurrection and the establishment of civil government among the Filipino peoples of the northern islands, and in the meantime nothing of importance was done toward bringing the inhabitants of the Moro Province under American control.

So long as the American troops contented themselves with remaining at their stations upon the coast and pursued a policy of noninter-

ference with the affairs of the Moros there was no clash between them; but even during this period there was an occasional attack by Moros upon American outposts, and it was well understood that none of our troops would be permitted to penetrate into the interior of the islands without opposition. The Lake Lanao Moros were especially resentful of any intrusion upon their isolation, and their chieftains explicitly stated that Americans would not be permitted to enter their territory. When, in the summer of 1902, a small detachment of cavalry was sent from the military post of Parang, on the south coast of Mindanao, with orders to explore the trail leading to the lake, they were promptly attacked by the Moros and several of their number killed. This required action, and a column of several hundred men was promptly pushed forward to Lake Lanao, meeting with fierce resistance. About the same time a detachment of our troops was pushed forward from Iligan, on the north side of the island, into the northern end of the Lake Lanao region. This also met with fierce resistance from the Moros. The region around the lake, which seems to be the crater of a great extinct volcano, was found to contain a considerable population, although not nearly as large as was supposed. The people were broken up into small tribes governed by petty chiefs, or datos, as they were called, more or less jealous of and hostile toward each other, but all inclined to make common cause against the foreign intruder. At this time no attempt was made to bring them into submission and the military authorities contented themselves with establishing two posts, one at each end of the lake, and each having a line of communication to the sea, on the north and south, respectively. For nearly a year thereafter military operations were suspended and efforts were made to establish friendly relations with the chiefs and the inhabitants generally, but with little success. Investigations were made and data collected, as well as could be done under these adverse conditions, as to the customs, habits, and characteristics of the Moros and other non-Christian tribes, how far they had progressed in civilization, and the nature and extent of their various tribal governments, with a view to determining the best method of dealing with them. The alternative was presented of recognizing one or more of their principal datos and nominally governing the people through him or them, having at their sides American residents to advise and direct, or to impose some form of government directly by Americans, utilizing their datos as administrative agents so far as practicable.

The English, in dealing with the Malays of the Straits Settlements, where the population is practically the same as that inhabiting the Sulu Archipelago and Mindanao, had adopted the former method, but there the English had found a few sultans or chiefs whose authority was recognized by the people. The situation in the

Moro Province, as already explained, was very different. The population was found to be under the government of a multitude of petty dattos, the greatest of whom could scarcely muster 1,000 men. Each of them had with his following built a fort, called a "cotta," of more or less strength, in and around which he and his followers lived and within which they took refuge when attack was threatened. All of them had indulged for generations, perhaps for centuries, in petty feuds and tribal wars each against the other, so that there was no man among them who had any extensive authority or moral force. Even as to the sultan of Sulu it was found upon investigation that whilst he was nominally recognized as the titular head of the Moros in the Sulu Archipelago in reality there were several of his datos who possessed as much authority as he and who recognized or repudiated his sovereignty from time to time as suited their pleasure, and for several years past there had been an active feud on between him and two of his recalcitrant datos. The Moros inhabiting the island of Mindanao, who constitute two-thirds of their total number, did not recognize the authority of the sultan of Sulu and derided the idea that he had any jurisdiction over them, and he has never attempted to exercise any sovereign rights or authority, although it is believed that he claims in a vague way to be sultan of all the Moros.

After careful consideration of the whole subject the Commission reached the conclusion that it was best to establish a provincial government for the Moros, modeled, so far as related to the chief executive offices, upon the general lines followed in establishing provincial governments for the Christian Filipinos, giving to it large legislative authority, including the power to create local governments or to change inferior ones to suit the actual needs of those affected thereby. Accordingly, the Commission on June 1, 1903, enacted Act No. 787, organizing the Moro Province. In drafting this act Governor Taft and his colleagues had the benefit of the advice and assistance of Maj. Gen. Geo. W. Davis, who for nearly two years had been in command of the troops stationed in the Moro Province and had given much thought and study to the conditions there prevailing. The Commission did the best it could toward solving a very difficult and complex problem. It was recognized that any effort in the direction of establishing government among the Moros must in the nature of things be tentative and experimental, and that in all probability it would be necessary subsequently to modify any government established. It was not deemed wise or just, except to the extent absolutely necessary, to impose upon them the system of laws and of administration of justice which was well adapted to the Christian Filipinos, but which must prove burdensome and odious to them. Moreover, it was understood in a general way from the limited

sources of information available that they had a crude system of tribal laws and customs administered by their dattos and priests, who were termed "panditas." The Moro act, therefore, provided for a governor and a legislative council which was given large legislative powers, and created certain necessary executive offices. Provision was made for the establishment of a public-school system, and also for the creation of a constabulary force to be composed of Moros commanded by white officers under the direction of an assistant chief of constabulary. The province was divided into five great districts, each presided over by a district governor under the general administrative direction of the provincial governor. It was also provided that the customary laws of the Moros should be collected and codified with such modifications as the legislative council might think necessary, and that as thus amended and codified they should control and govern in all civil and criminal actions arising between Moros, other provisions being made for the trial of causes between Moros and other non-Christian tribes and between Moros and Christians. The legislative council was also authorized to create district courts to be presided over by district secretaries and to be composed in part of Moros.

The government of the Moro Province was organized immediately after the passage of said act, and Brig. Gen. Leonard Wood, U. S. Army, commanding department of Mindanao, was appointed provincial governor, and the various other important executive and legislative offices were filled. The duties thus imposed upon the governor and legislative council called for the exercise of great judgment, tact, forbearance, and high constructive ability. The Moros were proud, suspicious, and fanatical. From time immemorial they had practiced polygamy; they had been accustomed to make raids upon other non-Christian tribes for the purpose of replenishing their stock of slaves; the coast Moros had always made a business of piracy, which, at a not very remote period, had been carried on quite extensively against the northern islands inhabited by the Christian Filipinos; they had been taught by the Arabs, with whom they had always maintained a loose connection through their religion, the use of firearms, of which they possessed great numbers, generally of mediæval pattern; they had also been taught how to make gunpowder, and they had considerable skill as workers in iron. They also had a fair knowledge of agriculture, and their women exhibited considerable skill in weaving cloth from native fibers. They gathered gums and gutta-percha from the forests, and exchanged their products generally by a system of barter with the Chinese merchants who had settled in the various towns along the coast. They were fairly industrious, appreciated the value of money, and were shrewd traders. General Wood began by organizing the various districts provided for by the Moro act and attempted

in every way to establish intimate and friendly relations with the Moros and other non-Christian tribes of the province. The latter are a timid people, disposed to be suspicious of strangers, but inclined to be friendly when they understand that no harm is intended them, who have sought to find protection against Moro oppression by secluding themselves in the forests. These poor and inoffensive creatures, as soon as they understood that the Americans would protect them against their ancient enemy, the Moros, were only too willing to recognize our authority and receive the benefits of our protection. They are not lacking in intelligence and appreciate kind treatment. In a number of instances they have been induced by the district governors and other officials to establish themselves in villages and to cultivate the soil adjacent thereto. These villages are steadily increasing in population as the people find themselves secure in life and property. Schools have been established among them in which English is taught, and they appear contented and fairly prosperous.

The Moros did not take kindly to the new order of things, which was distasteful to them in every respect. They resented any interference with their customs or habits of life and regarded the appearance of the white man in their villages as an unwarranted and offensive intrusion. This was generally true of all the Moros, and especially so of those inhabiting the Lanao district. The promulgation of the law against slavery and the protection of escaped slaves from recapture were regarded by their chiefs and headmen as an unwarranted invasion of their vested rights and was deeply resented. Besides, these datos and headmen, who practically exercised the power of life and death over their people, were unwilling to abdicate their powers and become subordinate to any superior authority. The governor of the Moro Province and his subordinate officials pursued a conservative course and endeavored to win the confidence of the chiefs and to convince them of the advantages of a settled and orderly government, and were fairly successful in their efforts so far as related to the coast Moros, who, as a rule, understood that by reason of the ease with which they could be reached by American troops resistance was futile; but the Lanao Moros were not so easily convinced and persisted in continuing to maintain an attitude of uncompromising hostility. Although they would frequently come in considerable numbers into the American army posts established in their territory, for the purpose of selling their produce, and would express themselves on such occasions as friendly, it was well understood and often announced that they would not permit Americans to come among them, and, to emphasize this fact, they frequently made night attacks on the pickets about these posts. After all effort to establish friendly relations had failed it was deemed necessary to bring matters to a head with them and end a situation which was

felt to be impossible of continuance. General Wood, therefore, sent out expeditions to march along the shores of the lake, which were immediately attacked; and, thereupon, assuming the aggressive, he reduced several of their cottas and gave them a salutary and much-needed lesson. These events occurred several months ago, and since that time there have been no overt acts of hostility on the part of the Moros.

With the exception of one petty chief, who is still in the mountains with a few followers and who is now negotiating for a surrender, the leading Moros have professed submission and, so far as concerns the Mindanao Moros, order and quiet prevail, and the great mass of the people have settled down and are now engaged in their ordinary vocations. A number of schools have been established for their benefit in which English is taught. These schools are now largely attended, and they are asking for more American school-teachers. The common people especially seem to be appreciative of the protection which they are receiving against the arbitrary whims and exactions of their petty chiefs, and now come to the district governors for protection against threatened ill treatment or oppression from that source and for the settlement of ordinary differences among them. All of this is encouraging and warrants the conclusion that with the continuance of a kind, strong, paternal government much may be accomplished in their development. The island of Mindanao is wonderfully fertile in soil, and is especially adapted to the growth of hemp and cocoanuts and other tropical products. The greater part of it is covered with magnificent forests of valuable timber, which with improved roads and intercommunication could profitably be brought into market. Work in this direction to the extent of the limited resources of the province and of the insular government is being prosecuted, and for this purpose the revenues of the province have been supplemented by an appropriation of $150,000 from the Congressional relief fund. The personal equation in the government of a semibarbarous people such as this is is everything, and it is of extreme importance that there should not be frequent changes of officials, but that both policy and personnel should be as permanent as possible.

Acting under the direction of the President of the United States the civil governor on March 21, 1904, notified the sultan of Sulu, through Major-General Wood, that the so-called Bates treaty was abrogated. Whilst it had never been formally recognized as valid and binding, and indeed as to the provision relating to slavery had been repudiated by the President, still it had been lived up to by the Americans in every particular, including the payment of annual subsidies to the sultan and his principal datos, but it had been systematically and persistently violated by them. The sultan apparently recognized the

advantages to himself of this convention, and we have every reason to believe that he was sincerely desirous of conforming to its provisions, but the difficulty was that he is a man of no personal force or capacity. His principal datos, although nominally recognizing his hereditary rights, in reality did as they pleased. For more than a year the island of Sulu was in the throes of a petty war between him and two of his principal datos, and while he was friendly to the Americans they were not, and their followers were frequently excited by them to acts of violence and hostility against the Americans who occupied the town of Jolo. Frequent attacks were made upon the outposts about the town without the least provocation, and a number of Americans were killed or wounded in these attacks, as well as by fanatics called "juramentados," who were evidently encouraged rather than restrained by these datos. It was impossible for Americans, whether armed or unarmed, to move a step beyond the protection of the garrison without being attacked.

Maj. Hugh L. Scott, an army officer who has had much experience in dealing with the Apache Indians and who possesses wonderful influence over them, was especially selected for appointment as governor of the Sulu district because of his exceptional record and capability. He pursued a conciliatory and pacific policy with the Moros under his jurisdiction for a long time and endeavored in every way possible, through personal conferences with their chiefs, especially with those who were hostile, to convince them of the desire of our Government to live upon amicable terms with them and of the folly and inevitable result of the course which they were pursuing. This pacific policy, as is not infrequently the case, seemed to have the effect contrary to that intended, as it apparently produced the impression in their minds that the Americans were really afraid of them. Finally, as it appeared that nothing could be accomplished with them by patience and kindness, and as they still continued to attack American troops whenever opportunity offered, it was determined to bring matters to an end. Several detachments of troops were sent out from Jolo to march across the island, but they at once met with fierce resistance on the part of the Moros. As a result of a short, sharp, and decisive campaign against them they were made to understand that the Americans had not only the purpose but the power to support their authority and enforce order; but it had long since become evident that it was impossible to hope to govern them through the sultan and that even as a figurehead he was worthless, and hence that the Sulu Moros must be brought under the direct control of the provincial government. There is no reason to expect any further trouble with the Sulu Moros, and they now evince a pacific and friendly disposition which was before entirely unknown. The datos have been shorn of their hitherto absolutely irresponsible

power and the great mass of the people are coming to understand that they will be protected in their personal rights, and as a result they are devoting themselves to agriculture and other peaceful pursuits, are bringing in for sale hemp, copra, and other products in larger amounts than ever before, and altogether appear to be contented with the change.

The civil governor, having been informed through Major Scott that the sultan of Sulu desired a conference with him and with the Commission, invited him to come to Manila, which he did in the latter part of July last. In the several interviews had with him, he seemed especially anxious to impress upon the Commission the fact of his entire good faith and friendliness toward the Americans, and in this he was corroborated by Major Scott. He did not deny that the terms of the so-called "Bates treaty" had been violated in the particulars named by us, but insisted that he should not be held responsible for the acts of his rebellious dattos. While conceding his good intentions, it was pointed out to him that he was unable to control and govern his own people and that it was best for all concerned that the Bates treaty should be set aside, in which view he offered finally to acquiesce, but at the same time he explained that the effect of this was to deprive him of all revenues which he had formerly received as sultan and to leave him practically without means of subsistence. It seemed to the Commission under all the circumstances that it would be inequitable to permit this, and therefore it has agreed to give him and the members of his official household 13,500 pesos annually, with the understanding that he and they will aid the government in every way possible when called on.

There is one feature of the Moro problem which still presents difficulties. As already stated, it was believed when the Moro act was adopted that it would be possible to codify their customary laws, which could be administered through their dattos. Under the immediate direction of the provincial attorney and of Dr. Najjeb M. Saleeby, the provincial superintendent of schools, who is an Arab and familiar with their language, a conscientious and careful investigation has been made, with a view to ascertaining just what was their system of customary laws and to compiling them.

The result discloses that they have no general system of laws, but that each tribe has a sort of unwritten code of its own, but all so full of incongruous and absurd provisions as to make them worthless as a basis upon which to build. To illustrate: In some of them murder is punishable by a small fine, except in the case of slaves who kill freemen, upon whom the death penalty is inflicted; and in cases of adultery the man is fined, but the woman is buried alive. Besides, it seems that generally speaking the chief is very largely a law unto himself. It will probably be found necessary to enact a simple code

embodying whatever is of value in their laws and making the penalties so flexible as in some sort to enable district governors and the local judges to meet the equities in each case. In the meantime, and as an experimental measure, the legislative council of the Moro Province has, with the approval of the Commission, enacted a law providing for a division of the non-Christian tribes into tribal wards and for the appointment by district governors, subject to the approval of the provincial governor, of a headman for each ward, who shall be the datto or chief of the people of that locality, giving to this headman power to appoint deputies. The district governor is given power to enact ordinances for the government of the wards within his jurisdiction, subject to the approval of the provincial governor, not in excess of the powers conferred by the municipal code of the Moro Province upon municipalities, which may be enforced by fines not exceeding 50 pesos or by imprisonment not exceeding six months. The district governor is also given jurisdiction to try cases involving the violation of these ordinances, and it is made the duty of the headman to report from time to time violations of order as they occur and generally to keep peace in his bailiwick, for which he is paid a small salary and allowed to wear a gorgeous badge of office.

USE OF CONSTABULARY IN CONNECTION WITH SCOUTS.

The act of Congress of February 2, 1901, provided for the creation of a body of native troops not exceeding 12,000 in number, called "scouts," to be organized as companies, squadrons, or battalions, as in the Regular Army. Under this act 50 companies of 100 men each were organized, but with the exception of the battalion sent to the Louisiana Purchase Exposition at St. Louis no battalion organization has ever been formed. The act further provided that the captains to command scout companies should be selected from first lieutenants of the line of the Regular Army, and that the first and second lieutenants should be selected from noncommissioned officers or enlisted men of the Regular Army of not less than two years' service, or from officers or noncommissioned officers who had served in volunteer organizations subsequent to April 21, 1898. Probably from motives of economy, only first and second lieutenants of scout companies have been appointed. The act of Congress of January 30, 1903, authorized the detail of scout companies, under the limitations therein provided, for service with the insular constabulary forces. Pursuant to the provisions of this act the commanding general, Philippine Division, upon the request of the civil governor, has detailed from time to time 39 scout companies for service with the constabulary.

As stated in our previous report, there has been some disposition to

criticise this act, but experience has demonstrated its wisdom and value. Although theoretically the combination of scouts and constabulary is open to the objection that it places a branch of the Regular Army under the direction of civil officials, this objection is fully met when it is considered that the commanding general authorizes the detail, and the chief and assistant chiefs of constabulary who are called upon to direct the operations of the scouts thus detailed are army officers of large experience and high standing. The result of the act has been to permit a substantial decrease in the number of the constabulary, and to that extent to relieve the insular government of an additional burden which it could illy bear. The officers of the two organizations are drawn from the same source of supply and the enlisted men are all natives, so that there is no real difficulty in securing harmonious cooperation between them, as experience has clearly demonstrated. During the year there has been a reduction of American troops in the islands by about one-third. There are now only 12,000 of them here as against 18,000 last year. They now occupy 39 posts only as against 70 posts one year ago. During the year the constabulary and scouts in combination have been scattered throughout the archipelago, usefully and successfully employed in protecting the peaceful and law-abiding inhabitants and in pursuing and breaking up bands of carabao thieves and ladrones wherever they appeared. The firearms which remained in the hands of these outlaws after the insurrection have nearly all been gathered in, so that outside of the Moro Province there remain only a very few in the hands of unauthorized and dangerous characters; but unfortunately it is easy for a bold outlaw, having control of but two or three guns, to terrify and hold up an entire village. It therefore is necessary to have small detachments of scouts or constabulary scattered through the more remote portions of nearly all the provinces for purposes of protection, and while this necessity has much decreased it still to a considerable extent exists.

Each municipality has a police force of its own, and in many instances they have been armed with shotguns or other inferior weapons as a measure of protection to the people of the municipalities. If the municipal president happens to be a man of energy and courage, there is but little difficulty in his being able to accomplish this result, but, as is not infrequently the case, when he lacks these qualities it is easy for a few resolute men to surprise the police and take away their weapons. This has happened several times, and it has caused the constabulary authorities to proceed very conservatively in arming the municipal police. But it is proper to say in this connection that the municipal police are gradually being improved and disciplined, and the municipal authorities are beginning to exhibit more energy

in protecting their respective communities, so that in the not remote future it is possible that both constabulary and scouts may be reduced in numbers. During the past year several instances have occurred in which the municipal authorities have repelled attacks of marauders and killed or captured them. The steady progress made in eliminating the professional bad men during the past three years is seen in the general peace and quiet which now prevail, but in our judgment it would be unwise, especially if, as seems to be probable, a further decrease of the Regular Army in the islands is contemplated, to reduce the number of scout companies or to repeal the law which permits of their use in connection with the constabulary.

FRIAR LAND PURCHASES.

In the last annual report of the Commission and of the civil governor you were informed of the progress of the negotiations between the civil governor and the Holy See, conducted in Rome in 1902, and thereafter in Manila with the apostolic delegate, Monsignor Jean Baptiste Guidi, archbishop of Stauropoli, looking to the purchase of what are commonly called the "friar" lands, and that these negotiations had culminated in preliminary contracts for the purchase of the same by the insular government concluded on the 22d day of December, 1903. As you are aware, and as has been repeatedly stated, perhaps the most irritating question which has existed since American occupation has been the fixed opposition of the great majority of the Filipino people to the return of the Spanish friars to their parishes as priests and to their continuance as landlords of large landed estates. It is unnecessary and unprofitable to investigate the sources of this bitter feeling toward the friars by the Filipinos or to inquire whether there be just ground for it. The unalterable fact was that it existed and that it found expression in hostile demonstrations against their return as parish priests and against their attempts to collect rents as landlords. Whilst it goes without saying that it was and is the duty of the government to protect them against violence and in the enjoyment of their rights of property, and whilst the government has extended to them protection in this regard on all occasions, it was felt that it was on every account desirable that some understanding should be reached by which they might be quietly eliminated as a disturbing factor. The Holy See, recognizing that the Filipinos were, generally speaking, Roman Catholics and the wisdom of supplying them priests who would be acceptable to them, has appointed an American archbishop and bishops who have taken the places formerly occupied by Spanish churchmen and has pursued the wise and conciliatory policy of declining to force objectionable priests upon reluctant parishioners

and has brought its great influence to bear in facilitating the purchase by the government of the large landed properties under the control of the friar orders. The insular government has been placed in funds to make these purchases through the sale of its bonds issued pursuant to the provisions of the act of Congress approved July 1, 1902. The contracts of purchase were made with three secular corporations to which conveyances had been made by the religious orders and with the Recoleto Order, which still retained an estate in the island of Mindoro, and the price agreed to be paid under the conditions mentioned in the contracts aggregated $7,239,784.66. The contracts were executory in character, and not only provided that a good title should be given, but also specified the number of hectares contained in each estate or parcel of land, fixed the price, and authorized the insular government to have a survey made in order to ascertain definitely whether there was the area contracted for in each instance, and stipulated that if as a result of this preliminary survey the government should find there was shortage in any particular tract there should then be a joint survey by the parties and the purchase price should be reduced or increased proportionately as there was shown to be more or less land. These stipulations were necessary, as no accurate survey had been made nor had the titles been examined by representatives of the government. The Commission, by act No. 1120, authorized the civil governor to have the surveys made and titles examined and provided for the lease or sale of the lands to the then occupants. As soon as possible after the signing of the preliminary contracts a number of surveying parties were organized by the bureau of engineering and proceeded to make the necessary surveys. Their work was one of considerable difficulty, as in many instances the descriptions contained in the title deeds furnished by the vendors were more or less obscure and the monuments therein mentioned had frequently become obliterated by the lapse of time.

It became necessary also in a number of cases to procure documents from Spain, and muniments of title were not in all instances furnished as promptly as was desirable. Notwithstanding the fact that every effort was made to hasten the examination of the titles and the surveys, because of the difficulties thus presented it has only been within the last ninety days that the Commission has received final reports from its legal advisers and from the bureau of engineering. The results of the surveys disclosed that there were shortages in a number of the estates, which entitled the government to a corresponding reduction in the purchase price. The correctness of these surveys has been conceded by all of the selling companies except The Philippine Sugar Estates Development Company (Limited), holding the lands formerly belonging to the Dominican order, and this still

remains for adjustment. The titles to all the lands, except three large estates of The Philippine Sugar Estates Development Company (Limited), were reported to be good, but as in nearly every instance there was some obscurity as to just where lines ran, the guaranties of the orders formerly owning the estates has been demanded and obtained. The government finally received deeds for the estate in Mindoro belonging to the Recoleto order on October 4, 1904, and paid to that order the sum of $298,782.07 therefor; and on October 24, 1904, deeds were received to the lands formerly owned by the Augustinian order and held by La Sociedad Agícola de Ultramar and payment made therefor in the sum of $2,077,332.56. There is no dispute either as to the titles or the amount of the lands formerly belonging to the Recoleto order and by it conveyed to The British-Manila Estates Company (Limited), but it was disclosed upon investigation that the power of attorney held by the representative of this company, with whom negotiations were conducted, was defective, and that a new and more comprehensive power of attorney was necessary. This, it is understood, will be furnished within the next few days, and the sale with that company will doubtless then be concluded. The titles of The Philippine Sugar Estates Development Company (Limited) to all their estates formerly belonging to the Dominican order have been found to be somewhat complicated, but there is no serious difficulty in the way of a satisfactory conclusion, except as to three of the estates, the titles to which were found to be in the University of Santo Tomás, which is a religious corporation or foundation, although the Dominican order has the right to name its administrator. The order heretofore sold the lands to The Philippine Sugar Estates Development Company (Limited), through a Mr. Andrews, as owner of these three estates, and the company now insists that the order was in fact the owner, and therefore that no deed from the university was necessary. There is, however, no evidence to support this claim of ownership, and the record title stands in the name of the university. The government therefore insists upon a deed from the University of Santo Tomás to these three estates and that the purchase money shall be paid to that corporation. The company has offered to have the university join in the deed for the purpose of confirming the original sale made by the Dominican order, but is unwilling to have the purchase money paid to the university. We are advised that under all the circumstances the government should insist upon its demand, and it has accordingly done so. This difference between the company and the insular authorities has been the subject of protracted negotiation, but so far without final result, although it is hoped that it will soon be adjusted.

The Commission, by Act No. 1120, placed the administration of all the lands thus purchased under the control of the bureau of public lands, with direction to proceed as rapidly as possible to their subdi-

vision and sale to the occupants thereof upon ten years' time and at first cost to the government. The execution of this duty will involve the expenditure of much time and labor, as well as some practical difficulties, but we are advised that there is a general disposition on the part of the former tenants of the religious orders, who are the present occupants, to accept the liberal terms offered by the government. Whether any ultimate loss will be incurred in these large transactions can only be a matter of conjecture, but however this may be, it must be a subject of real congratulation that what had threatened to become a cancerous sore on the body politic has been extirpated.

RELIGIOUS CONTROVERSIES.

We regret to say that there still continues to be much controversy and ill feeling between the Independent Filipino Church—or "Aglipayans," as they are commonly called—and the Roman Catholic Apostolic Church in regard to the ownership of churches, convents, and cemeteries in many localities. Gregorio Aglipay, who is at the head of the Independent Filipino Church, under the title of "obispo máximo" (chief bishop), was formerly a Roman Catholic priest in good standing. During the insurrection he was an enterprising partisan, and was charged with many cruelties and violations of the usages of civilized warfare, so much so, indeed, that he fell under the ban of his own superiors; but at the same time he acquired great influence over the people of the northern part of Luzon, of which he is a native, and it is in that section that his present religious following is strongest, although the schism of which he is the head has spread to some extent throughout the archipelago. It has been charged that the movement inaugurated by him was political rather than religious and that it had for its motive another insurrection. It is unquestionably true that he has attracted a very considerable following of the irreconcilable, restless element among the Filipinos, which gives some color to the accusation, but it is also true that he has a large following among those who can not thus be classified, and there is no evidence which even lends color to the belief that his purposes are other than to build up a church of his own. The fact that he is a Filipino and that all of his bishops and priests are Filipinos as well, and that he seeks to establish a purely Filipino church, will perhaps sufficiently account for the character of much of his following.

Upon the outbreak of the insurrection the Spanish friars, who were almost the sole parish priests in the archipelago, were either captured by the insurrectos or fled to Manila for safety. As a rule, the local municipal authorities took possession of all church property. After the suppression of armed opposition a considerable time elapsed during which there were no priests in many parishes. In a large number

of cases the native municipal authorities claimed that the church property belonged to the municipality, because, as they insisted, the churches and convents were built upon municipal land and the buildings were erected by their voluntary or, more frequently, enforced labor. In a number of localities where the Aglipayans were in the majority the churches and convents have been turned over to them by the local authorities. The Roman Catholic Apostolic Church claims that the title to all these properties is in it and is seeking to recover possession. While the claim of the church is, as a matter of law, probably well founded the Commission has not felt that it had the right, administratively, to change possession in any case where an Aglipayan priest had originally obtained peaceable possession, and it has left the question of right of possession and title to be determined by the courts. Numerous cases, however, have arisen where an Aglipayan, operating through the municipal authorities, has sought to deprive the Roman Catholic Church of its peaceable possession of churches and other property held by it, but in all such cases seizures have been prevented wherever possible, or, when they have occurred, possession has been restored. Religious disputes of this character are always bitter and are productive of disorders and breaches of the peace, and for this reason should in the public interest be settled as speedily as possible. Therefore the Commission has determined by proper legislation to expedite, as far as possible, their decision through the supreme court by giving that court original jurisdiction and requiring it to give these cases precedence. There is an additional reason for this course, growing out of the fact that the courts of first instance are fully occupied already with ordinary litigation and that many years must elapse if all these church controversies are to go through the lower courts before they can be finally determined. The necessity for diverting the minds of the people from feuds and bickerings growing out of the old order of things and directing their attention to the practical affairs of life, which urgently demand it, can not be overstated.

CURRENCY.

The act of Congress of March 2, 1903, entitled "An act to establish a standard of value and to provide for a coinage system in the Philippine Islands," fixed a gold peso, consisting of 12.9 grains of gold nine-tenths fine as the unit of value, and thereby placed the currency of the islands upon a gold basis. It provided for the coinage and issuance of Philippine silver pesos substantially of the weight and fineness as the Mexican peso, which should be of the value of 50 cents gold and redeemable in gold at the insular treasury, and which was intended to be the sole circulating medium among the people. The act also provided for the coinage of subsidiary and minor coins and for the issuance of silver certificates in denominations of not less

than 2 nor more than 10 pesos. It also provided for the creation of a gold-standard fund to maintain the parity of the coins so authorized to be issued and authorized the insular government to issue temporary certificates of indebtedness bearing interest at a rate not to exceed 4 per cent per annum, payable not more than one year from date of issue, to an amount which should not at any one time exceed 10 millions of dollars or 20 millions of pesos. In pursuance of the provisions of the said act of Congress the Commission, by its Act No. 696, provided for the coinage, with the approval of the Secretary of War and under the direction of the Secretary of the Treasury, by the mints of the United States of 2 million silver pesos per month until 24 millions of said pesos should be coined. By that act and subsequent acts it also authorized the issuance of certificates of indebtedness from time to time for the purchase of silver bullion for coinage purposes and made other proper provisions for putting the new system in force. After there had been coined and accumulated in the insular treasury a sufficient quantity of the new money the Commission, by Act No. 938, created a gold-standard fund in the insular treasury, to be used for the purpose of maintaining the parity of the silver Philippine peso with the gold-standard peso and organized a division of the currency in the bureau of the insular treasury, providing for expenditures to be made from such fund and accretions to be made thereto, and also providing regulations for the issuance and redemption of silver certificates. The various details of this act need not here be set forth, and its general purpose is sufficiently indicated by the statement already made.

The imperative necessity for the passage of the act of Congress and of the legislation of the Commission need not now be enlarged upon, as the reasons therefor have been fully given in previous reports. It suffices to say that it involved the substitution of a fixed and stable silver circulating medium redeemable in gold at the insular treasury, provided for a limited coinage of these silver pesos, and secured their redemption by the establishment of an adequate gold fund for that purpose. The advantages accruing from the substitution of a sound-currency system for one that was essentially unstable and rotten are obvious to anyone giving thought to the subject; but, while the old system consisted of an irredeemable silver currency, composed partly of Spanish and partly of Mexican coinage, which fluctuated day by day with the rise and fall of silver bullion, thus making all business transactions largely speculative, injuriously affecting the wage scale, and repelling the investment of capital, still it had been for a long time the money of the people to which they had become accustomed, and the problem of actually making the substitution of good money for bad remained to be solved. It was rendered difficult not only by

reason of the natural conservatism and ignorance of the great mass of the people, but also by reason of the fact that the banks and money changers derived a large part of their income from buying and selling gold and silver and in making exchanges of the two metals, and because exporters found it profitable to buy in silver hemp, copra, tobacco, sugar, and the other products of the islands and to sell them in foreign markets for gold. The employer of labor also found it to his interest to pay his employees in the depreciated currency; and none of these powerful interests were willing to forego the direct advantage accruing from the use of the depreciated currency in order to reap indirect benefits resulting from a sound and stable currency. It was obvious, therefore, that, following a natural economic law, the cheaper currency would be able to hold the field against the dearer and better currency unless the latter were reenforced by proper legislation and executive action.

After having in the insular treasury what was believed to be a sufficient number of Philippine pesos and an adequate gold reserve with which to begin operations, the civil governor on the 23d of October, 1903, issued a proclamation, declaring among other things that Mexican currency should not be received for public dues after January 1, 1904. By an Executive order of January 1, 1904, it was declared that the Spanish-Filipino currency after the 30th day of September, 1904, should no longer be received for public dues, and the insular treasurer and each provincial treasurer in the islands was authorized up to and including June 30 following to exchange on demand the Philippine pesos for the old Spanish-Filipino pesos at such rates as the insular government should fix from time to time. It will thus be seen that the Mexican dollar was demonetized and left to shift for itself, but as it was current in China and elsewhere in the Orient this was not regarded as an injustice to the holders of this coin; but it was believed that the Spanish-Filipino silver coins stood upon a somewhat different footing, as they had been issued by the Spanish Government for circulation in the islands and were the lawful currency. Commercially they contained less silver than the Mexican dollar, and were not current elsewhere than in the islands, so that to demonetize them outright without giving the holders an opportunity to protect themselves seemed unjust. Information was brought home to the people throughout the archipelago by proclamation and by notices printed in the various dialects spoken by them, which were posted in every municipality and barrio, advising them of the necessity of exchanging the old coins for the new Philippine currency and of the rate of exchange.

There had been a considerable outflow of Mexican dollars from the islands during the latter half of 1903 to settle trade balances in China and other oriental countries where they were current and because of

their prospective demonetization, and this outflow fortunately was still further increased by the demand for Mexicans for use in northern China, growing out of the then imminent war between Russia and Japan; but there still remained in the islands a very considerable sum in circulation. It was well understood that unless prevented there would be in due course a return inflow of Mexicans into the Philippines to meet the demands of trade. In order to prevent this the Commission, on January 14, 1904, by Act No. 1042, prohibited the importation into the islands of Mexican or other foreign currencies under heavy penalties, which effectually prevented further importations. Contemporaneously with the enactment of Act No. 1042 the Commission brought forward for public discussion a bill, which was subsequently enacted as Act No. 1045, by the terms of which provision was made for the continued purchase as bullion of Mexican dollars then in circulation in the islands, and which, after October 1, 1904, imposed a tax, which was to be increased each month up to January 1, 1905, upon all checks, drafts, notes, etc., drawn in the old currency, and upon bank deposits and transactions therein. The passage of this act was stoutly contested by the banks, money brokers, and exporters, who found it advantageous to deal in the old currency, but was favored by importers and all business men who were compelled to buy their commodities in the United States or foreign countries in gold and thereafter to sell them in the islands for the local currency. The wage-earner who, perhaps, was more vitally affected than any other class of the community, was unrepresented.

The interests opposing the passage of the act also insisted that Mexican and Spanish-Filipino currency should be redeemed in the new currency at par, but as this involved the entire loss of the seigniorage gained in the new coinage and would have completely exhausted the gold-standard fund and, besides, would have practically been of benefit only to the banks and money changers, who would have gathered it in for exchange, the Commission declined to consider this proposition favorably. There was also a strenuous effort made to induce the Commission to extend the time for the imposition of the tax referred to above, but this also was not considered favorably for the reason, among others, that, aside from the fact that ample time was given for making exchanges of the old currency for the new, it was obvious that the period of substitution of the new currency for the old would involve a general liquidation and readjustment of accounts between debtors and creditors which, with the temporary contraction of the currency caused by withdrawing the old currency from circulation, which would continue until the new pesos took its place, would necessarily have the effect to a considerable extent of paralyzing general business; and therefore it was thought that it was in every way in the public interest that the process of making the change should be as

speedy and sure as was reasonably practicable. The efforts thus made to establish a sound currency in the islands have, we are pleased to say, been crowned with success. There has been, month by month, a steady increase in the emission of the new currency and the retirement of the old, which, as fast as taken in, has been shipped to San Francisco for recoinage into the new pesos. The monetary depression incident to the change is passing away, and there are already unmistakeable indications of a general revival of business in all directions. On November 1, 1904, there had been a retirement and shipment for recoinage of 11,223,000 Spanish-Filipino pesos, and between July 1, 1903, and August 31, 1904, there has been a net commercial export of Mexican pesos by banks and commercial houses amounting to ₱8,041,747, and in their place there had been received in the islands down to the 1st day of November, 1904, ₱24,924,520 of the new currency, of which ₱15,964,043 was in actual circulation. Of the new currency thus issued ₱7,230,000 was in silver certificates, which have been found to be very well received by the people, who prefer to use them, as they are less bulky and are in every way a desirable substitute for the coins themselves which they represent. There is a very considerable demand for silver certificates of larger denominations than ₱10 which can not be met, as the Commission, under the act of Congress of March 2, 1903, is not authorized to issue certificates of larger denominations than ₱10. It is therefore again respectfully recommended that the act in question be so amended as to permit the issuance of silver certificates of the denominations of ₱20, ₱50, ₱100, ₱500, and ₱1,000.

The Commission desires to note the fact that after its policy as outlined in Act No. 1045 was understood to be fixed and irrevocable the banks and business community generally fell into line and cooperated in making the new system a success. The banks were especially helpful in aiding in retiring the old currency and emitting the new. The Commission wishes also to make grateful acknowledgment of the aid which it has received at every stage in its work of currency reform from the Secretary of the Treasury of the United States, the Secretary of War, and the Chief of the Bureau of Insular Affairs of the War Department. The first named has given us invaluable assistance in directing and supervising the new coinage and in enabling us to realize a premium on our certificates of indebtedness by receiving them as security for deposits of Government money in national banks. We also acknowledge the assistance received from Prof. Jeremiah W. Jenks and Mr. Charles A. Conant, who have given us the benefit of their invaluable experience.

THE PHILIPPINE TARIFF.

The present Philippine tariff, Act No. 230 of the Commission, which was approved by the act of Congress of March 8, 1902, generally speaking, imposes specific instead of ad valorem duties upon imports. Such a system of taxation is open to the objection that it is in many instances unequal, but it has the advantage of being more economical of administration and of preventing frauds in classification or undervaluation as they exist in an ad valorem tariff. The enforcement of the provisions of the present tariff act has disclosed a number of defects and discriminations, which have been the subject of complaint by importers. They were so frequent as to induce the civil governor, on the 30th of November, 1903, by executive order, to appoint a committee composed of the acting collector of customs for the Philippine Islands, two of his deputies, and three prominent merchants of Manila to make report to the Commission as to needed changes in the law in such particulars as experience had shown it to be defective, inconsistent with itself, or oppressive in prohibiting useful importations. This committee went into the subject quite fully, took the testimony of many witnesses, and made an elaborate report recommending amendments in the existing schedules, mostly reductions, which they thought would relieve the law of its present objectionable features and at the same time would not injuriously affect the revenue derived therefrom. The Commission has carefully considered each and all of these suggested changes, and has made recommendations to you for such action as you may deem wise in the matter of submission to Congress.

While upon this subject we think it opportune to suggest that it would be advisable for Congress to give the Commission authority to make reductions in the present tariff schedules whenever in their opinion to do so will be in the public interest. Now it has no authority to make any change in the existing law, however slight. As the Commission enacted the original law, there does not seem to be any adequate reason why it should not at least be intrusted with authority to change it to the extent of making necessary and proper reductions. This becomes of considerable practical importance in view of the fact that the Commission has always felt that it was to the interest both of the islands and the United States that there should exist the most intimate trade relations between the two, which should be, so far as possible, unobstructed by tariff barrier. Having this in view, the Commission has thought it expedient to enact a comprehensive internal-revenue law, which has been recently put in force, and which, it is hoped, may ultimately enable it to raise sufficient revenue through that instrumentality to warrant very material reduction in existing tariff rates, at least upon goods coming from the

United States. With the revival of business generally in the islands we may hope for an increase in customs receipts as well as from our internal-revenue law, and we think that we should be in a position when the time arrives to make tariff reductions without the necessity for awaiting Congressional action.

THE DINGLEY TARIFF.

The taxation imposed by the Dingley tariff upon sugar and tobacco imported into the United States is very heavy, and is prohibitive so far as concerns the Philippine Islands. The civil governor in his last annual report to the Commission pointed out the languishing state of both these industries and explained that owing to the loss of their work animals by rinderpest and the damage done to their crops by locusts the people were much discouraged and were barely able to cultivate their estates. He also pointed out that their foreign market was exceedingly restricted and that prices were low. Although they have been able to restock their plantations with carabao to a considerable extent and thus make another crop, which up to this time is unusually good—and there is a prospect of their receiving slightly better prices than they did last year—still it can not be said that the outlook for these industries is at all encouraging. When the lack of capital and the amount of available labor is considered, it is certain that even under the most favorable conditions for many years to come it will be impossible for the islands to more than double their present output of sugar, and even if the whole of it were to be admitted into the United States it is obvious that it could not in any appreciable degree be injurious to any interests there. The same remark may truthfully be made of tobacco. Yet, while this is true, the admission of these products free of duty into the United States would be a great boon to the sugar planters and tobacco growers of these islands, as it would not only to the extent indicated increase the volume of production but would also increase the price received. Aside from being a measure of simple justice, nothing which Congress could do would have so tremendous a moral effect upon the people of the islands as to permit their sugar and tobacco to enter the United States without the imposition of any duty, or with the imposition at most of a low duty only. It is difficult for them to appreciate the soundness of the reasons which give this benefaction to Hawaii and to Porto Rico and refuse it to them.

REFUNDABLE EXPORT DUTIES.

We desire to call attention to the injustice effected upon the revenues of the islands by section 2 of the act of Congress approved March 8, 1902, which provides that the Philippine government shall refund all

export duties imposed upon articles exported from the islands into and consumed in the United States. Under the provisions of this section there has been collected in the Philippine Islands since its enactment down to the close of the fiscal year 1904 the sum of $1,060,460.20 United States currency, which is refundable. These refundable duties are principally upon hemp exportations to the United States, and are in effect a gift of that amount to the manufacturers of the United States who use hemp in their operations, and whether so intended or not it is manifestly a discrimination in favor of our manufacturers as against those of foreign countries. No good reason is perceived why this bounty to American manufacturers should be extracted from the treasury of the Philippine Islands, and it is respectfully submitted that the law authorizing it should be repealed.

MINING LAW.

The Commission again desires to call attention to the injurious effect of the provisions of section 33 of the act of Congress of July 1, 1902, which provides: "That no holder shall be entitled to hold in his, its, or their own name or in the name of any other person, corporation, or association more than one mineral claim on the same vein or lode." The chief of the mining bureau in his report for the year ending August 31, 1904, says:

> This most unfortunate section will naturally operate against the development of any but the richest lodes, and in the Philippines, as in mining districts the world over, the bonanzas are few and the deposits of low-grade ores relatively large. In Lepanto and Bontoc, as well as in the Camarines, Masbate, and Mindanao, there are important deposits that should be worked upon a large scale, and which, under section 33, can never be worked at all. It is safe to say that under section 33 neither the famous Homestake nor the Alaska Treadwell mines would ever have been developed; and yet these are among the greatest gold producers known. The ore of the Homestake mines in South Dakota averages only $4 and that of the Alaska Treadwell only $2 to the ton, yet these mines, being able to handle immense bodies of ore, are among the best-paying and soundest mines in the world. The former requires 900 stamps, yielding a monthly output of $375,000 of gold, and the latter employs 540 stamps, paying $130,000 a month.
>
> The low-grade ore deposits in the Philippines are so extensive and valuable that section 33 tends to operate as an obstacle to the development of the greater part of our metalliferous resources.

There is no question as the soundness of the statements made by the chief of the mining bureau. In the province of Benguet alone there are undoubtedly large deposits of very low-grade ore which can only be worked to advantage by the construction of large reduction works, which of course call for the investment of capital on an extensive scale. No sane man would invest his money to the extent necessary to build such works with the certainty staring him in the face that after operating them for two or three years they could no longer be used and the principal of his investment would consequently be gone. No

such restriction as this exists in the mining laws of the United States, or, so far as we are advised, of any other country, and its practical effect is to prevent the development of the resources of the islands and the consequent increased prosperity of the people.

PUBLIC LANDS.

We also again wish to call attention to the desirability of repealing the limitations contained in section 15 of the act of Congress of July 15, 1902, which forbid the sale of any portion of the public domain to an individual in an amount exceeding 16 hectares and to any corporation or association of persons in an amount exceeding 1,024 hectares. Perhaps the greatest need existing at the present time is the introduction of capital properly directed in the development of the agricultural resources of the islands. The laying out of sugar and cocoanut plantations operated by up-to-date men with modern machinery would be of incalculable benefit to the people. As matters stand now their agricultural processes are crude, and, in the case of sugar, involve a waste of nearly half the saccharine matter. In the case of cocoanut plantations, modern mills for the expressing of the oil and other products of the cocoanut would be of equal value. It is idle, however, to expect business men with capital, however altruistic, to engage in these occupations merely for the education and profit of others. The motive which induced these restrictions was doubtless the fear that men of large means would buy up great tracts of land for exploitation and thereby prevent the native Filipinos from utilizing for their own benefit the public domain. Such a purpose is undoubtedly most commendable, but when it is understood that the present native population occupy only a very small proportion of the lands of the islands, and that there are now many millions of acres of unoccupied public lands which will probably so remain for all time unless offered to purchasers in larger blocks, it is believed that no reasonable ground for these fears, upon investigation, will be found to exist. Men who are thus given opportunity to engage in agriculture on an extensive scale, far from being a menace to the native population, become in truth their real benefactors, for they not only show them how to use their lands to the greatest advantage, but afford opportunity for labor at increased wages. We therefore submit that the amount of land which may be purchased by any person or corporation should be largely increased.

EXTRADITION LAWS.

The extradition laws of the United States are, so far as we are aware, applicable to all fugitives from justice from the Philippine Islands and also to those from foreign countries who take refuge

here. In the Revised Statutes of the United States which cover this subject it is provided that the demand for the extradition of a fugitive from territory of the United States must be made by the Secretary of State at Washington upon certification by a judge of one of the Federal courts or a duly authorized commissioner thereof, or a judge of a court of record of general jurisdiction of any State that the fugitive has committed a crime, a copy of the evidence taken at the hearing before the judge accompanying the certificate. A warrant may thereupon issue upon the requisition of the proper authorities of such foreign government for the surrender of such persons according to the stipulations of the treaty or convention had with the country. Here repeated cases have arisen where persons perpetrating crime in the islands have fled to one of the various ports on the Asiatic mainland. The civil governor has made requisition for these fugitives, which has heretofore always been honored by the authorities of the colony in which the fugitive has taken refuge. In Hongkong, in Shanghai, and the other treaty ports of China, and in Singapore and the Straits Settlements, the places to which these fugitives usually go, the proceedings are controlled generally by the rules of English law, and it is doubtful whether if a test case were made the fugitive would not be discharged on habeas corpus. It is also questionable, in the case of a fugitive from any of the various countries in the Orient who takes refuge in the Philippine Islands, whether the civil governor has the power to honor a requisition made on him by such foreign country or whether any judge in the Philippine Islands has authority to issue a warrant or make inquiry, although there may be treaties operative between it and the United States, which, if application were made to Washington, would insure extradition. It is to be remembered, moreover, that there are in the Philippines no Federal courts in the sense in which the term is used in the Revised Statutes, and hence the machinery provided in the Revised Statutes is wanting here.

RECOMMENDATIONS.

The Commission begs to renew the recommendations made by it in its last annual report, to wit:

First. Legislation which shall reduce the tariff on sugar and tobacco imported from the Philippine Islands to not more than 25 per cent of the present Dingley rates on tobacco and sugar imported from foreign countries.

Second. Legislation authorizing the Philippine Commission, with the approval of the President and the Secretary of War, to issue bonds from time to time, which shall not in the aggregate sum exceed $5,000,000, for the making of future permanent improvements.

Third. An amendment to section 66 of an act entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philip-

pine Islands, and for other purposes," by which the consent of Congress to issue the bonds therein provided for may not be required.

Fourth. Legislation providing that all bonds authorized to be issued by the Philippine government or any provincial or municipal government thereof by act of Congress shall be made exempt not only from Federal and Philippine taxation, but from State, county, and municipal taxation in the United States.

Fifth. That the control over the shipping in the trade between the islands shall be left wholly to the discretion of the Philippine Commission, subject to the approval of the President and the Secretary of War.

Sixth. That the application of the United States coastwise navigation laws to the trade between the Philippine Islands and the mainland of the United States be postponed by Congressional action until July 1, 1909; or, in the alternative that the coastwise laws of the United States be not made applicable to the trade between the islands and the mainland of the United States, except with a proviso or condition that the rates upon imports from the Philippine Islands into the United States shall not pay duty in excess of 25 per cent of the rates on such merchandise imposed by the Dingley tariff.

Seventh. That authority be given by Congressional act to the Philippine Commission, with the approval of the President and the Secretary of War, to encourage the investment of capital in the construction of railroads for the Philippine Islands by acccompanying the grants of franchises to build railroads, in cases where it is deemed necessary, with a guaranty by the Philippine government of income on the amount of the investment to be fixed in advance in the act of guaranty, the amount of income guaranteed not to exceed annually 4 per cent of the fixed principal.

Eighth. That the amount of land which may be acquired, owned, and used for agricultural purposes in the Philippines by any individual or corporation shall be extended to 25,000 acres.

Ninth. That the clause which forbids the filing of more than one mining claim by the same individual or association upon a lode or deposit be repealed.

Tenth. That the provisions of the Philippine act entitled "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," which apply to mining claims and the procedure in filing them, shall be so amended that only the metric system of distances shall be used, and shall also be so amended that mining claims shall be filed whether properly executed according to law or not, the effect of their execution and record to be left to future adjudication.

The second, third, fourth, seventh, and tenth of these recommendations are embodied in a bill entitled "A bill to amend an act approved July first, nineteen hundred and two, entitled 'An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes,' and to amend an act approved March eighth, nineteen hundred and two, entitled 'An act temporarily to provide revenue for the Philippine Islands, and for other purposes,' and to amend an act approved March second, nineteen hundred and three, entitled 'An act to establish a standard of value and to provide for a coinage system in the Philippine Islands,' and to provide for the more efficient administration of civil government in the Philippine Islands, and for other purposes."

In addition, the Commission has the honor to recommend that Congress be requested to enact legislation as follows:

First. Legislation authorizing the Philippine Commission to make reductions in the present and future tariff schedules whenever in its opinion to do so will be in the public interest.

Second. Legislation repealing that portion of section 2 of the act of Congress approved March 8, 1902, entitled "An act temporarily to provide revenue for the Philippine Islands, and for other purposes," which requires that all export duties upon articles exported from the islands into and consumed in the United States shall be refunded.

Third. Legislation providing proper machinery for the extradition from foreign countries of fugitives from justice in these islands and for the extradition from these islands of fugitives from justice in foreign countries who take refuge here.

Respectfully submitted.

LUKE E. WRIGHT, *President.*

For—

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Commissioners.

The honorable the SECRETARY OF WAR,
Washington, D. C.

REPORT

OF THE

CIVIL GOVERNOR OF THE PHILIPPINE ISLANDS

FOR

THE FISCAL YEAR 1904

AND OTHER STATED PERIODS.

REPORT OF THE CIVIL GOVERNOR OF THE PHILIPPINE ISLANDS FOR THE FISCAL YEAR 1904, AND OTHER STATED PERIODS.

MANILA, P. I., *November 1, 1904.*

GENTLEMEN: I have the honor to make the following report covering the operations of the several bureaus, offices, and provincial governments which report to me as civil governor. Unless otherwise stated, this report is intended to apply to the fiscal year 1904.

PROVINCIAL AND MUNICIPAL GOVERNMENTS.

It is not considered necessary or desirable to analyze in detail the reports of the various provincial governors for the past fiscal year, as they deal mainly with local and routine matters with which the Commission in a general way is already familiar. Moreover, these reports in detail will be found in an appendix to the report of the executive secretary attached hereto. It may be stated that although the people still feel to a considerable extent the loss of their carabaos and other animals used in agriculture from surra and rinderpest, which has caused embarrassment and difficulty in tilling their fields to the extent to which they were formerly cultivated, yet with the exception of a very few of the provinces there has been marked progress made in the cultivation of fields and the production of food crops as compared with the preceding year, and as a consequence there has been no suffering among the people for the necessaries of life. In a number of the provinces the people have suffered from visitations of locusts, which destroyed growing crops and necessitated replanting, but the energetic measures taken by the provincial and municipal authorities to exterminate this pest have proved successful. The epidemics among the carabao and other cattle have been checked by the efforts of the insular board of health and, except in a very few localities, seem no longer troublesome. In those provinces which are adapted to the growth of rice there has been a large increase in the production of that cereal, as well as in the planting of maize and other food crops. The high prices and steady demand for hemp and copra have induced the people to plant abacá and cocoanut trees in large numbers throughout nearly all the provinces of the archipelago.

The persistent efforts of the constabulary in pursuing cattle thieves and ladrones have had a marked effect in giving security to the people against the incursions of these outlaws and thereby enabling them to till their fields and to enjoy the fruits of their labor, and as a consequence nearly all of the agricultural lands of the islands are under cultivation. The great mass of the people, who are peaceable and inoffensive, appear contented and well affected toward the government and are quietly pursuing their ordinary vocations, and it may be truthfully said that life and property are now safe to a degree never before experienced by the people of these islands.

Improved agricultural prospects, together with the placing of the currency of the islands upon a sound basis, are having the effect of gradually stimulating business, so that it may be said that the outlook generally is more favorable and encouraging than for several years past.

PROVINCIAL AND MUNICIPAL ELECTIONS.

The provincial and municipal elections, the latter held on the first Tuesday of December, 1903, and the former held on the first Monday of February, 1904, passed off without disorder or breach of the peace. There were, however, contests filed by unsuccessful candidates for governmentships in 13 provinces. In all these cases careful examination was made and, save in one instance, the elections were confirmed, but the evidence submitted in a number of the cases disclosed grave irregularities in the form of undue influence exercised upon the electors in one way or another, though not to the extent which in my judgment warranted the ordering of a new election, save in the one case mentioned, as it did not affirmatively appear that the irregularities complained of would have changed the result of the elections.

There were also a large number of contests filed before provincial boards by disappointed candidates in the municipal elections. In 64 cases in which the provincial boards overruled the contestants appeals were taken to the civil governor, and these cases have been examined by me. It appeared therefrom that the provincial boards have in a number of instances refused to seat contestants or to set aside elections where there were grave, not to say gross, irregularities which, under the rules of law governing such matters in the United States, would have resulted either in seating the contestants or in ordering a new election; but as, under the municipal code, the decision of the provincial board in contested-election cases is final, it did not seem to me that the Commission could properly take action, and therefore these cases were not submitted for its consideration. The general result of these investigations is to convince me that the Commission should by proper legislative action throw

around provincial and municipal elections greater safeguards than now exist.

As matters stand it is simple truth to say that in very many instances there is disclosed a lack of respect for and obedience to the ascertainment of the popular will, and that improper and dangerous influences and methods are exerted which tend to make elections far from satisfactory, and in some cases a farce. It may be stated as a general proposition that in every community, outside of the large centers of population, there are a comparatively few men of some education and wealth who, under the superior direction of Spanish lay or church officials, under the former régime were always accustomed to think for the densely ignorant masses of their communities and to direct them in all public matters, and to a very considerable extent in their private lives. Self-government through the ballot box prior to American occupation was unknown. It is this small and more prominent class among the Filipinos who, as a rule, are the candidates for office of provincial governor and for the municipal offices. There are, of course, natural rivalries among them, and it is difficult to make the candidates understand that ancient methods may not be resorted to in order to control the votes of the electors, and equally difficult to make the electors understand that such control and direction is not perfectly reasonable and in accordance with law. Neither the provincial government act nor its amendments lay down any specific rules of conduct the violation of which would operate to invalidate an election, and the same remark is true of the municipal code and its amendments. In my judgment, before the next general elections are held the Commission should remedy these defects by enacting a law which will furnish more specific guidance for the officers of election, and at the same time specifically forbid such acts of intimidation and corruption as manifestly strike at the root of our elective system, and declaring elections to be invalid under such circumstances. This would also provide a uniform guide for provincial boards in determining contests of municipal elections, and would direct them just when they should and should not seat contestants or order a new election.

CITY OF MANILA.

The report of the municipal board of Manila gives an interesting review of the operations of the various departments of the city during the past fiscal year. There has been considerable work done by the department of engineering and public works in making needed openings in the city walls, so as to permit easy ingress and egress from the Walled City. Several of the more important thoroughfares have been and are being paved in a substantial manner. The city parks have been to a considerable extent improved and beautified. The Secretary of War, at the request of the Commission, has recently

retained Mr. D. H. Burnham, of Chicago, Ill., a landscape architect of the United States of great eminence in his profession, to come to Manila for the purpose of making a comprehensive and harmonious plan for the development of the park system of Manila and the proper location of public buildings which may have to be constructed. He is now enroute from the United States to Manila. Work on the electric street railway, the construction of which was commenced several months ago, has been prosecuted with great energy by the Manila Electric Railroad and Light Company, the owner of the franchise. Many miles of rails have been laid in the streets in a substantial and permanent way and the power house is now nearing completion. Doubtless the street cars will be in operation on many miles of their lines within the next ninety days, and the entire system will be completed during the present fiscal year. Permits for the erection of 1,041 houses to be constructed of strong materials at an estimated cost of ₱3,380,853, and for the repair of 642 buildings of strong materials at an estimated cost of ₱402,776, for 2,832 buildings to be constructed of light materials at an estimated cost of ₱455,752, and for the repair of 623 buildings of light materials at an estimated cost of ₱50,864, have been issued, which, all things considered, indicates a continued and satisfactory growth of population and wealth in the city.

Continued investigations have been made by Messrs. O. L. Ingalls and J. F. Case, the engineers in charge of the projected sewer and water systems for the city, and report has been made by Mr. Desmond Fitzgerald, the consulting engineer retained by the Commission for that purpose, upon the plans prepared by them, so that the city authorities are ready to begin work at an early date upon both the water and the sewer systems thus projected.

Altogether it may be stated that the fiscal year shows much work done and progress made in all lines which make for the improvement, development, and beautification of the insular capital. Hereto attached as Exhibit A will be found the annual report of the municipal board of Manila.

MANILA HARBOR IMPROVEMENT.

The work of improving the port of Manila, pursuant to the provisions of Act No. 22 of the Commission and its amendments, has steadily progressed during the past fiscal year. The Atlantic, Gulf and Pacific Company, of New York and San Francisco, to which has been awarded the contract for this work, had constructed at the close of the fiscal year 1903, 4,189.4 linear feet of pile and timber bulkhead and had deposited 102,955 tons of rock as filling and riprap for the same. On the east breakwater 12,728 long tons of rock had been placed, and on the west breakwater 81,105 tons. Their hydraulic

dredge had deposited behind the bulkhead thus constructed 1,150,233 cubic yards of material dredged from the outer basin.

During the fiscal year 1904, 849.6 linear feet of timber bulkhead have been constructed, and 49,393 short tons of rock were placed as filling for this bulkhead, thereby completing the contract for riprapping; 6,857 long tons of rock and 1,045 cubic yards of concrete blocks were placed in the east breakwater, thus completing the same on December 31, 1903; 152,607.56 long tons of rock were placed in the west breakwater and 106,709 tons in the detached breakwater; 5,373.68 cubic yards of rubble masonry were constructed, and 1,833,869 cubic yards of material were dredged from the outer basin and deposited behind the bulkhead. The placing of this large amount of material behind the bulkhead had the effect in several instances of causing it to give away, necessitating repairs and reenforcement. Indications now are that there will be no further trouble from this source and that a permanent structure has been secured. During the fiscal year 1904 there was expended on the harbor improvement work of Manila, exclusive of the work in the Pasig River, the sum of $1,183,928.14, and during previous years $778,484.25, or a total of $1,962,412.39, United States currency. As a result of this expenditure the sea walls have been so extended and built up and the interior basin so deepened by dredging as to furnish even now a safe and comparatively smooth basin in which ships drawing not more than 27 feet may find protection against typhoons and may take on and discharge cargo in security.

A careful investigation has been made by the engineer in charge of the work and plans have been matured for the erection of commodious piers against which vessels may moor, thus eliminating much of the tedious and expensive system of lighterage now in vogue. Existing contracts provide for a total expenditure of $4,029,000, and when the work specified in these contracts shall have been completed and piers constructed as contemplated, Manila will offer to the shipping of the world a safe and commodious harbor with a minimum depth of 33 feet, which will undoubtedly be the best in the Orient.

In view of the fact that several great steamships have already been constructed, which ply between San Francisco and other Pacific ports and Manila, with a draft of more than 30 feet, and that still larger vessels are now being constructed which will, perhaps, have an increased draft, it may become worth considering in the not remote future whether the depth of the harbor should not be increased by several feet for their accommodation. For the present and for several years to come, however, the harbor as projected will answer all practical purposes, and besides, the state of our finances would seem at this time to forbid any expenditure in excess of that already contemplated.

PASIG RIVER IMPROVEMENT.

As a part of the system for the improvement of the port of Manila the deepening of the Pasig River was considered essential. This stream has a length of about 12 miles, is the outlet of the large lake known as "Laguna de Bay," and empties into Manila Bay. It bisects the city of Manila and its lower reach furnishes a desirable harbor for coastwise vessels and other boats of small draft. For perhaps a mile from its mouth along either bank wharves have been constructed and are nearly always in constant use, and for this distance the natural depth of the river is about 14 feet, gradually lessening as it approches the lake. As many of the coastwise vessels draw from 14 to 16 feet it has been deemed necessary, in the interest of commerce, that a greater depth should be secured below the Bridge of Spain. The river, from that bridge to its entrance into Laguna de Bay, is more or less obstructed by shoals made by silt brought from the lake, so that the various water craft which ply between Manila and the towns upon the lake, and which furnish the vehicle for a very large trade, have found navigation always difficult and more or less dangerous. To obviate these difficulties the river has been dredged below the Bridge of Spain to a minimum depth of about 18 feet, and the shoals have been removed and the river deepened to the extent deemed necessary in the upper part. In prosecuting this work and in repairing the sea walls along the lower Pasig there has been expended by the insular government during the past fiscal year the sum of $131,315.67, United States currency.

Both the Manila harbor and the Pasig River improvement work have during the past year been under the efficient supervision and direction of Maj C. McD. Townsend, Corps of Engineers, U. S. Army, whose report is hereto attached as Exhibit "B."

PHILIPPINE CIVIL-SERVICE BOARD.

The instructions of the President of the United States, promulgated for the direction and guidance of the Philippine Commission, directed that it should begin the performance of its legislative duties on the 1st of September, 1900. On the 19th of that month the Commission enacted Act No. 5, entitled "An act for the establishment and maintenance of an efficient and honest civil service in the Philippine Islands," and declared that the act should apply to all appointments of civilians to executive positions in the various bureaus and offices of the insular government which had then been established, with the exception of the position of school-teacher in the bureau of public instruction, for which it was stated special legislation would be provided. There were also excepted temporarily the heads of the various bureaus and chief officers until the end of a period of eighteen

months after the civil-service board should certify that it had a sufficient list of eligibles to supply vacancies, after which these appointments were to come under civil-service rules and be governed by the provisions of the act. Several other bureaus were later created, all of which were brought within the provisions of the civil-service act, except certain professional and technical positions, for which other provision was made. From time to time the original civil-service act has been extended and enlarged, so that it now includes all provincial treasurers and supervisors and their deputies and assistants, municipal treasurers, American school-teachers, and Filipino school-teachers in the city of Manila.

In making appointments under the civil-service laws it was declared that preference should be given first to Filipinos, and second to honorably discharged soldiers, sailors, and marines of the United States. The Commission in the beginning fully appreciated that without such laws civil government in these islands would be unsatisfactory, productive of scandal, and would certainly result in mortifying failure. The original civil-service act blanketed into the service all civil employees then in office, with a proviso for their future examination by the civil-service board and dismissal if found incompetent. The law has been rigidly enforced and has fully justified its enactment. Whilst there have been a number of dismissals from the service either for incompetency or dishonesty, such cases have generally been among those thus blanketed into the service without an opportunity for investigation as to their antecedents, character, and competency; but it is gratifying to note that these instances of official delinquency, whilst too numerous to be agreeable, have been comparatively few in number and that the officers and employees of the government as a whole have been honest and efficient.

As it was contemplated to establish in the islands a government based upon American principles and to follow in administration, as far as was practicable, American methods, it was obviously necessary that the principal executive offices should in the beginning generally be filled by Americans, and, in order effectively to carry on the government, that the majority of their most important subordinates should have a knowledge of the English language.

The use of the English language in administering a government for the Filipinos, who did not as a rule speak it, was less open to criticism than it might otherwise have been, for the reason that the Spanish language, which was the official language under the former régime, had been taught only sparingly and was practically unknown to probably 95 per cent of the people, and that the great mass of the people lacked a common language of their own, as they were divided into numerous tribes, each speaking a different dialect. For these reasons it was believed advisable by the Commission to make English the

official language in all the executive bureaus, to obtain, as far as practicable, Americans as employees who had a thorough knowledge of the Spanish language, and to secure Filipinos wherever practicable for those positions in which a knowledge of Spanish could be properly utilized. It was believed that the use of English in this way would have a strong tendency to spread the knowledge of the language among the people, and through this medium to give them a language which would facilitate intercourse among themselves, as well as with the Americans charged with the duties of administration, but it was obvious that the spread of the language would necessarily be halting and slow unless it were more directly brought home to them through the public schools. For this and other sufficient reasons, although it has proved a very considerable drain upon the financial resources of the government, provision by law was early made for the importation of 1,000 American school-teachers, who were brought to the islands and scattered throughout the provinces. The same somewhat radical course, however, was not pursued in carrying on the business of the courts, for the reason that Americans with a knowledge of Spanish and educated Filipinos, who, of course, were possessed also of that language, were available, and, moreover, a great majority of the lawyers who came into contact with the people were natives and spoke only Spanish. It was therefore deemed inequitable at once to make English the language of the courts, and it was provided that until January 1, 1906, Spanish should be the official language thereof, and thereafter English.

The work of the American school-teacher is now bearing fruit. It is a very conservative estimate to say that there is now more English spoken to-day in the archipelago than Spanish, and the number of those who speak and write English is steadily and rapidly increasing. The civil-service board has presented both English and Spanish examinations for those seeking to enter the civil service, and during the past year a far greater number of Filipinos have applied for the English examinations than for the Spanish. The prime reason for this is found in the fact that when they speak English they are enabled to secure more lucrative positions in the service. During the nine months from October 1, 1903, to June 30, 1904, 1,063 Filipinos took the English examinations, of whom 282 passed. The interest taken by the Filipinos in acquiring English is further stimulated by the fact that only in this manner are the higher and more responsible clerical and other executive positions open to them. The policy of the Commission, which is being faithfully carried out by the civil-service board, is to fill positions with Filipinos wherever they are available and properly equipped for the duties. As a result of this policy a great majority of the subordinate positions are now filled by Filipinos as well as a number of the more important ones, and they

are acquiring a knowledge of American methods and an equipment for the duties of administration which enables them to fill positions of a higher grade as from time to time they are vacated by Americans.

The Commission, by Act No. 1040, enacted on January 12, 1904, has systematized and brought into compact shape the laws relating to the hours of labor, leaves of absence, and transportation of officers and employees in the Philippine civil service; and by Act No. 1072, enacted on March 3, 1904, it has still further clarified and simplified the original civil-service act and its amendments. In addition, the civil-service board, with the approval of the civil governor, has revised and brought into better shape the civil-service rules. These recent acts and revised rules, taken in conjunction with existing law, create, it is believed, a civil-service system which will stand the test of time and criticism.

It may not be unimportant to note in passing that the President of the United States by Executive order has declared that officers and employees of the Philippine civil service, after three years' continuous and steady performance of duty, shall be eligible to appointment to positions in the civil service of the United States by transfer. The effect of this order is to make the Philippine civil service more attractive to Americans, and furnishes an additional incentive to them for the zealous performance of their duties.

The policy of providing for a system of retirements and pensions for faithful and efficient civil officers and employees who have passed their entire life in the service has been the subject of discussion between the chairman of the civil-service board and myself, and at my instance he has given the matter considerable study and investigation. While in the United States such a system has been often a topic of discussion, it has never passed that stage, but it has been adopted in some form by Great Britain and the nations of continental Europe. I shall not attempt at this time to enter into a discussion of the subject or to give the arguments pro and con, or to make any specific recommendation, inasmuch as the finances of the islands do not now warrant our incurring obligations for increased expenditures and the matter is not pressing. I may say, however, that it is a subject which at some future time should be taken up and fully considered upon its merits. We can only expect to establish a stable and efficient civil service in the islands by offering inducements to well-educated young men of high character to make their life career in the insular service.

Appended hereto as Exhibit C will be found the report of the Philippine civil-service board covering the period between October 1, 1903, and June 30, 1904, which will be found exceedingly interesting and instructive to those interested in the important subject with which it deals.

INSULAR PURCHASING AGENT.

The office of the insular purchasing agent was established by Act No. 146, enacted on June 21, 1901. Its purpose was to enable the insular, provincial, and municipal governments to purchase in an economical and expeditious manner such supplies as they might need for their various bureaus and offices. Each head of a bureau or office and each provincial supervisor was required by the act to make a semiannual estimate of such goods and supplies as he would probably need for the ensuing six months in order to guide the insular purchasing agent in making the necessary purchases. Wherever practicable, all purchases exceeding $1,000 in amount were required to be made under contract after advertisement, the civil governor being authorized to dispense with such contract and advertisement in any case of emergency. By later amendment to the act the various municipalities of the archipelago were also authorized to make purchases through the insular puchasing agent. He was empowered to make purchases only upon proper requisition and certificate that the necessary money to pay for the goods was in the hands of the bureau, office, or municipality giving the order. He was required to make purchases and deliveries at the actual cost to his office plus 10 per cent. In cases of emergency, when the civil governor was satisfied that supplies could be purchased directly by the bureau or office needing the same more economically without the intervention of the insular purchasing agent, he was authorized to make the necessary order to that effect. The volume of business handled by this office has steadily grown from the beginning, and the theory upon which it was created has been shown by actual experience to be of practical benefit in enabling the various bureaus and offices of the government to buy their goods or supplies in an economical way. The duties which devolve upon the insular puchasing agent are quite analogous to those of the head of a large department store in the United States. Whilst at first the methods of operating the agency were more or less crude, owing to the difficulty of obtaining employees with the proper training, and the further and more serious difficulty of purchasing the needed goods and supplies in the archipelago—and the consequent necessity of ordering them from the United States and other countries—experience has, in my judgment, demonstrated the value of this agency and vindicated its creation.

The total sales of the office for the fiscal year 1902 amounted to ₱1,970,549.78, and for the fiscal year 1903 to ₱3,134,141.98, an increase of 59.5 per cent. For the fiscal year 1904 the sales amounted to ₱5,309,474.37, an increase over 1903 of 69.41 per cent. The Commission has been compelled to make very considerable appropriations from time to time as a working capital for this institution. As

the salaries and wages of the officers and employees of the bureau are paid out of general appropriations and the 10 per cent charged above the cost of goods and supplies is more than sufficient to meet the expenses incident to delivery to purchasers, a considerable sum is being realized in the way of profits from this source. The financial condition of the insular purchasing agent is shown by the following statements:

Assets:	Philippines currency.
Merchandise (stock)	₱1, 633, 175. 67
Accounts receivable	579, 725. 04
Vouchers with auditor for collection	151, 023. 85
Money and property with purchasing and disbursing agents in United States	212, 225. 66
Cash to credit of appropriation	23, 233. 92
Cash in bank	11, 389. 55
Total	2, 610, 773. 69
Liabilities:	
Appropriations	1, 500, 000. 00
Net earnings under Act No. 231	709, 293. 25
Accounts payable (audited)	110, 963. 45
Additional accounts payable, unsettled claims, etc., not audited (estimated)	100, 000. 00
Total	2, 420, 255. 70
Surplus	190, 516. 99

Its actual as distinguished from its nominal assets, however, will be considerably reduced by the deterioration or loss in the stock of merchandise on hand and by a number of suspended debts from provinces and municipalities. These suspended debts are for goods purchased upon proper certificate of provincial and municipal officials that the money to pay therefor was on hand and available at the time of making the order, but in many instances before delivery of the goods the money had been appropriated to other purposes and there was not sufficient funds on hand to pay the insular purchasing agent when the bills were sent in. This defect in the original act creating the office of the insular purchasing agent was remedied by Act No. 820, which requires, in effect, not only a certificate that the money is on hand, but that it shall be set aside in the treasury of the province or municipality for the specific purpose of paying for the goods when received.

Several of the poorer provinces and municipalities are now found to be in arrears on this account, and some time must elapse before they will be in funds to pay these obligations, and in a few instances, where provinces are being aided by the central government, it may be necessary to charge them off altogether. The propriety of the insular purchasing agent keeping on hand so large a stock of goods as he

does may well be open to question, not only because of the large amount of money tied up for a considerable period of time thereby, but also because of the deterioration of all kinds of merchandise, unless very carefully looked after, especially in this climate. Still it is obvious that there must always be kept in stock a considerable supply of goods to meet legitimate demands with reasonable promptitude and to prevent grave inconvenience to the various branches of the government because of failure to obtain supplies when and as needed, which would in many instances have the effect of seriously crippling their operations. It is believed, however, that with the increase in the size and variety of the stocks of goods kept by Manila merchants in their stores the insular purchasing agent may gradually reduce his stock of merchandise, as he can then readily obtain necessary articles from private sources when needed.

In order to induce merchants in the archipelago to increase their stocks, something over a year ago a conference was held by the civil governor with the leading merchants of Manila, and it was agreed that the insular purchasing agent should, as far as practicable, buy all supplies purchased by him in Manila, and that the merchants should sell supplies at a profit of 10 per cent above the cost of importation, this to include freight, insurance, lighterage, etc. Theretofore a very large proportion of the goods purchased by the insular purchasing agent had been bought in the United States through the Bureau of Insular Affairs of the War Department, an office and agency for that purpose having been established in New York City. This was a source of frequent and bitter complaints on the part of Manila merchants, who insisted, with considerable show of reason it seemed, that as they were residents and taxpayers of the islands, from whom the government drew a large portion of its revenues, it ought not to expend the very revenues thus derived from them in making purchases in the United States, and that if the government would give them the benefit of its trade they would be enabled to carry much larger and more varied stocks of goods. Aside from this consideration, it was believed that trading wherever possible with Manila merchants would have a tendency, by increasing the volume of their business, to create an active competition among them and thereby lower prices generally to all their customers and, as a consequence, to add to the general prosperity of the country. It was further considered that the increased cost of not exceeding 10 per cent would be, to a considerable extent, if not entirely, offset by the fact that deliveries of all goods purchased would be made in Manila instead of in New York or some foreign city, and that losses from breakage, from tardiness in delivery, and from other causes, and disputes relating thereto, would be eliminated. In consequence of

this agreement largely increased purchases were made during the fiscal year 1904 from local merchants, naturally to their satisfaction, and, it may be added, to the equal dissatisfaction of New York and other merchants who lost the sale of these goods.

The insular purchasing agent states in his annual report that the effect of this change of programme in the matter of purchasing goods has not been generally to increase the amount of stocks carried in Manila except in a few lines. He states that the bulk of all the contracts awarded were given to agents and brokers who carried no stocks or to the old English firms who are willing to do business on a smaller margin of profit than Americans can afford, as the latter as a rule have little capital and therefore have to make larger profit. He states that in his opinion there should be some discrimination in favor of merchants who actually carry stocks of goods as against agents and brokers in the matter of staple articles, because, as he says, the broker is satisfied with 5 per cent and in many cases 2½ per cent profit, and can deliver as quickly as the regular merchant unless the article is in stock. He says also that when it is considered that the purchase of supplies by the bureau amounts to more than 4 million pesos per annum it can be seen at once that Manila merchants can not meet his various demands from stock on hand nor are they justified in very materially increasing their stocks if they must be forced into competition with brokers and agents. He points out further that the great need of the islands is reliable wholesale merchants with capital and stock sufficient to carry on a large business. Conceding the correctness of his statements, I am unable to concur in the soundness of his view that discrimination should be made in favor of merchants who have stocks of goods on hand. In the first place, such a course would inevitably cause criticism and charges of favoritism, and, besides, would increase the cost of goods to the government. It should not be overlooked, moreover, that the merchant with stock on hand and the broker are competitors, and that the policy suggested would have a tendency generally to raise the range of prices. It will be seen that it is not undesirable in the absence of, or, perhaps even with, large wholesale merchants on the ground to have a number of brokers representing wholesale merchants or manufacturers in the United States or elsewhere to compete for the business. Not only do they perform a most useful function, but also they are residents and taxpayers of the islands and swell the general volume of business. Moreover, the tendency of successful brokers is gradually to keep certain lines of goods on hand. The insular purchasing agent must necessarily for a long time to come buy large quantities of goods in the United States which can not be obtained here. During the year 1904 his purchases in the United States amounted to $931,250.36.

These purchases were made through the Bureau of Insular Affairs at Washington. For this reason it will be necessary to have a purchasing agent for several years to come in the United States, and through him and other sources the insular purchasing agent will be enabled to keep posted as to prices and always in a position, if goods can not be obtained as cheaply here as in the United States, to buy his goods in that market.

OFFICE MANAGEMENT.

Maj. E. G. Shields, who has filled the position of insular purchasing agent since the time of creation of the office, left the islands in the month of March, 1903, by direction of the civil governor, to visit the United States for the purpose of purchasing much-needed supplies and also in order to perfect a harmonious system between his office and the Bureau of Insular Affairs of the War Department in regard to future purchases. Shortly after he left, Capt. A. L. B. Davies, the local purchasing agent, was detailed by the civil governor to make an extended tour of investigation for the purpose of ascertaining the sources from which carabao could be drawn to supply the needs of the planters and farmers in the islands, who had lost a large proportion of their carabao by rinderpest. As a result he was away from his post of duty for about six months. This threw the entire work of the office upon the assistant insular purchasing agent, and as a consequence there was much of confusion and delay in meeting the requisitions made upon the office, which caused much complaint. Since the return of the insular purchasing agent and of the local purchasing agent the affairs of the office have been thoroughly overhauled and systematized and are now being carried on efficiently and satisfactorily.

For a detailed history of the operations of the various divisions of the office of the insular purchasing agent, reference is made to the report of Maj. E. G. Shields, insular purchasing agent, which is attached hereto as Exhibit D.

EXECUTIVE BUREAU.

The volume of work of this bureau shows no signs of diminution, but, on the contrary, rather tends toward an increase. During five months of the past year the efficient executive secretary, Mr. A. W. Fergusson, was absent in the United States with the honorary board of commissioners sent by the insular government to the Louisiana Purchase Exposition. During his absence the assistant executive secretary, Mr. Frank W. Carpenter, took his place and performed the duties of the office with an energy and ability which entitles him to the highest commendation. I shall not attempt to analyze the report

of the executive secretary, which will be found well worthy of perusal, as it is full of matter both interesting and instructive, but which does not call for any special remark by me at this time. The suggestions he makes as to reforms in government offices for the purpose of reducing expenditures, but maintaining at the same time the present standard of efficiency, are especially worth considering. The report is attached hereto, marked "Exhibit E."

Exhibits F, G, H, and I are also attached hereto; F, giving the executive orders and proclamations issued by me; G, the expenditures made from the Congressional relief fund from December 1, 1903, to October 1, 1904; H, the result of the survey of the friar lands made by the consulting engineer to the Commission, and I, the report of Messrs. Del Pan, Ortigas, and Fisher of their examination of the titles to the friar lands, made by my direction, pursuant to the provisions of Act No. 1120.

Respectfully submitted.

LUKE E. WRIGHT,
Civil Governor.

To the PHILIPPINE COMMISSION, *Manila.*

REPORT

OF THE

SECRETARY OF THE INTERIOR.

SEPTEMBER 1, 1903, TO AUGUST 31, 1904.

REPORT OF THE SECRETARY OF THE INTERIOR.

DEPARTMENT OF THE INTERIOR,
Manila, P. I., October 28, 1904.

GENTLEMEN: I have the honor to present the third annual report of the secretary of the interior, which, unless otherwise expressly stated, covers the year ending August 31, 1904.

ORGANIZATION OF THE DEPARTMENT.

The taking effect of "the public-land act" and of Act No. 1120, which provided that the friar lands should be administered by the bureau of public lands, imposed a greatly increased volume of work upon that bureau, necessitating its reorganization.

The mining bureau has also been reorganized in order to make possible active field operations, the examination, briefing, and indexing of the old Spanish records, which had heretofore largely occupied the time of the officers and employees of this bureau, having been completed.

The bureau of fish and fisheries, originally provided for by Act No. 222, has not yet been organized. So long as the present financial condition of the insular government continues its organization is hardly practicable. The undersigned is of the opinion that the important work planned for this bureau may ultimately be best and most economically provided for by the addition of a new division to the bureau of government laboratories rather than by the creation of a new bureau.

OPERATIONS OF THE DEPARTMENT FACILITATED BY THE STATE OF PUBLIC ORDER.

In view of the preposterous statements which have from time to time appeared in the public press relative to the state of public order in these islands, it may be worth while to state what has been the experience of this department in carrying on its work during the past year.

The bureau of forestry has its agents in every province of the archipelago. The nature of their work is such as often to necessitate their residing in wild and remote regions. In protecting the public forests from depredations and in going from place to place to measure and value timber they are constantly compelled to make long journeys unarmed and without guards. Similarly the agents of the board of health for the Philippine Islands must visit all of the provinces, in order to inspect the work of local health officers or themselves to carry

on active operations in combating epidemic disease among the inhabitants or among domestic animals. The botanists of the bureau of government laboratories have made long trips into many of the provinces and have lived for months at a time in remote and comparatively inaccessible regions. Other employees of the bureau of laboratories have traveled extensively in the provinces in gathering samples of forest products, minerals, etc., for study, as have the collectors of natural-history specimens. Officers and employees of the mining bureau have traveled very extensively in the provinces in prosecuting the field work of that bureau, and the chief of the bureau has crossed the island of Mindoro from west to east. The work of the officers and employees of the ethnological survey is of such a nature as to take them among the wildest people of the archipelago. The acting chief of the survey has crossed the island of Mindanao from north to south within the past year. Observers of the weather bureau are scattered throughout the archipelago. The bureau of agriculture has seven farms and experiment stations outside of Manila, and many of its employees have traveled extensively in the provinces. This is especially true of the soil physicist. The undersigned has himself had occasion during the past nine months to travel, unarmed and without a guard, in the provinces of Benguet, Pangasinan, Tarlac, Pampanga, Bulacan, Rizal, La Laguna, Batangas, and Paragua.

In spite of the fact that the operations of this department have covered every province and practically every island of any size in the archipelago, no one of its officers or employees has, so far as the undersigned is aware, been attacked, threatened, or molested in any way whatsoever during the period covered by this report.

BOARD OF HEALTH FOR THE PHILIPPINE ISLANDS AND THE CITY OF MANILA.

GENERAL HEALTH CONDITIONS.

Health conditions have been generally good throughout the islands. There has been no great epidemic of disease among the inhabitants of the archipelago. Cholera has completely disappeared; local epidemics of smallpox have been promptly checked; bubonic plague has disappeared from Cebu and has been held within very narrow limits at Manila; rinderpest has been promptly and effectively dealt with wherever it has appeared, so that the natural increase among horned cattle is steadily replenishing the stock of draft animals.

Surra, for which no cure has as yet been found, has continued to cause serious losses among horses both native and imported, among mules, and among the carabaos imported from China by the insular government, whole herds of the latter animals having in several instances been practically exterminated. Fortunately this disease rarely attacks the native carabaos. It is believed that the only really effective method of dealing with surra would be to make a microscopic examination of the blood of all domestic animals subject to it, and to kill every animal found to be infected. While such a course would in the end save heavy losses, it is the opinion of the undersigned that the time has not arrived when public sentiment would support the employment of such drastic measures. When the disease has become better known, and the fact that it is invariably fatal to horses is more

fully realized, it may be that the measures necessary in effectively dealing with it will receive sufficient support from the people to make them practicable.

VITAL STATISTICS.

The law provides that the board of health shall have general supervision over the public health of the Philippine Islands and shall especially study their vital statistics. It has proved extremely difficult, and so far as births are concerned impossible, to secure satisfactory statistics, even in the city of Manila. The unremitting efforts of the board of health are, however, producing results, and it is hoped that during the next year fairly accurate statistics may be obtained for Manila at least. The number of births actually reported for the city during the past year was: Filipinos, 6,182; Spaniards, 40; Americans, 61; all others, 58; total, 6,341. As physicians or registered midwives are summoned by the Filipinos in a relatively small number of cases, these returns are known to be very incomplete. The estimated number of births for this period is 13,000.

The record of deaths, which is much more easily kept than is that of births, is believed to very accurate. It shows 10,781 deaths, exclusive of transients, during the year. This gives a death rate of 49.01 per thousand, if the official census returns, which showed a population of 219,941, are to be accepted as correct. Three hundred and seventy-six deaths were caused by cholera, 84 by bubonic plague, and 25 by smallpox. It will be noted that the proportion of deaths from smallpox is lower than that in many of our American cities, a fact which bears eloquent testimony relative to the efficiency of the campaign which has been waged against this disease by the board of health. The deaths from cholera were to a considerable extent due to the discovery and use for drinking purposes by the Filipinos of a so-called " sacred spring " of fresh water, which appeared in the bay off Tondo beach and was, in point of fact, caused by the breaking of an old sewer pipe. The people flocked to this place to drink sewage diluted with sea water, and many were infected with cholera before the facts became known to the board of health. A guard was then placed over the " spring " to prevent its further use.

The death rate per thousand by nationalities was as follows: Americans, 9.34; Spaniards, 15.42; other Europeans, 16.11; Chinese, 21.85; Filipinos, 53.72; all others, 17.88. These figures show that the death rate was lowest among Americans and highest among Filipinos, and demonstrate the importance of observing ordinary sanitary precautions, which are neglected more frequently by Filipinos than by any other nationality represented at Manila. The general use of tea and of recently cooked foods by the Chinese undoubtedly prevents much disease among them. They are, however, especially susceptible to bubonic plague.

Infant mortality.—There were 1,213 deaths of infants under thirty days of age and 4,901 of infants thirty days to one year of age. Fifty-three and eight-tenths per cent of all deaths, including transients, were therefore among young infants. They were largely due to ignorance, which led to infection at birth, and to improper feeding when it was necessary to supplement or replace the natural food by other substances. The impossibility of obtaining fresh milk and the

difficulty of preserving even canned milk after it has been opened have been important factors in this result.

A circular relative to the care of infants, which was prepared by a committee of Filipino and Spanish physicians, has been translated into all of the more important native languages and widely distributed in Manila and the provinces. Filipino physicians have greatly aided in its circulation, and beneficial results are hoped for, although they will come slowly at the best.

The board of health has furnished cloth for wrapping the new-born infants of the poor of Manila to prevent the chilling, which frequently causes death if infants are not properly wrapped.

There is crying need of a large maternity hospital for Filipino women and of a training school for Filipino nurses and midwives in connection with such a hospital. Were such an institution available, an educational campaign of the greatest value might be inaugurated. The plans for the proposed general hospital include a large maternity ward, and while new hospital buildings must of necessity be constructed gradually as funds become available, it is sincerely hoped that this ward may be erected and equipped in the near future.

Lack of medical attendance.—Fifty-two per cent of the deaths of the year are reported to have occurred without medical attendance.

Healthfulness of different districts.—Ermita, with a death rate of 23.47 per thousand, continues to be the most healthful district of the city, and Paco, with a death rate of 78.51, the most unhealthful. The rate of Tondo, which was 78.14 per thousand, is practically as bad as that of Paco; in point of fact, it is believed that the apparently high death rate for Paco is due to an error in the census returns, and that Tondo is really the most unhealthful district in the city. Necessary steps have been taken to secure a recount of the inhabitants of Paco.

Morgue.—During the year 634 bodies were received at the morgue of the board of health, of which 430 were disposed of by burial and 204 by cremation. One hundred and ninety-five autopsies were held for the purpose of determining cause of death.

NEED OF PUBLIC BATH HOUSES AND LAUNDRIES.

The commissioner of public health in his annual report again calls attention to the great need of public bath houses and laundries, and cites facts which show conclusively the disastrous results which follow bathing and the washing of clothes in the Pasig River, and more especially in the filthy esteros or tidal creeks connected with it. The city authorities should give early attention to providing public baths and laundries, and it is understood that they contemplate doing so.

ESTEROS AND TIDAL CREEKS.

The condition of the esteros or tidal creeks which extend throughout many portions of the city has materially improved during the past year owing to the combined efforts of the board of health and the street department, which have resulted in gradually decreasing the amount of night soil and other filth dumped into them. Further improvement has resulted from dredging operations, which were

begun sometime since and are being actively prosecuted. The conditions of the esteros is, however, still bad and must necessarily remain so until they have been deepened, straightened, and provided with proper walls and with water connections which will allow of their being frequently and thoroughly flushed. The installation of the proposed new sewer system will also lead to great improvement in their condition.

LOW LANDS.

Material progress has been made during the past year in filling low lands near the more populous districts of the city, but an immense amount of work remains to be done. The board of health has been authorized to draft an ordinance providing for the filling in of such lands, subject, however, to the provision that no order for the cleansing, drainage, or filling in of lands involving a cost of more than 300 pesos, Philippines currency, shall be effective without the approval of the Secretary of the Interior. Such limitation was believed to be necessary for the reason that in many instances the cost of filling low lands would be entirely beyond the means of their owners, so that the enforcement of an order requiring such filling would amount to confiscation. If the filling of such lands is a necessity, in order that the public health may be preserved, and if the cost involved is so great as to be out of all due proportion to the present value of the lands filled, a portion of such cost should manifestly be borne by the municipal government.

MOSQUITOES.

Mosquitoes are abundant in those parts of the city adjacent to marshy lands or to the esteros. The improvement of the esteros and the draining and filling of the low lands are essential to any successful effort to get rid of these pestiferous insects, which play such an important part in the communication of disease. Fortunately, malaria-bearing mosquitoes occur in relatively small numbers. Only 181 deaths from malarial causes were recorded in Manila during the past year. One of the common mosquitoes is of a species which under favorable conditions transmits yellow fever. This disease has never yet entered the Philippines, and there is probably little danger that it will do so prior to the completion of the Panama Canal, for the reason that the mosquitoes which transmit it can, under existing conditions, hardly survive long enough to make the trip from countries where yellow fever occurs. The opening up of the Panama Canal, however, will afford more rapid communication between yellow-fever countries and the Far East. Should the disease be introduced here under present conditions a widespread epidemic would inevitably result, and it is therefore important that measures for the abatement of the mosquito plague should be prosecuted as actively as circumstances will permit. Some fairly successful experimental work has already been done.

LEPER COLONY.

The policy of colonizing the lepers of the Philippines upon some well-isolated island with a view to improving their condition, furnishing them with proper medical care, preventing their communi-

cating leprosy, and at the same time allowing them to live as normal a life as possible, was long since decided upon. The search for a suitable island resulted in the selection of Culion, which, while far removed from the more important lines of travel, is still quite centrally situated with reference to the archipelago as a whole. Culion has a comparatively cool and very healthful climate and a very sparse population, the latter condition of affairs being doubtless due to the fact that the agricultural lands of the neighboring island of Busuanga are more extensive, rich, and readily accessible from the sea than are those of Culion.

Fifty thousand dollars were appropriated for the establishment of a leper colony by Act No. 490, on October 27, 1902.

A provisional site was selected near an extensive valley of rich agricultural land in the west central portion of the island, where it was believed that adequate accommodations could be furnished for all the lepers of the Philippines. Work at this site had barely commenced when there occurred the worst drought which the islands had experienced in fifty years. The streams throughout the affected region, which included Culion, shrank greatly, and in many instances disappeared. The governor of Paragua, who visited the proposed site at this time, reported to the Commission that the water supply was inadequate. Thorough investigation of this question was obviously necessary, and the occasion was most opportune, as the extraordinary drought rendered it certain that if sufficient water then existed there would be no likelihood of any future failure of the supply. Work was accordingly suspended until an engineering party could complete a thorough investigation. Their report showed that the apprehensions of the governor of Paragua and of others who had reported the water supply inadequate were groundless, as water sufficient for 2,500 people could be immediately developed at small expense, and an adequate supply for 10,000 additional persons could be secured by the erection of a dam.

Meanwhile, however, a leper census of the islands had shown conclusively that previous reports as to the number of lepers had been grossly exaggerated, and that so large an extent of territory as had been originally deemed necessary for colonizing them would therefore not be required. The board of health now has a record of 3,632 lepers, of whom 457 are cared for in leper institutions.

The site originally selected had one great disadvantage in that all supplies would necessarily have to be transported overland for a distance of 3 to 4 miles. It was found that adequate accommodations could be provided for all leprous women at the old town of Culion, and that sufficient agricultural lands were available at the neighboring barrio of Baldat to make it feasible to colonize at this place nearly if not quite all of the leprous men. It was therefore decided to purchase and renovate the buildings in the town of Culion and to erect necessary structures at Baldat. As both of these sites are readily accessible by water, the problem of land transportation has been eliminated.

The town of Culion is situated on a high promontory which has an excellent harbor on each side of it. All supplies for the colony will be landed at this place, and such portion of them as may be required at Baldat will be transferred in lighters by way of a shallow but well-protected bay and a short tide-water creek.

Medical Inspector C. F. De Mey, who had previously been in charge of the San Lazaro Hospital and who had won the good will of all the lepers confined there by the kind treatment and good care which he gave them, was placed in charge of the work of construction, and has since been made director of the colony. Doctor De Mey combines adequate professional knowledge with unusual linguistic accomplishments, great energy, and remarkable tact and skill in managing laborers. He is thoroughly familiar with the best methods of constructing buildings of light materials (bamboo and nipa palm), and buildings of this sort will be generally used for the lepers, owing to the fact that they are inexpensive and at the same time cooler and more sanitary than any other structures thus far erected in the Tropics.

Doctor De Mey secured a good force of Filipino laborers from the neighboring island of Cuyo. The buildings and land included in the old town site having meanwhile been purchased at a moderate price by the chief of the bureau of public lands, active operations were at once begun. The town was completely transformed by removing the accumulated filth of years, by clearing away all superfluous vegetation, by grading and graveling old streets and constructing new ones, and by renovating old buildings and erecting such additional structures as were deemed necessary. A pier was built out to water 24 feet deep at low tide, and running water of excellent quality was piped into the town. This work was accomplished in spite of rains of almost unprecedented persistence and violence.

A large number of lepers could be housed comfortably at Culion at the present time, but in view of the possible risk to laborers and the certainty that many of them would be unwilling to continue work if lepers were brought there, it has been deemed advisable first to complete a majority of the buildings to be erected and then to bring leprous men to Culion, transferring the present force of laborers to Baldat. Some additional building can be done at Culion by leprous men who are willing and able to work, and after the completion of necessary buildings at Baldat the men can be transferred to that place, and the original plan of colonizing the women at the town of Culion can be carried out.

It is hoped that the appropriation originally made for the establishment of the leper colony, which did not contemplate the purchase of buildings or land, may prove sufficient for the erection and equipment of all necessary buildings and for the transportation and establishment at Culion of at least 3,000 lepers.

A considerable number of those whose buildings and land at Culion were purchased by the government promptly attempted to establish themselves elsewhere on the island, with the obvious intention of securing holdings which the government might eventually find it necessary to purchase. In order to put a quietus on this movement, all the government land in the island was set aside by executive order No. 35, issued August 22, 1904, as a government reservation for a leper colony and a stock farm. The stock farm, which will help supply the colony with beef, is located at a point so remote from the site of the colony that the two institutions will in no way interfere with each other.

Recent investigations have shown that there is a large amount of available agricultural land belonging to the government in the neigh-

boring island of Busuanga upon which the relatives and friends of lepers, who desire to be near them, can be allowed to settle.

SMALLPOX AND VACCINATION.

The work of vaccination has been vigorously carried on at Manila from the day of American occupation, the number of recorded vaccinations being as follows:

1898 (two months)	10,477
1899	103,931
1900	60,592
1901	73,891
1902	133,803
1903	148,714
1904 (eight months)	151,463

During the past year there have been but 73 cases of smallpox in the city, with 32 deaths. The cases were practically confined to persons who had not been vaccinated.

A comprehensive plan for the frequent vaccination of the entire population of the islands has been elaborated and is being carried out. The board of health has kept a force of vaccinators in every province of the archipelago. Sporadic outbreaks of smallpox have been promptly checked and, as previously stated, no general epidemic has occurred. So far as is known, no serious results have followed any vaccination either in Manila or in the provinces, which is sufficient testimony as to the care with which vaccine virus is prepared by the bureau of government laboratories and as to the precautions observed by agents of the board of health in using it.

Plans for the work both in Manila and in the provinces were made by Dr. Edward L. Munson, captain and assistant surgeon, U. S. Army, who, until the failure of his health necessitated his return to the United States, rendered efficient and valuable services as assistant to the commissioner of public health. Under the plans perfected by Doctor Munson vaccinators are thoroughly trained under close observation at Manila before being sent into the provinces, and are carefully instructed as to the technique of their work, as to their conduct toward persons whom it is necessary for them to vaccinate, and as to the existing provisions of law relative to vaccination. As a result, the wasting of valuable virus through improper care or through its use in an improper manner is largely avoided, and complaints of improper conduct on the part of vaccinators have been very few. Persons who have been successfully vaccinated are given certificates to this effect to prevent their needless revaccination. Adequate inspection has been maintained over the work of vaccinators in the provinces as well as in Manila.

One million four hundred and thirty thousand seven hundred and thirty-five units of vaccine virus have been sent to the provinces during the past year, and the commissioner of public health is of the opinion that the exact number of vaccinations will not fall far short of the number of units of vaccine virus distributed. The greatest difficulty encountered in the provinces arose from the lack of transportation facilities and the consequent loss of virus through long-continued exposure to heat. The board of health now transports virus in special ice boxes, which have proved of great assistance in preserving it.

The opposition to vaccination, which was at first frequently encountered, is rapidly disappearing since the plan of sending out intelligent and neatly uniformed men from Manila and of exercising a careful supervision over their operations has been adopted. While much remains to be done before the work of immunizing the people of this archipelago against smallpox can be considered even fairly complete, the progress made during the past year is very gratifying, and the disease has ceased to be the scourge that it was a few years since.

ASIATIC CHOLERA.

The epidemic of Asiatic cholera which began on March 20, 1902, seemed to have practically ceased at the time the last annual report of the secretary of the interior was submitted. It was then believed that the occasional cases which were occurring would diminish in number until the disease finally disappeared. This expectation was realized, the last case occurring on April 27, 1904.

While the more important facts relative to this epidemic have already been published, there has now been opportunity for a revision of statistics and for more critical examination and compilation of reports, and, the epidemic having now ended, can be considered in its entirety. It has been so considered in the report of the commissioner of public health for the year ending August 31, 1904 (Appendix A), to which those who are particularly interested in this subject are referred for detailed information.

In Manila, which was constantly exposed to reinfection from the provinces, there were but 5,581 cases of cholera during the entire period of the epidemic, which shows what can be done toward combating this disease under most unfavorable circumstances if the necessary men and means are available.

BUBONIC PLAGUE.

There were 87 cases of bubonic plague at Manila during the year, as against 200 for the previous year. This gratifying result was largely brought about by immunization of the Chinese population against this disease, to which they are especially susceptible. The Chinese have submitted cheerfully to the necessary inoculations, which have not in any instance been attended with harmful results.

One custom-house employee died of tetanus after being inoculated against plague. Careful examination of the serum used, together with the fact that various other persons inoculated at the same time with the same serum developed no unusual symptoms, demonstrated conclusively that the disease was not communicated by the serum, nor is it certain that it entered by the wound made by the inoculation, although this is possible, as the patient had removed bandages and scratched his arm in the vicinity of the puncture made by the hypodermic syringe.

The entire freedom of the rats of the city from plague throughout the year has been a most encouraging feature of the situation.

Bubonic plague appeared in the city of Cebu, which was in an intolerably unsanitary condition. Great difficulty was encountered in getting the city cleaned up, owing to the apathy or active hostility

of provincial and municipal authorities, but all obstacles were finally overcome, and some four months have now elapsed since a case of plague has been reported there.

HEALTH WORK IN THE CITY OF MANILA.

The act providing for the establishment of the board of health for the Philippine Islands also provides that it shall act as a local health board for Manila. While it was obvious that some practical difficulties were likely to be encountered in the carrying on of health work in this city by an insular board the members of which were not subject to the control of the municipal government, it was believed that the difficulties, when encountered, could be overcome, and that the establishment of a municipal board of health for Manila would involve needless expense and would be likely to result in clashes of authority between such a board and the insular board, and that the probability of importation to Manila and thence to the islands at large of dangerous epidemic diseases from the Asiatic coast was so great as to justify the insular government in taking into its own hands the safeguarding of the health of the city. Further reason for the action taken was afforded by the fact that the city was not able to pay the necessary cost of its sanitary regeneration, which from the outset has fallen on the insular government.

While the system worked well from the start, clashes of authority did from time to time occur, owing in part to somewhat contradictory provisions in the Manila charter and in the laws defining the powers and duties of the board of health. The whole question of the relationship of the board of health and the municipal authorities was therefore made the subject of careful consideration, and Act No. 1150, "Further defining the powers and duties of the board of health for the Philippine Islands and of the municipal board of the city of Manila, in connection with the preservation of the public health of that city, and repealing certain provisions of law relative thereto," was ultimately adopted.

This act provides for the drafting of health ordinances by the board of health and their transmission to the municipal board of Manila for enactment. The municipal board may, however, return them to the board of health with suggested changes, and in the event that changes deemed to be of importance are not adopted by the board of health the municipal board may apply to the civil governor, whose duty it then is to prescribe the form which the ordinance shall take.

The subjects relative to which health ordinances may be enacted are carefully defined. Sanitary inspections are made under the general supervision and control of the commissioner of public health by district medical inspectors of the board of health, by such members of the police force of the city of Manila as are designated as sanitary police by the chief of police, and by such sanitary inspectors as may be authorized by law. The substitution of many sanitary inspectors by members of the Manila police force makes possible a material reduction in salaries without loss of efficiency, the trained and experienced force of district medical inspectors being retained, together with a certain number of the best sanitary inspectors, who are kept as a reserve force with which to meet possible emergencies.

The work of inspecting the construction, repair, removal, and safety of buildings, and their ventilation, drainage, and plumbing is performed by the city engineer's office, as is that of collecting and disposing of excreta, garbage, refuse, and other unwholesome or dangerous substances.

The municipal board is empowered to pass ordinances regulating the business and fixing the location of establishments likely to endanger the public safety by giving rise to conflagrations or explosions, and to construct, maintain, and regulate the navigation of canals and water courses and to cleanse and purify the same; to drain and fill private premises when necessary; to establish and maintain public sewers, latrines, and cesspools, and to provide for the establishment of public laundries, stables, and bath houses.

In brief, under the new arrangement the board of health determines what shall be done in sanitary matters and the city does it, either independently or under the general supervision of officers of the board of health. In the event of failure on the part of the municipal authorities satisfactorily to discharge the duties imposed on them by this law, the health authorities have the right of appeal to the civil governor.

The fact has been recognized that the outbreak of an epidemic of infectious, contagious, or communicable disease may create conditions which can not satisfactorily be met by methods which are ordinarily adequate, and the law provides that when, in the opinion of the board of health, the city is threatened with an epidemic of infectious, contagious, or communicable disease the commissioner of public health shall so inform the civil governor, and may request the civil governor to issue an executive order declaring that the city is threatened with an epidemic and vesting the board of health with emergency powers. In the event that the civil governor issues such an order, the board of health then has power to enact, subject to the approval of the secretary of the interior, such emergency health ordinances as it may deem necessary to prevent the occurrence or spread of infectious, contagious, or communicable disease, and to appoint such temporary emergency employees as may be authorized by law.

When in the opinion of the civil governor the danger of an epidemic has passed, he shall so declare by executive order, and all emergency health ordinances become of no effect, unless the executive order specifically declares that one or more of them are continued in effect for a further period of time.

Since the passage of this act the health work of the city has been carried on with less friction and more efficiency than ever before, and it is believed that the new arrangement thus effected will prove both theoretically sound and practically feasible and satisfactory.

Sanitary inspections.—Although some interruption of the work of sanitary inspection was caused by the discharge of a large number of trained employees and their substitution by members of the Manila police force, there were made during the year in the city of Manila 408,318 inspections and reinspections of houses; 49,511 houses were cleaned as a result of such inspections; 235 houses were whitewashed and painted; 3,076 were disinfected; 115 were condemned and removed; 2,199 cesspools were cleaned; 19,079 yards were cleaned; 300 yards were repaired or repaved; 82 cholera cases, 70

smallpox, and 95 plague cases were reported; 3,267 sanitary orders were complied with by householders, and 42 convictions were secured for failure to comply with sanitary orders.

While the people of Manila, like those of other cities, object to domiciliary visitations, the rigid restrictions imposed by the board of health upon sanitary inspectors have resulted in the steady improvement of the inspection service, and while necessary domiciliary inspections are now made, as heretofore, complaints of improper conduct on the part of inspectors, which were formerly very numerous, have almost entirely ceased.

Division of sanitary engineering.—The position of sanitary engineer for the city of Manila has been abolished for the reason that clashes of authority between this official and the sanitary engineer for the Philippine Islands were frequent, and for the further reason that all necessary sanitary engineering work for the city of Manila can be performed by the sanitary engineer for the Philippine Islands and by the city engineer.

SANITARY WORK IN THE PROVINCES.

While the difficulties in the way of sanitary work in Manila have been great, those encountered in the provinces are sometimes wellnigh insuperable. Thirty-two of the 40 provinces have provincial boards of health, and in three of the provinces which are without such boards medical inspectors of the board of health or surgeons of the Philippines constabulary have been detailed to perform the duties of presidents of provincial boards of health. There are municipal boards of health in 286 of the 706 organized municipalities.

It is believed by the undersigned that in filling the important position of president of provincial board of health the best men available have been appointed. Of these a limited number have from the first shown themselves to be thoroughly trained, energetic, and capable officers. A large number have obviously done their best, but through defects in training and lack of executive ability have failed to secure satisfactory results. A relatively small number have proved wholly incompetent or have neglected their duties, and have been removed for cause. Unfortunately, when such officers are removed it is by no means always possible to secure in their places men who give promise of being more satisfactory.

Many of the presidents of municipal boards of health are very incompetent. In a majority of the municipalities there does not exist a person with any medical training whatever, and the ignorance as to the most ordinary sanitary precautions displayed by the populace at large is dense in the extreme. The whole situation is one of great difficulty and can be satisfactorily met only by patient and persevering work extending over a sufficient period of time to allow of the gradual education of the masses and the development of a corps of thoroughly trained Filipino physicians large enough to provide at least one competent man for each important municipality in the islands.

Meanwhile many of the presidents of provincial boards of health show willingness and ability to learn when given an opportunity. With a view to increasing the efficiency of the service, each president of a provincial board of health is sooner or later ordered to Manila

on temporary duty, in order that he may gain experience in modern methods. While here he is required to observe the general work of a sanitary station, the methods of sanitary house and food inspection, and of disinfection, plague inoculation, treatment of plague and cholera houses, service of sanitary orders, diagnosis and removal of cases of infectious disease, and the destruction of rats in the prevention of plague; also to accompany the inspectors of plumbing and the officials of the pail conservancy system, and to observe the methods and appliances in use for the sanitary disposal of excreta. He is further given instruction in port quarantine and the methods of ship disinfection under the direction of the chief quarantine officer, and in clinical and post-mortem diagnoses of epidemic diseases of domestic live stock and meat by a veterinary surgeon at the city abattoir. He observes the methods employed at the serum laboratory in the preparation of serums and vaccine virus, and in inoculation against rinderpest; the operations of the city vaccinators; the management and equipment of the plague, cholera, smallpox, leper, and venereal hospitals, and of the morgue, the crematory, and the steam disinfecting plants; the treatment of those suffering from contagious diseases; the method of making post-mortem examinations and disposal of the dead; also the methods employed in the office of the secretary of the board of health in keeping records, securing vital statistics, and preparing reports.

Such temporary assignment to duty in Manila is of material advantage to the presidents of provincial boards of health. Were there some similar arrangement by which officers and employees now constantly on duty at Manila could be sent to the provinces to familiarize themselves with conditions there the efficiency of the service would be further increased and the recommendation of impracticable legislation relative to provincial and municipal sanitary matters would be largely avoided through a better understanding of local conditions.

COLLECTION AND DISPOSAL OF NIGHT SOIL.

This work has until recently been carried on in part by the board of health and in part by private contractors authorized by the city engineer. It is now performed by the city engineer under ordinances drafted by the board of health. As the city engineer's department was previously charged with the disposal of street refuse and garbage, the maintenance of two separate organizations for carrying on such closely associated lines of work was obviously illogical, and the transfer to this department of the work of collecting night soil has resulted in increased efficiency and economy. A systematic campaign has been conducted against insanitary water-closets, with the result that many foci of disease have been removed.

DIVISION OF DISINFECTORS.

Extended experience in dealing with contagious and infectious diseases in Manila has only served to emphasize the fundamental importance of prompt and thorough disinfection as the most effective and economical means of preventing their spread. A division of disinfectors, under a chief disinfector, has been organized and thor-

oughly equipped. Had such an organization existed at the beginning of the cholera epidemic it might have performed work of the utmost value.

OVERCROWDING.

The insanitary conditions which result from the overcrowding of buildings continue in Manila and will necessarily continue until such time as the completion of the street-car line makes it feasible for the poorer classes to build in the outlying districts of the city and still get to their work quickly and at moderate cost. The city engineer will then be justified in removing the more insanitary houses in the congested districts. While Filipino residents may be expected to take advantage of the opportunity thus afforded for living in a more comfortable manner, the Chinese prefer to crowd together in the darkest, dampest, and worst-ventilated buildings in the city, and nothing but strictly enforced sanitary ordinances will change their customs in this respect.

MARKETS, TIENDAS, AND FOOD INSPECTION.

The several well-constructed and wisely distributed markets which have been erected since American occupation are, as a rule, kept in excellent sanitary condition, and their sanitary control is comparatively simple. There are, however, some 1,200 tiendas in the city where foods and drinks are sold. They are a great convenience to the working people and can not be abolished, but it is a matter of difficulty to keep them in a decent state. Doubtless the most dangerous of all foods and drinks are those sold by itinerant venders. The new sanitary code which is being drafted by the board of health will deal with many of these matters, and it is hoped that the character of the foods and drinks sold to the poorer classes may be materially improved without inflicting any serious hardship upon venders or purchasers.

OPIUM-SMOKING ESTABLISHMENTS.

There are over 200 establishments in Manila where opium is smoked. They are filthy and insanitary and are at present not recognized by law nor required to take out licenses. The new sanitary code designates these places as "opium divans" and provides for their regulation. Upon this subject the commissioner of public health in his annual report says:

> As long as there are Chinese in the Philippine Islands there will be opium smokers and opium smoking. If opium divans are permitted to exist the business can be forced out of laundries and tiendas into the divans, where it can be so supervised and controlled as to reduce to a minimum the resulting evil effects now apparently on the increase. The board of health deplores the existence of such establishments; nevertheless they exist, and because they do exist, and will continue to exist, it would seem to be wiser to recognize them for what they are than to ignore them for sentimental reasons.

FREE DISPENSARIES AND FREE CLINICS.

Two new free dispensaries have been established in the more populous and poorer districts of the city during the past year, bringing the total number up to 3. Eleven thousand six hundred and sixty

prescriptions have been filled, as against 6,658 for the previous year, showing that the poor people are gradually learning to appreciate the advantages of these institutions.

Free clinics are held daily at each of these dispensaries from 8 a. m. to 5 p. m. The number of patients treated at these clinics is steadily increasing and the medical and surgical work thus performed is of great value to the poor.

Bishop Brent, of the Protestant Episcopal Church, has established on Calle Magdalena, in the district of Trozo, a dispensary and clinic for the free treatment of all classes of disease, at which admirable work has been done. In view of the fact that sufficient funds for the continuance of this clinic were not available, and of the further fact that the persons who take advantage of it belong almost entirely to the poorer classes, the commissioner of public health was authorized by the undersigned to supply free of charge the medicines used, paying for the same from the fund for the purchase of medicines for indigent Filipinos. The bureau of government laboratories has also been directed to perform free of charge the chemical and biological work required by this institution in connection with the treatment of disease.

HOSPITALS FOR THE INSANE.

The situation as regards facilities for the care of the insane has become increasingly difficult during the past year. While much more has been done in this direction under American rule than was previously attempted, the fact that this class of unfortunates is being cared for at Manila has become generally known, with the result that very numerous applications to have insane persons cared for have been received. In many instances the patients in question are dangerously insane and are confined in provincial jails or in the houses of relatives or friends under such conditions as to make it highly desirable that they should, if practicable, be taken in charge by the government.

After the Hospicio de San José, where insane persons are cared for at government expense, had been filled to overflowing, increased facilities were obtained there through the kindness of Archbishop Harty, but the relief thus afforded was only temporary. There remained no alternative but to send to Bilibid Prison the more violent and dangerous of the insane for whom accommodations were sought, and to refuse to receive those whose condition was such as to render it practicable for local authorities to care for them.

The buildings on the La Lomboy Estate, which is included in the friar-lands purchase, will be equipped for the care of the insane as soon as practicable after title to the property passes to the insular government. An appropriation for this purpose has already been made.

GENERAL HOSPITAL.

Little can be added to what has already been said as to the imperative need of a general hospital for civil officers and employees and for other residents of the city of Manila and the islands at large. During the past year something has been accomplished looking to the establishment of such an institution. A general hospital com-

mittee, made up of government officials and of physicians, business men, and other interested citizens, has been appointed to secure plans for adequate buildings and estimates of the cost of erecting and equipping them and of conducting the proposed hospital. Plans for a modern pavilion hospital have been procured and will soon be transmitted to the Commission for consideration. The completion of the structures called for by these plans will involve the expenditure of a sum of money so large as to be beyond the present means of the government, but the plans are such that individual buildings can be constructed as the needs of the service may require and as funds become available. It is confidently believed that when the great need of such an institution and the enormous good which it would accomplish are realized in the United States, financial assistance may be secured from charitable persons there.

The undersigned is strongly of the opinion that the plans prepared should be adopted and the several buildings should be erected and equipped as rapidly as insular funds can be spared or private funds secured for this purpose. It is hoped that in the near future such buildings will be erected as will make it possible to care for all civil officers and employees now treated at the Civil Hospital and for a larger number of private patients than can at present be accommodated there.

A site for the general hospital has been selected on the exposition grounds, conveniently near the new building of the bureau of government laboratories, where all chemical and biological work for the hospital will be performed. The power plant of the laboratory building has been planned with a view to furnishing the power and electric light which the hospital will need. The exposition grounds were originally sufficiently extensive to allow of the establishment of the proposed hospital and of a medical school, but the recently effected purchase of a comparatively small triangular piece of land lying between these grounds and a proposed new boulevard 100 feet in width will give a fine frontage for the hospital buildings on what will be one of the best streets in Manila.

THE SAN LAZARO HOSPITALS.

The old San Lazaro Hospital, for the treatment of leprosy and venereal diseases, and the new smallpox, cholera, and bubonic-plague hospitals, which have been erected on the San Lazaro grounds during the past year, have been placed under one management and renamed "The San Lazaro Hospitals." The new buildings for the infectious-disease department are modern in every respect and afford greatly increased and improved facilities for the treatment of infectious diseases. The former unsuitable buildings were in part destroyed by fire in May, 1903. Those that remain are now used for breeding small animals needed in connection with the serum and other work of the bureau of government laboratories.

SAN JUAN DE DIOS HOSPITAL.

The work of this excellent institution, which is conducted by the Roman Catholic Church, may with propriety be referred to in this report, for the reason that the city of Manila has contracted with it for the care of 100 poor patients daily. The city poor are quick to

avail themselves of the opportunity thus afforded, as is shown by the fact that the free wards are usually filled to the limit. A large amount of charitable work is also performed.

MUNICIPAL PHYSICIANS AND MIDWIVES.

There are in the city of Manila eight municipal physicians, selected by competitive examination, whose duty it is to render free medical assistance to the poor of the city. The board of health also employs one Spanish and seven Filipino midwives, whose duty it is to attend confinement cases occurring among the indigent. These midwives are supplied with antiseptic dressings and maternity bandages, the latter large enough to conserve the bodily heat and prevent chilling, which often results fatally with the naked babes of the poor.

By the opening of the doors of the Civil Hospital to patients of all classes, whether government employees or not, by providing further accommodations for the poor in San Juan de Dios Hospital, by the establishment of free dispensaries and numerous free clinics, and by the hiring of physicians and midwives to give free attendance to the poor, the insular and municipal governments are doing much to alleviate human misery in the city of Manila; in fact, more can hardly be done in this direction until increased facilities are afforded by the erection and equipment of new buildings.

BOARDS OF MEDICAL AND SURGICAL, PHARMACEUTICAL, AND DENTAL EXAMINERS.

Stringent provisions of law have been enacted to safeguard the practice of medicine and surgery, of pharmacy, and of dentistry, and a person desiring to practice any one of these professions in the Philippine Islands must first appear before a board of examiners and pass a satisfactory examination. During the year ending June 30, 1904, the board of medical examiners passed upon the qualifications of 44 candidates, of whom 15 were registered as doctors of medicine, 14 as licentiates of medicine, 14 as cirujanos ministrantes, and 1 as midwife. No pharmacists were examined. The board of dental examiners passed upon the qualifications of 3 candidates, all of whom were registered.

For further details relative to the work of the boards of medical, pharmaceutical, and dental examiners reference is made to their annual reports for the year ending June 30, 1904. (Appendixes B, C, and D, respectively.)

ENFORCEMENT OF SANITARY LAWS.

The courts of Manila and the city prosecuting attorney have been zealous in their enforcement of laws and ordinances relating to sanitation, and adequate punishment has been meted out to offenders regardless of their social position, wealth, or influence. This condition of affairs did not prevail in Manila prior to American occupation.

A very different condition of affairs exists in the provinces, where violators of sanitary ordinances are tried before municipal presidents. The latter, being elective officers, are apt to be swayed by the opinions of their constituents, who are usually opposed to all sanitary ordi-

nances, and it is often difficult to secure conviction of the grossest offenders. The bringing of pressure to bear by provincial or insular officers has, however, in many instances produced marked improvement in individual municipalities.

The commissioner of public health is of the opinion that a general law which would give to the board of health powers relative to provincial municipalities similar to those which it exercises in Manila should be passed, in order that a uniform set of sanitary ordinances, which in time would become generally known and respected, might be provided for provincial municipalities. While it would, of course, be easy to adopt a set of health ordinances applicable to all provincial municipalities, the undersigned is of the opinion that the time is far distant when such a set of ordinances can be made generally effective, and it is questionable whether in a given instance the absence of proper health ordinances is not better than the existence of an elaborate code which it is wholly impracticable to enforce.

BILIBID PRISON.

The death rate in Bilibid Prison for the past year has been 70.95 per thousand, as against 99 for the preceding year. This marked improvement has been obtained in spite of the fact that the number of prisoners has materially increased. The death rate is still high. Doubtless a high death rate is almost inevitable among ignorant criminals closely confined in the Tropics. A plan is under consideration for relieving the present crowded condition of Bilibid Prison by colonizing certain classes of prisoners on the island of Paragua, where they could lead a comparatively normal life, and where they might have their families with them and ultimately be assigned allotments of land. It is believed by the undersigned that if this plan were carried out it would not only greatly improve health conditions among the prisoners, but would lead to moral improvement as well.

WORK OF THE VETERINARY DIVISION.

There has been great improvement in the work of this division during the year. The authorized force has been increased from 1 veterinarian originally authorized to 15 veterinarians and 30 inoculators.

During the past year 94,303 animals were examined for disease at the time of their arrival in the city of Manila, and 89,299 were examined in the abattoir before slaughter. Nine hundred and seventy-one animals were condemned on account of disease, and their bodies disposed of by cremation.

The combating of rinderpest has, however, been the most important work of the veterinary division. Attempts to restock the islands with draft animals by importing carabaos from China have been attended with very heavy losses to the government. Efforts to check the spread of rinderpest among cattle native to the islands by simultaneous inoculation with antirinderpestic serum and the blood of diseased animals have been successful in practically every instance, and it has grown more and more evident that the best way to secure an adequate supply of draft animals is by protecting, through inoculation, the animals already here together with their offspring.

At the outset the work of the veterinarians and inoculators in

combating rinderpest was carried on in the face of grave difficulties. The Filipinos expected them to bring a medicine which would cure sick animals, and when it was observed that they took blood from sick animals and injected it into well ones the fear at once arose that they were endeavoring to spread the disease rather than to check it. In more than one instance the hostility thus aroused was so great that it was deemed advisable to abandon inoculation entirely, and in many cases operations were rendered ineffective by the driving off to the mountains of a considerable number of animals which should have been presented for treatment. Gradually, however, the Filipinos have learned by experience that the inoculation protects their cattle from rinderpest at the expense of a very insignificant loss. As a result, telegraphic appeals for help now come in from all parts of the archipelago more rapidly than they can be acceded to. More veterinarians are therefore being brought from the United States.

Shortly after a force of inoculators arrives on the scene of an epidemic of rinderpest the disease is checked, and it becomes impossible to secure virulent blood for use in simultaneous inoculation. The remaining animals are then given serum inoculation, which confers temporary immunity, and the inoculators are ordered elsewhere. It has now been demonstrated that even animals which have contracted rinderpest can often be saved by intravenous injections of serum.

OFFICE OF THE COMMISSIONER OF PUBLIC HEALTH.

The health service of the islands suffered a grievous loss during the past year through the illness and consequent resignation of Dr. Edward L. Munson, captain and assistant surgeon, U. S. Army, assistant to the commissioner of public health, who served as acting commissioner of public health during the absence of the commissioner while engaged on the work of the Opium Commission and at other times. Doctor Munson was a zealous, able, and efficient servant of the government. By overwork he sacrificed his health to the cause of sanitary science in the Philippine Islands, and the loss to the service which resulted from his necessary return to the United States was greatly felt.

The satisfactory results which have attended the work of the board of health during the period covered by this report have been largely due to the able direction of Dr. E. C. Carter, major and surgeon, U. S. Army, commissioner of public health. It was expected at the time of Major Carter's detail that the islands would have the benefit of his services for a period of two years only. The change in regulations relative to the tropical service of staff officers keeps him here for another year. What he may perhaps regard as his personal loss is a very distinct gain to the health service of these islands. To his unusual qualifications for the position of commissioner of public health he has now added two years of practical experience, and the time when his services will of necessity be lost to the insular government is looked forward to by the undersigned with regret and with no little concern.

His report for the year ending August 31, 1904 (Appendix A), describes in much greater detail than has been practicable for any previous year the work of the board of health, and those who desire more detailed information on this subject are referred to it.

THE QUARANTINE SERVICE.

Heavy responsibility has devolved upon the quarantine service from the fact that the islands have been practically surrounded by countries in which quarantinable diseases were present in epidemic or endemic form. Cholera has occurred in ports along the entire eastern coast of Asia from Japan to the Straits Settlements. Bubonic plague has prevailed in epidemic form in Formosa and Australia Hongkong has for many years been a center of bubonic plague, and during very recent times has been visited yearly by cholera. Vessels arrive from this port almost daily, bringing numerous passengers and large quantities of food stuffs, and great care has been necessary to prevent the introduction of disease.

The business of these islands is largely maritime, and any incumbrances placed upon shipping are promptly and severely felt, but under the able direction of Dr. Victor G. Heiser, passed assistant surgeon, chief quarantine officer for the Philippine Islands, difficulties have been successfully met and quarantinable disease has been excluded from the islands with very little interruption to the normal course of business. The beneficial results arising from the enforcement of sanitary measures on vessels are becoming so well known that in many instances masters themselves request that their ships be disinfected or fumigated.

The character of the work performed by the Philippine quarantine service is now so well known throughout the civilized world that a vessel holding a good health certificate from these islands is granted unconditional pratique in all ports. Japan has recently granted the same privileges to vessels coming from Philippine quarantine stations that she extends to those which have passed the Japanese quarantine.

The work at Jolo was particularly heavy during the past year, Asst. Surg. H. A. Stansfield, who at the time he was placed in charge of it had been in the islands more than three years performing duties of a very arduous character, broke down completely under the strain and was succeeded by Asst. Surg. William F. Lewis.

VESSELS BOARDED.

Three thousand eight hundred and eighty-two vessels were boarded at the port of Manila, and 7,783 at the other three ports of entry at which quarantine officers are stationed. The chief of the quarantine service states that the number of vessels inspected is larger than in any other territory of equal size, and that a quarantine officer in the Philippines gains in a few months as much experience as does an officer on duty in the United States in as many years.

One hundred and fifty-six vessels were disinfected at the Manila station and 36 at other stations; 41 because quarantinable diseases were found on board, and the remainder because they came from infected ports or were infected with rinderpest or other cattle diseases.

Five hundred and fifty-seven vessels were fumigated with sulphur to kill rats and other vermin. The chief of the quarantine service states that never before in the same length of time have so many vessels been treated by any quarantine service. Fumigation for the destruction of rats is most useful apart from its direct relationship to the communication of disease. Vermin propagate much more

rapidly in tropical than in temperate climates, and this is especially true on board vessels, so that unless remedial measures are taken with a reasonable degree of frequency great discomfort to passengers results.

BUBONIC PLAGUE.

The work of the board of health in reducing the number of cases of bubonic plague during the year has been ably supplemented by that of the quarantine service in preventing the introduction of new cases. There is no reason to believe that a single case of plague has been imported. Vessels plying between Hongkong and other infected ports and Manila are thoroughly fumigated at least twice a year, and oftener if they have been in dry dock, as plague-infected rats are especially likely to come on board when they are in dry dock. It is probable that one important factor in the success which has been attained in keeping out plague is the fact that foreign vessels, up to the present time, have been compelled by the absence of wharves to unload into lighters. When the new port works are completed greater precautions will be necessary in order to prevent the introduction of plague by vermin escaping from vessels from infected ports.

SMALLPOX.

Smallpox continues to be the disease most frequently met with by quarantine officers, and 17 vessels infected with it were disinfected during the year.

The quarantine service has cooperated with the board of health in the matter of vaccinations, especially in the case of crews of vessels. Eighteen thousand seven hundred and seventy-three members of ships' crews were vaccinated during the year. These vaccinations were very successful; at Manila, for instance, out of 11,399 persons vaccinated it is known that there were 6,502 " takes." There were probably many more, but as a considerable portion of those vaccinated did not again come under the observation of the quarantine officers the exact number can not be stated.

LEPROSY.

Leprosy was detected on six vessels during the year.

AID TO OTHER SERVICES.

There were 878 physical examinations made of masters, mates, patrons, engineers, and other ships' officers at the request of the collector of customs, 99 of the persons examined being rejected. For the immigration service 6,252 persons were examined, and 472 rejected. A number of special physical examinations were made at the request of the Philippine civil-service board, and at the request of the Army, transports were inspected at Mariveles instead of at Manila.

QUARANTINE STATION AT CEBU.

Thirty thousand dollars, United States currency, were appropriated by Act No. 831 for the erection of a quarantine station at Cebu. The board of officers appointed to select a site chose the island of Cauit, in

the harbor of Cebu, about a mile below the port. When this action became known a claimant appeared for the land, as is usually the case when it appears that land supposed to belong to the government is valuable and likely to be made use of. The case was decided in the court of land registration in favor of the government. It was then appealed to the court of first instance, but has since been settled out of court, and construction of this new station will begin immediately.

ADDITIONAL LAUNCH.

The additional launch for the quarantine service, authorized on August 12, 1903, and contracted for in San Francisco, failed to come up to specifications in the matter of speed and ability to go out in heavy weather, and was not accepted. Steps are now being taken to secure a proper launch elsewhere.

INTERISLAND QUARANTINE SERVICE.

Inspection of vessels at ports of entry has been controlled by the regular quarantine service; that at other ports has been in charge of the board of health for the Philippine Islands. When infected vessels have been encountered by board of health employees they have been sent, if practicable, to the nearest quarantine station for treatment. So long as cholera continued a rigorous inspection was maintained throughout the islands. After it disappeared inspection was for the most part discontinued except at ports of entry, where it has been maintained not only to protect the islands from importation of disease, but to keep check on the sanitary condition of vessels engaged in the coastwise trade. Nearly all such vessels sooner or later call at ports of entry.

Every effort has been made to inspect incoming vessels promptly, and the launch service has been so arranged that a vessel can be inspected at any time during the working hours of the day within a few minutes after its arrival.

For further details and statistics of the work of the quarantine service during the past year, reference is made to the report of the chief quarantine officer (Appendix E), who by his thorough familiarity with the work in hand and his close attention to details has saved the insular government considerable sums without in any way impairing the efficiency of the service, which in the opinion of the undersigned is higher to-day than it has ever been before.

PHILIPPINE CIVIL HOSPITAL.

The work of the civil hospital during the past year has continued to be of a highly satisfactory character. Several bitter attacks have been made on this institution in the local press, but careful investigation has failed to show any improper conduct or failure to perform duty on the part of any officer or employee of the institution. The Commission showed its appreciation of the character of the services rendered by the attending physician and surgeon in charge by raising his salary on January 1, 1904, at a time when very few increases in salary were being made, and those only upon the strongest of showings.

The taking effect of the new leave law, under which time spent in the hospital is charged to vacation leave instead of to sick leave, has materially decreased the attendance.

The unprecedented flood which invaded Manila on July 13, 1904, was followed by an extraordinary increase in the number of cases of amœbic dysentery. More than fifty persons suffering from this disease were at one time under treatment in the civil hospital, and practically every bed in that institution was filled for a number of weeks. The frequent attention required by dysentery patients, coupled with the fact that at this time one of the nurses was on detail at the civil sanitarium, Baguio, Benguet, and others were on leave of absence, threw an almost intolerable burden of work upon those who remained, but they responded nobly to the demands made upon their time and strength until additional help could be secured and the situation relieved.

Amœbic dysentery continues to be the most troublesome ailment with which American employees in the Philippines are afflicted. During the year ending August 31, 1903, 77 cases of this disease were treated at the civil hospital, with 3 deaths. During the present year 253 cases have been treated, with but 3 deaths. Two hundred and thirty of these cases were treated by the hospital staff and the remainder by private physicians. A large number of civil officers and employees suffering from this disease did not report at the hospital, but were treated by private physicians at their homes. While the mortality in dysentery cases at the civil hospital has been very low, amounting to only about 1 per cent, a considerable number of patients have ultimately left the islands temporarily or permanently in order thoroughly to regain their health.

Amœbic dysentery is far better understood now than during the early days of American occupation. Most cases, if taken promptly, yield quite readily to treatment, but cases of long standing often prove very refractory. It is therefore of great importance that an early diagnosis should be made, and, as this is readily possible with the aid of the microscope, the attending physician and surgeon has with the approval of the undersigned, recently addressed a circular letter to the chiefs of all bureaus calling attention to the necessity of having all cases of incipient bowel trouble among their employees promptly diagnosed by the bureau of laboratories. When samples are transmitted through the attending physician and surgeon to the bureau of laboratories, a microscopic examination is made free of charge, and therefore there is no excuse for any employee delaying definitely to ascertain the cause of intestinal troubles from which he may be suffering.

The total number of cases treated at the civil hospital during the year was as follows: Medical—Males, 1,244; females, 195. Surgical—Males, 420; females, 65.

Forty-seven of the patients treated at the hospital died. Of these 14 were the patients of private physicians. This gives a mortality of 1.86 per cent for patients treated by the hospital staff. Of the 33 deceased patients thus treated 13 were in a dying condition upon admission. If these are deducted, the death rate was 1.13 per cent. This rate, which is extremely low for a hopsital in a tropical country, is in itself sufficient answer to the adverse criticisms which have been

from time to time made relative to the care of patients at the civil hospital.

The total number of persons admitted to the hospital was 1,909, divided as follows: Civil employees, pay patients, 996; civil employees, free patients, 465; private patients, 286; emergency cases, 162. Of the patients treated 1,325 were Americans and Europeans, 560 were Filipinos, 6 were Indians, 2 were Hindoos, 10 were Japanese, and 6 were Chinese.

Medicines and medical supplies to the value of ₱577.01 were furnished to other bureaus for the use of civil employees on duty outside of Manila. Eight thousand one hundred and ninety-one prescriptions were filled, and 12,900 visits were made by patients to the office of the attending physician and surgeon, who also made 3,650 outside calls. The total number of surgical dressings performed in the dressing room was 8,400.

TRAINING OF FILIPINO NURSES.

Three Filipino women have been employed recently in the women's ward, and the attending physician and surgeon expresses himself as greatly surprised at the adaptability and faithfulness which they have displayed. There is no room for doubt as to the urgent necessity for establishing a training school for Filipino nurses, but it is not apparent that this can be done in the present cramped quarters occupied by the civil hospital.

MATERNITY WARD.

The need of increased accommodations in the maternity ward is especially great. The congestion there is at times such as to necessitate putting three or more mothers with young babies in a single room. Temporary relief will be afforded by the removal of the chemical laboratory to the new building of the bureau of government laboratories, which will make the old laboratory building available in connection with hospital work, but it is small, low, and hot, and will by no means afford a satisfactory solution of the difficulty, which can only be met by the erection of a modern building on a good site, well removed from low, undrained, mosquito-breeding grounds, such as adjoin the present civil hospital.

Further details as to the work of the civil hospital may be found in the report of the attending physician and surgeon for the year ending August 31, 1904. (Appendix F.)

THE CIVIL SANITARIUM, BAGUIO, BENGUET.

During the last months of the dry season of the present year the civil sanitarium at Baguio, Benguet, was made more accessible than ever before by the completion of the new Benguet road to Camp 4 and the construction of a horse trail from that point to the Igorrote settlement of Loacan, from which place the upper section of the Benguet road, constructed several years since, gives easy access to Baguio. As a result, the attendance during these months was exceptionally large. During the stay of the Commission at Baguio, from the 15th of April to the 15th of June, every available bed was constantly filled, and many applicants were necessarily refused admission. A number

of patients, who were directed by their physicians to go to Baguio immediately or leave the islands, were compelled to adopt the latter course.

The 20-room addition, which was authorized in 1903 by resolution of the Commission, has not yet been constructed, for the reason that sufficient lumber could not be secured, the small amount available having been used for the completion of three of the government cottages, for the erection of a temporary office building, and for barracks for servants and laborers. No adequate quarters have heretofore been available for the latter class of employees, who have at times suffered considerable hardship.

An appropriation has now been made for the addition to the sanitarium of some 23 rooms for patients and boarders, together with an outside kitchen and other necessary outbuildings, and it is hoped that this addition can be completed before the coming dry season, so that better accommodations may be furnished than have been heretofore available.

By resolution of the Commission, dated May 30, 1904, a pesthouse at Baguio was authorized. It will be erected at the end of the present rainy season, when lumber and labor are available.

Less difficulty was experienced during the year than heretofore in securing food. A considerable quantity of fresh vegetables was furnished by the agricultural station at Trinidad. The supply might readily have been made to exceed the demand had the necessity for irrigation at this station during the dry season been called to the attention of the undersigned promptly enough to allow of the construction of irrigation ditches before dry weather had seriously injured or killed many of the vegetables which should have been ready for use during the closing months of the dry season. As the entire tract of land occupied by this station can now be irrigated, there should be no further shortage of fresh vegetables, experience having shown that practically all the vegetables of the Temperate Zone can be successfully raised in the Trinidad Valley.

ATTENDANCE.

One hundred and fifty government officers, employees, and members of their families, and 20 private servants were accommodated at the sanitarium during the year. These figures do not include the occupants of the sanitarium cottages. Heretofore the sanitarium at Baguio has been practically deserted during the rainy season. This year, however, although the rains have been unusually heavy, the number of persons other than the employees of the institution staying there has not been less than ten during any week. Transportation difficulties still render it hard for any but fairly healthy persons to reach Baguio, and a large proportion of those who make use of the sanitarium are not patients, but are persons seeking change of climate and rest.

Seventy-four actual hospital patients have been treated during the year, of which number 37 were Americans, 7 Filipinos, and 30 Igorrotes. Of these 33 were cured, 31 improved, 8 unimproved, and 3 died. This list does not include persons who were temporarily ill while living or boarding at the sanitarium, those treated at their homes by the attending physician and surgeon, or the relatively

large number who called at the office of the attending physician and surgeon for treatment, but lived outside the sanitarium. The latter class are enumerated by the attending physician and surgeon in his report under the heading, "Outdoor department." The work of this department was originally built up by Doctor Thomas, the present attending physician and surgeon, and was resumed by him on his return from the United States in December. During the seven months ending August 31, 1904, 301 persons were treated at the dispensary or at their homes. Of these 98 were Americans, 90 Filipinos, 94 Igorrotes, and 19 Japanese. Eight surgical operations were performed, and 335 revisits and 183 vaccinations were made. The relatively large number of Igorrote patients treated in the outdoor department is of interest. It is but a short time since the only remedy believed by the Benguet Igorrotes to be efficacious in the treatment of disease was a feast, at which pigs, chickens, or cattle were sacrificed. They are now coming to appreciate the efficacy of the white man's remedies and to take advantage of the opportunity to secure them.

DISEASES AT BAGUIO.

Further experience goes to prove that patients suffering from anemia, nervous exhaustion, obstinate dyspepsia, and other intestinal diseases derive great benefit from the cool and stimulating climate of Baguio, but such patients should prepare to remain there at least a month, and probably two months, if they hope to be permanently cured. Troubles of this sort can not be cured in a few days in any climate.

Beriberi.—There has been a small outbreak of beriberi among the prisoners at the provincial jail at Baguio and among the constabulary stationed there. The disease was undoubtedly imported from the Benguet road, where it has prevailed to some extent among the laborers. It was of a mild type and has yielded readily to treatment in most cases.

Bronchitis.—Bronchitis is quite prevalent among the native inhabitants of Baguio during January and February as well as during the rainy season. Insufficient clothing and shelter account for most of the cases.

Dysentery.—Dysentery is common among the native inhabitants at the beginning of the rainy season, and is frequently contracted by Americans at this time, particularly by newcomers who have not become acclimated. The disease is of the simple catarrhal variety, usually accompanied by slight fever, with little if any pain. It is ordinarily self-limiting and disappears after a few days of rest and proper diet. Cases with considerable hemorrhage frequently clear up completely within a week, thus showing the characteristics of an acute congestion rather than of a specific disease.

Absence of amœbic dysentery.—No well-authenticated case of amœbic dysentery contracted at Baguio has ever occurred. Microscopic examinations of many persons suffering from catarrhal dysentery have recently been made and amœbæ have never been found in any case that was known to have had its origin at Baguio. During the past dry season amœbæ were demonstrated in two of the surface springs at Baguio, and later, during the rainy season, in two other

springs from which the natives are accustomed to drink. As a consequence, circulars were issued warning all residents to boil their water, but in view of the fact that no case of amœbic dysentery has ever yet originated among civil employees or other Americans living in or near Baguio, although most of them take no precautions as to the sterilization of their drinking water, and in view of the further fact that this disease is thus far unknown among the Igorrote inhabitants of this region, it is at least doubtful whether the amœbæ found were of the dysentery-producing variety. Persons treated at the sanitarium between March 1 and August 31, 1904, in whose stools amœbæ were found, were in every instance patients transferred for treatment from Manila or other lowland towns.

Of the civil officers and employees who spent the latter part of the dry season at Baguio five were found to be suffering from amœbic dysentery shortly after their return to Manila. One of these persons, who refused to have a microscopic examination made while at Baguio, was in all probability suffering from the disease at the time she went there. All the others had had abundant time to contract the disease after their return to Manila before it was detected. Several of them suffered from intestinal disturbances while at Baguio, but unfortunately microscopic examinations were not made.

With a view to determining the question of whether or not amœbic dysentery may originate at Baguio the attending physician and surgeon has been directed to make careful microscopic examination in every case of intestinal disorder coming under his care.

It is an interesting fact that repeated examinations have failed to reveal the presence of amœbæ of any sort in the beautiful spring which forms one of the sources of the Bued River and from which Baguio will ultimately be supplied with drinking water.

Tuberculosis.—During two years of practice in and about Baguio the attending physician and surgeon has never yet observed a case of pulmonary tuberculosis among the native Igorrotes or Ilocanos. Americans suffering from tuberculosis who have been sent temporarily to Baguio have shown quite rapid improvement, but none of them have remained there long enough to make it possible to determine the ultimate effect of permanent residence there on persons suffering from this disease. It is the opinion of the attending physician and surgeon that no special provision need be made at Baguio for Americans with tuberculosis, for the reason that such persons should in any event return to the United States, as the climate of the lowlands is particularly favorable to the development of this disease, although if the patient is already greatly reduced, so that the voyage across the Pacific might prove disastrous, it would be well to send him to Baguio for a sufficient length of time to allow him to recuperate.

With Filipinos, however, the case is very different. Tuberculosis is the chief cause of death among adults at Manila, and is quite prevalent throughout the islands. It is doubtful if any Filipino suffering from this disease would care to take up his residence in any other country, especially when there is a region in the Philippines with a climate such as to afford good hope of recovery. In the opinion of the undersigned a settlement for tuberculosis patients should ultimately be established on some sunny and sheltered site well removed from Baguio, so that it might be possible for Filipinos to take up their residence there until restored to health.

WEATHER.

The highest temperature registered at the weather station at Baguio during the year was 77.7° F, on April 5, 1904, and the lowest was 49.8° F., on January 6, 1904. The highest monthly average or mean maximum temperature was 74.1° F., for April, 1904, and the lowest monthly mean minimum temperature was 52.5° F., for February, 1904.

The severe drought of last year has been followed by extraordinary rains, the rainfall for the twelve months reaching the phenomenal total of 195.56 inches, as compared with 96.29 inches for the same period in 1900–1901. The highest monthly rainfall was 54.92 inches, in July, 1904, and the lowest 0.81 inch, in March, 1904. On October 26, 1903, there occurred a veritable deluge, 19.82 inches of water falling in twenty-four hours.

NEW HOSPITAL BUILDINGS RECOMMENDED.

The attending physician and surgeon renews and emphasizes his recommendation of last year that a new hospital on the pavilion plan be erected at Baguio, and gives, with much detail, his views as to the number, size, and character of the buildings needed; as to their orientation, ventilation, and heating, and as to the materials which should be used in their construction. The unsuitableness of the present sanitarium building for the purposes to which it is now put is too well known to require comment. With the proposed addition it will make a fair boarding house for civil officers and employees, but it is unfit for use as a hospital building. However, the rooms in the proposed addition will be more sunny and dry than are those in the present structure. The recommendation of the attending physician and surgeon relative to the erection of proper hospital buildings, constructed on the pavilion plan, at such time as improved transportation facilities have brought the cost of construction within reasonable limits, is heartily concurred in by the undersigned.

SANITARIUM STABLE.

The sanitarium stable which was begun last year was not completed until April, 1904. It furnishes good accommodation for 43 native ponies. The rental of ponies was a source of considerable income during the busy season. The demands of patients and guests led to a material increase in the number of ponies kept. Supervision was exercised over the stable by a hospital steward who had numerous other duties, with the result that ponies were sometimes improperly cared for or neglected, and that persons who used them occasionally abused them without being called to task for such improper conduct or compelled to pay for injury to them. With a view to remedying this difficulty an American employee has been engaged to look after the stable.

The necessity for good stables at Baguio has been demonstrated during the recent heavy rains, which caused no loss among sanitarium ponies, but are known to have killed 16 out of one small herd in the Trinidad Valley.

SUPERINTENDENT AUTHORIZED.

During the busy season the sanitarium was both a hotel and a hospital. The attending physician and surgeon was compelled to run a livery stable, meet the endless difficulties involved in securing subsistence supplies, provide transportation for patients and guests on the trail, give medical attendance to the sick in the sanitarium and in the vicinity of Baguio, and exercise general supervision over the sanitarium grounds and cottages. It was obviously well-nigh impossible for any one man satisfactorily to discharge such numerous and varied duties. With a view to preventing a similar condition of affairs during the coming busy season, provision has been made for a superintendent from and after January 1, 1905, who will attend to the hotel features of the work and will look after transportation.

For further details of the work of the civil sanitarium, and for a particularly interesting and instructive account of the diseases which have been found to occur among the native inhabitants of Baguio and its vicinity, reference is made to the annual report of the attending physician and surgeon for the year ending August 31, 1904. (Appendix G.)

BUREAU OF FORESTRY.

Up to May of the present year the operations of the bureau of forestry were conducted in accordance with the provisions of General Orders, No. 92, series of 1900, issued by the military governor. Act No. 1148, entitled "The forest act," which embodies the results of four years of practical experience in Philippine forest work, was enacted May 7, 1904. In drafting it the chief of the bureau had the benefit of many valuable suggestions from Mr. Gifford Pinchot, Chief of the United States Bureau of Forestry. It is hoped that the provisions of the new forest act will result in stimulating the lumber industry in these islands, and at the same time in protecting and actually improving the public forests. By this act the tariff charged on different forest products was reduced 25 to 60 per cent. Native woods were rearranged in four groups instead of five, as heretofore, and the term "superior group," which had been constantly confounded with "first group," was abolished. The provinces were divided into two classes, namely, those with abundant forests and those where forests are becoming scarce; and the tariff fixed for the former class was half that prescribed for the latter.

The granting of exclusive licenses covering definite tracts of land for periods up to twenty years was provided for, thus rendering it practicable for lumbering companies to install adequate plants with the certainty that they will be able to control extensive tracts of forest land for a sufficient period to justify the investment of considerable sums in machinery, animals, etc.

EXHIBIT AT THE LOUISIANA PURCHASE EXPOSITION.

Much time was given during the early part of the year to preparing and shipping the Philippine forestry exhibit at the Louisiana Purchase Exposition. Serious transportation difficulties were encountered in the provinces. The workshop of the bureau, which had been

recently established, was without woodworking machinery or fine oils or varnishes, all of which had been seasonably ordered from the United States but had not been received. A creditable exhibit was, however, prepared.

A forest map of the entire archipelago, measuring 16 by 13 feet, on a scale of 6 miles to the inch, was made by the draftsman of the bureau and sent to St. Louis, while a copy, half the size of the original, was retained for the office of the chief of the bureau. Forest maps of five forest districts, comprising the provinces of Bataan, Zambales, Tayabas, Ambos Camarines, Mindoro, and Masbate, were also completed. They show the limits of the tract of public forest granted to each holder of a timber license in these provinces. Wall maps of nine other provinces were made in less detail.

NEW QUARTERS.

New and commodious quarters have been assigned to the bureau in the Oriente Building.

ADDITIONAL EMPLOYEES.

The authorized working force of the bureau has been increased by one civil engineer, one inspector, four assistant inspectors, one clerk, and one skilled workman. An improved system of inspection and increased experience on the part of officers and employees of the bureau have materially added to the efficiency of the service.

COLLECTIONS ON FOREST PRODUCTS.

The total collections on forest products for the year amount to $599,480.58, Mexican currency, as against $527,414.85 for the previous year.

DIVISION OF FOREST MANAGEMENT.

During the first half year the work of the division of forest management was mainly confined to the examination of forest areas assigned to different licensees in the provinces of Zambales, Bataan, Tayabas, Ambos Camarines, and Masbate, and to the marking of timber for felling within these areas. The system of marking all timber to be felled is being extended as rapidly as practicable, and is of great importance in preserving the more valuable tree species from extinction over wide areas and in the improvement of the forests by properly directed cutting.

LICENSES.

While local forest officers are authorized to grant ordinary timber licenses for amounts not exceeding 13 cubic meters, as well as gratuitous licenses to needy residents, and firewood licenses, all applications for the taking of forest products in large amounts are forwarded to the Manila office by local forest officers, together with their recommendations. Applications sent direct to the Manila office by applicants are referred to local forest officers for recommendation before action is taken thereon. In issuing licenses old licensees who are residents of

the municipalities within which they desire to cut are given first consideration. New applicants living in the municipality which they desire to cut come next; then old licensees who are residents of the province but not of the municipality in which they desire to cut; and finally, new residents of the province. In this way an attempt is made to favor actual residents and persons who can personally supervise forest operations.

All applications made in the five forest districts of Bataan, Zambales, Ambos Camarines, North Tayabas, South Tayabas, and Masbate were forwarded to Manila by the local forest officers with their recommendations. Many more applications for license were received than during any previous year since American occupation. All licenses were allowed four months from the dates of their licenses in which to commence operations. A number of licenses were canceled for failure to comply with this provision.

Owing to the destruction by wind and fire of a number of towns, there was a noticeable increase in the number of gratuitous licenses granted to needy residents for lumber to rebuild their houses. A total of 2,390 licenses for the taking of forest products were granted to private individuals, under which there were taken 4,458,235 cubic feet of timber, 230,417 cubic meters of firewood, 6,749 cubic meters of charcoal, 10,419,786 pounds of dyewood, 396,369 pounds of tanbark, 1,791,086 pounds of dammar, 50,856 pounds of gutta-percha, 8,593 pounds of india rubber, 266,821 pounds of resins, balsams, and allied products, 88,364 liters of oils, 149,058 pounds of beeswax, 370,746 pounds of rattan, 882 liters of honey, 2,505 stakes for fish corrals, 2,345 orchids, and 427 cubic meters of wood for shoes, on all of which the regular charges were paid. There were also taken under gratuitous license 364,755 cubic meters of timber, 124,888 cubic meters of firewood, and 7,955 pounds of tanbark.

Nineteen timber licenses were granted to companies. The amount of timber cut under these licenses was 458,327 cubic meters.

LAMAO FOREST RESERVE.

Work was begun by the bureau of forestry at Lamao, province of Bataan, in August, 1903, and on July 26, 1904, the Lamao Forest Reserve, including an area extending from the seashore to the summit of Mariveles Mountain, was set aside by proclamation of the civil governor. Three nurseries have already been started on this reserve. Type areas have also been established, and the more important trees within these areas have been identified and numbered. Roads have been constructed and three camps have been built, the lowest at sea level and the highest at an elevation of 2,400 feet. A field party of four persons is at present mapping the reserve and is showing the location of all land within it claimed by private persons, in order that such claims may be adjudicated by the court of land registration. A botanical survey of the reserve has been planned and is being carried out through cooperation between employees of the bureau of government laboratories and of the bureau of forestry.

The Lamao Forest Reserve, with its well-organized camps and good roads and trails, extending, as it does, from the sea beach, with its characteristic flora, through forest-covered lowlands and up foothills

and mountain slopes to the cloud-draped summit of Mariveles Mountain, with stunted trees buried in moss and covered with countless orchids, affords opportunities for visiting botanists which can not be equaled elsewhere in the Philippines, and can hardly be excelled anywhere. The location is healthful and the heat is moderate at sea level, while the higher mountain slopes are very cool. Visitors desiring to study the flora of the Lamao reserve will be given every opportunity to do so, and will be allowed to make their headquarters at any one of the permanent camps.

Exchanges of seeds and plants from the Lamao reserve are being made with a number of botanical gardens in the Far East, and new plants, some of which seem likely to prove of economic value, have been introduced. Mangoes, cocoanuts, bananas, and pineapples were found growing on the reserve without cultivation. Large areas have now been planted with selected varieties of bananas and pineapples, and considerable numbers of seedlings of papaya, orange, lemon, anona, cocoanut, chico, cashew nut, and other fruit-bearing trees of less importance have been put out. Five thousand mango seedlings have also been planted. Experiments are being conducted with native oranges and lemons with a view to improving their quality.

Thirty-seven varieties of native timber trees, 32 varieties of foreign timber trees, 17 species of native ornamental trees, 18 species of imported ornamental trees, 46 species of native ornamental plants and flowers, 21 species of imported ornamental plants and flowers, 28 species of native fruits, 22 species of imported fruits, 12 miscellaneous plants and native vegetables, and 16 species of forage plants, fiber-producing plants, and imported vegetables are already planted and growing.

At an elevation of 2,000 feet wild raspberries were found in abundance. At this point a tract of land has been cleared and several acres planted in deciduous fruits, coffee, and the best varieties of California oranges and lemons. Teosinte is being grown in order to furnish forage for the animals used on the reserve, a crop of 30 tons of fodder having been secured from the first cutting on 1 acre of land, while eight successive cuttings were obtained from trial plats during the year.

Analyses of the soils from each of the three stations have been made by the bureau of government laboratories.

After visiting and thoroughly inspecting this reserve, the undersigned is impressed with the fact that a vast amount of valuable work has been accomplished there at very small expense, and that Lamao, which can be easily and quickly reached by water from Manila, will, in the near future, become a point of great interest not only to technical forest and botanical workers, but to a large number of other persons who will desire to enjoy beautiful tropical forest scenery without undergoing the hardships which such enjoyment usually involves.

TIMBER-TESTING LABORATORY AND WORKSHOP.

During the first half of the year the time of the employees of the timber-testing laboratory and workshop was largely devoted to the preparation of the forest exhibit for the Louisiana Purchase Exposition. Owing to the nonarrival of machinery, practically everything

had to be done by hand. When this exhibit had been shipped regular work was resumed.

Prior to April 22, 1904, 150 timber tests, covering 82 different species, were made. Since that time the work of the laboratory has been under the supervision of Mr. Rolland Gardner, who has made 113 tests of 58 kinds of woods, 46 of these tests being made on 13 different species of woods from Borneo. Detailed results of these tests will be found in the report of the chief of the bureau of forestry. (Appendix H.)

A small number of samples only of each kind of wood have thus far been tested, and results are only approximate. A more systematic series of tests has recently been inaugurated on 100 specimens, measuring 6 feet by 4½ by 4½ inches, of each of the six leading native construction woods.

Although more than 700 different species of native woods have been brought into the Manila market during the past year, fully 75 per cent of the total amount marketed belonged to 37 of these species. Many very valuable woods can not be sold to-day in the Manila market, because their properties are not well known. The tests made in the timber-testing laboratory, and the practical demonstrations of the value of these woods afforded by their employment in the workshop for the construction of handsome furniture, are of great value in promoting their use. Sets of wood samples taken from more than 80 of the more important tree species have been prepared for distribution to scientific and other institutions.

A fairly complete set of wood-working machines was received from the United States in February and installed in the workshop. Since that time a large amount of cabinetwork in the way of renovating and polishing old furniture has been performed. Under proper methods of filling and polishing the beauties of the native Philippine woods have been brought out for the first time. There has been a rapid increase in the receipts from work done in this shop, and it would be possible to place it on a paying basis in a short time. The Commission has decided, however, to transfer this branch of the work to Bilibid prison, in order to secure a better supply of labor for the shop and at the same time to teach convicts a useful trade, which they can follow after their release and which would yield them returns sufficiently good to take away the temptation to steal in order to secure a livelihood.

For further details relative to the work of the bureau of forestry for the year ending August 31, 1904, and for a series of fine illustrations showing Philippine forest scenes, reference is made to the report of the chief of the bureau. (Appendix H.)

THE MINING BUREAU.

A reorganization of the mining bureau, in order to make possible the carrying on of active field work, was effected by the passage of Act No. 916, effective October 15, 1903.

Mr. Charles H. Burritt, the first chief of the bureau, was appointed a judge of first instance prior to the time this act took effect, and Mr. H. D. McCaskey, who had previously held the position of mining engineer in the bureau and who had served as its acting chief during the absence of Mr. Burritt, was made chief.

The functions of the mining bureau as reorganized are—

to make, facilitate, and encourage special studies of the mineral resources, mineral industries, and geology of the Philippine Islands; to collect statistics concerning the occurrence of the economically important minerals and the methods pursued in making their valuable constituents available for commercial use; to make collections of typical geological and mineralogical specimens, especially those of economic and commercial importance, such collections to constitute the museum of the mining bureau, subject, however, to transfer by executive order of the civil governor to any general museum established; to provide a library of books, reports, drawings, etc., bearing upon the mineral industries, the sciences of mineralogy and geology, and the arts of mining and metallurgy, such library constituting the library of the mining bureau; to make a collection of models, drawings, and descriptions of mechanical appliances used in mining and metallurgical processes; to preserve and so maintain such collections and library as to make them available for reference and examination, and open to public inspection at reasonable hours; to maintain, in effect, a bureau of information concerning the mineral industries of the Philippine Islands; to make an annual report to the secretary of the interior setting forth the important results of the work of the bureau, such special reports as may be called for by proper authority, and such bulletins concerning the statistics and technology of the mining industries, and of the geological and mineralogical and other office and field work of the bureau, as may be approved by the chief of the bureau and ordered published by the secretary of the interior.

To the end that this work might be carried out, the appointment of two geologists, two field assistants, and the temporary services of such assistance from mining engineers, experts, practical miners, and others as the funds appropriated for the field work of the bureau might warrant, together with an adequate clerical force, was authorized. It will be seen that the functions of the bureau as reorganized approximate more nearly to those of a State mining bureau in the United States than to those of the Federal Geological Survey, and the chief aim of the bureau as reorganized is to secure and disseminate reliable information relative to the mineral wealth of the islands, the methods likely to prove successful in its development, and the work actually in progress.

ASSAY WORK TRANSFERRED.

The first fire assaying subsequent to the cession of the Philippines to the United States was carried on by the mining bureau; subsequently, pursuant to the established policy of having all chemical work performed in a central chemical laboratory, fire assaying was transferred to the bureau of government laboratories. In the inadequate quarters heretofore occupied by the chemical laboratory it has been impracticable to provide suitable facilities for this work. In the new and thoroughly equipped building to which the chemical laboratory is now being transferred there is a room provided with all modern appliances for fire assay work and with facilities for crushing and grinding rock. The cost of grinding and firing ore samples will be greatly reduced by the use of proper machinery—a large furnace and an electric smelter—so that a material reduction in the fees charged for custom work is possible. It is believed that every need of miners, prospectors, mill men, and smelter men can now be satisfactorily met without sending samples to the United States. Blowpipe and petrographic microscopical mineral and rock determinations will be made in the future, as in the past, by the mining bureau.

ADMINISTRATION OF MINING GRANTS TRANSFERRED.

Pursuant to the policy of leaving the mining bureau free to carry on field work and to study the materials thus obtained, the records and archives pertaining to so-called Spanish mining grants and mining claims, as well as the administration of such grants and claims, were transferred to the bureau of public lands by Act No. 915, passed October 1, 1903. All land-office business pertaining to mining claims was thus placed where it properly belongs.

NEW QUARTERS NEEDED FOR THE BUREAU.

The mining bureau is at present quartered in five rooms in the old Spanish mint building. They are inadequate for the present working force and are not sufficiently well lighted to permit a proper display of the mineral collections. It is believed, however, that no attempt should be made again to move the bureau until it can be transferred to permanent quarters, and that satisfactory quarters for the mineral museum can be obtained only by construction. The plans originally prepared for the new building of the bureau of government laboratories contemplated the ultimate erection of two wings, one of which should accommodate the bureau of agriculture and the bureau of forestry, and the other the mining bureau and the bureau of public lands. Good quarters have now been provided for the bureau of agriculture and the bureau of forestry in the Oriente Building. The bureau of public lands is, like the mining bureau, still very inadequately housed, and the Commercial Museum already more than fills the space allotted to it in the Oriente Building. The necessity for the provision of additional museum space will become imperative upon the return from the St. Louis Exposition of certain of the valuable collections which have been sent there, and it is believed that when the condition of the insular finances will justify the necessary expenditure proper space should be provided for a general museum and for the mining bureau and the bureau of public lands by the construction of one of the two proposed wings of the building of the bureau of government laboratories. So far as the mining bureau is concerned, this arrangement would be peculiarly happy, for its mineralogical collections could then go where they belong—in a well-lighted museum open to the public—and would still be conveniently accessible to the officers and employees of the bureau, while the immediate proximity of the chemical laboratory, where the assay work is done, and of the general scientific library would still further facilitate the work of the bureau.

ADDITIONS TO COLLECTIONS.

Extensive and valuable additions have been made to the mineral collections during the past year. The present chief of the bureau purchased, while on leave in the United States, a good working collection of typical specimens, consisting of 350 pieces representing the more important minerals, especially those entering into the composition of rocks; 200 pieces representing ores and minerals of economic interest, 225 rock specimens, and 250 specimens of fossils,

particularly those of the Tertiary and Quaternary periods. This working collection is of great practical value, both to the officers and employees of the bureau and to miners and prospectors. Large additions have also been made as a result of the field work of the bureau, more especially from the province of Lepanto and the island of Mindoro. Numerous samples of ores, coals, rocks, guanos, and a few fossils have been contributed by miners, prospectors, and other friends of the bureau. Special mention should be made of a collection of 28 samples of gold, iron, and manganese ores from the island of Masbate, presented by Mr. Heise.

With a view to showing the mineral resources of the Philippines these collections are conspicuously displayed, one case being devoted entirely to coal, another to gold ores, a third to copper, lead and iron ores, and a fourth to clays suitable for the manufacture of bricks and pottery, to limestone and natural cement, and to building stone, all from the Philippines. Tools and models showing the methods of Igorrote copper metallurgy in Lepanto, and of Tagalog iron-smelting operations in Bulacan, are also on exhibition.

ACTIVE FIELD WORK BEGUN.

Although the provisions of act No. 916, reorganizing the mining bureau, became effective October 15, 1903, some time necessarily elapsed before the new positions created could be filled and the first field party organized. Mr. A. J. Eveland, the geologist who was to take charge of this party, arrived from the United States in January, and as soon as funds had been made available by the passage of the semiannual appropriation bill the party left for southern Lepanto, to undertake a systematic investigation of the Mancayan-Suyoc district, where are found the largest copper deposits yet discovered in the Philippines, as well as considerable deposits of gold-bearing ore. The party remained in the field until June 22, when rains made further field work impracticable. In fact, for three weeks prior to its return the party worked in rain a part of every day.

Apart from mapping and careful investigation of the country in the vicinity of Mancayan and Suyoc, this party made a route survey from Candon, Ilocos Sur, to Suyoc, by way of Tilad Pass, and another route survey from San Fernando, Unión, to Baguio, Benguet.

A large series of rock samples and ores was secured. They are now being worked up by employees of the bureau of laboratories and of the mining bureau. The results of the trip will be published as soon as practicable.

Messrs. Eveland and Ickis also investigated the gold placer deposits at the junction of the San Mateo and Novaliches road and the Novaliches River, discovering placer platinum at this point. This is the first discovery of platinum in the Philippine Islands, and although it has not yet been found in sufficient amount to be of commercial importance, the fact of its occurrence is noteworthy.

The chief of the bureau has examined the coal deposits in the mountains east of San Mateo, in the province of Rizal, but the seams observed were not of sufficient thickness for profitable work, and the coal was found by analysis to contain 35 per cent of ash. Although these seams are unimportant, good lignite occurs in large amounts near the towns of Boso-Boso and Antipolo, in the same province.

During the month of April, 1904, the chief of the bureau was invited to accompany an exploring expedition fitted out from the Twelfth Cavalry, at Camp McGrath, Batangas, for the purpose of crossing Mindoro from Baco, on the east coast, to Santa Cruz, on the west coast, and of seeking such information as might be obtainable concerning the people, resources, and conditions in the interior of this hitherto unexplored portion of Mindoro. The party landed at Baco on April 2, following the Baco River for about 12 miles in bancas and proceeding on foot from the point thus reached, along the north arm of the river, known as Alog, until a series of gorges and precipices were encountered which made further progress impossible. They then struck across one of the northern spurs of Mount Halcon, reaching at one time an altitude of 3,200 feet, struck the head waters of the Bagajan River on the west slope of this spur, and followed this river to the west coast.

The party slept on the ground, under 8-ounce shelter tents, and subsisted on hardtack, bacon, canned stew, and coffee. The trip was one of much hardship, there being no roads or trails through the forest. Rain fell in torrents during the entire time spent in the forests of the divide, and on one occasion the party had a narrow escape from losing its baggage and even some of its members through the extraordinarily rapid rise of a mountain stream. On the high western slopes of the divide rock exposures showed a great thickness of crystallized limestone, much of it in the form of fine white marble and of slates. Serpentine was found as float, as was bornite, a valuable copper ore. Streams were panned for platinum, placer gold, and tin, but none of these metals were found. The rocks encountered were in general metamorphic and apparently of considerable age. Volcanic rocks were found only on the west coast. Route surveys were made from coast to coast by Lieutenants Beck and Mayo, and the chief of the mining bureau is only awaiting copies of the maps resulting from these surveys to complete his report on this trip.

The chief of the bureau also visited Taal Volcano during a period of unusual activity in July, for the purpose of collecting material for study and of outlining plans for future work in connection with this interesting center of seismic disturbance.

FUTURE FIELD WORK.

It is planned in the near future, as soon as cessation of rains makes field work possible, to undertake a detailed investigation of the mineral resources of the province of Benguet, and to examine the coal deposits on the island of Bataan and the gold-bearing gravel deposits of Masbate.

The collection of statistics and general information concerning the mineral resources of the islands and their development will be continued by Mr. Morris Goodman, field assistant of the bureau, and special attention will be given to gathering information concerning clays for brick and pottery, limes, natural cements, and building stones. The study of the stratified economic deposits of the islands, with particular reference to the development of iron and coal, must await the appointment of another geologist, which it is hoped can be made in the immediate future.

PRESENT STATUS OF MINING.

Substantial progress has been made toward the development of Philippine mineral deposits during the past year. Active operations are now being carried on in Lepanto-Bontoc, Benguet, Bulacan, Rizal, Tayabas, Ambos Camarines, Albay, Mindoro, Cebu, and Mindanao. At Suyoc and Mancayan, in southern Lepanto, assessment and development work is being performed on a larger scale than at any time since American occupation. Transportation difficulties have been very great in this region. It is hoped that they may be diminished during the coming year by the construction of a one-day trail over Malaya Mountain to Tagudin, on the coast. The time at present occupied in going over the Tilad Pass to the coast is three days.

Much more important work has been done in Benguet than in Lepanto. Mr. James Kelly has persistently developed a promising gold lode near Antomok, and has now gone to the United States for the purpose, it is understood, of purchasing a complete stamp mill to work his ore, which is very rich. A little farther south Messrs. Peterson and Clyde are developing a gold claim in a business-like manner, and are contemplating the establishment of a stamp mill, with dam, flume, and a turbine power plant. The Philippine Gold Mining, Power, and Development Company are developing five gold claims some 4 miles from Kias, and have recently imported and shipped to their mines a 10-stamp Hendy mill, with a Woodbury concentrator, a Blake crusher, a Pelton water wheel, capable of operating 60 stamps, and an assay equipment complete. This plant will be transported over the Benguet road to Kias. The government has authorized its owners to use Igorrote laborers from the road to transport it from Kias to their mill site, they agreeing to pay the wages of the laborers while so occupied and to give the government the use of their plant for any investigation of Benguet ores which it may desire to make.

For some time Mr. Hartwell has been operating his claim near Kias at a profit, with a 3-stamp mill built by himself in a Manila machine shop. This is the first stamp mill ever erected and operated in the Philippine Islands.

Other gold claims are being developed in Benguet and several of them give good promise of proving profitable.

Copper has also been discovered in this province. A number of copper claims have been located and recorded, and assessment work has been done upon them. Many of the copper ores of Benguet and Lepanto carry gold.

The extremely rich and pure iron deposits of the Angat region in Bulacan have been worked in a small way, as heretofore, by native miners, who display great ingenuity in smelting on a small scale and in the casting of plowshares and points. These valuable deposits should in the near future be developed on a large scale. The extension of the Cabanatuan branch of the Manila and Dagupan Railroad will considerably simplify the transportation problem involved in getting charcoal or coke to Angat and in shipping iron and iron ore. The ore is rich enough to justify its shipment to Japan, where, it is understood, there would be a good demand for it.

A number of placer claims have been located and worked to the

north and west of the towns of Montalban and San Mateo, in the province of Rizal.

Twenty-two petroleum locations and other claims have been recorded in the province of Tayabas.

Valuable concessions granted by Spain in the gold districts of Paracale and Mambulao, in Ambos Camarines have not been worked, owing to difficulties encountered by the claimants in securing capital. The time for the legal performance of labor has been once extended, but is now rapidly drawing to a close, and there appears to be no authority of law for a further extension. It is understood that capital has now been secured by the claimants, and they may, perhaps, be able to perform the necessary work before the time limit expires. It is certainly to be hoped that the present claimants or other persons may in the near future develop the rich deposits of Paracale and Mambulao to the extent they seem to deserve.

In Albay Province Gil Brothers are reported to be developing a coal mine on the island of Bataan, in five seams, each 1 meter thick, using a force of Spanish and Japanese miners and securing a good grade of lignite. A Japanese engineer who examined their "Bilbao" mine estimates that when fully opened up it should be able to produce a thousand tons of coal per day. On the southwestern peninsula of this island, which is reserved for military purposes, Lieut. H. L. Wigmore, Corps of Engineers, U. S. Army, assisted by a detail of men, is making a thorough examination of coal deposits by means of the diamond drill. This coal has been found by actual experiment to be suitable for use on steamers.

In Masbate much prospecting, assessment and development work has been done, particularly at Arroroy, on the north coast, where three companies have been working. One of these concerns has had completed in San Francisco a modern dredging plant for bringing up sea gravel, and has ordered a stamp mill for crushing its free-milling ores. The prospects for opening up profitable mines here seem very good.

In Cebu there has been some prospecting and location of coal deposits, but no real development work seems to have been carried on within the past year. There appears to be no good reason why the valuable coal deposits on this island should not be developed.

In Mindanao a handful of miners have been working the gold fields of Placer and Surigao. Most of the work performed has been in the nature of prospecting. The island is being gradually but somewhat extensively explored.

There have been reported as located during the fiscal year ended June 30, 1904, 209 lode claims and 109 placer claims, making a total of 318. These claims were divided as follows:

Gold	132
Silver	1
Copper	11
Petroleum	22
Coal	8
Guano	23
Stone	8
Iron	3
Lead	3
Not specified	107
Total	318

In addition to mining work proper, the allied industries are yearly becoming of greater importance. Brick and pottery are being made by Filipinos in a large number of provinces and in steadily increasing quantity. The Filipinos are also burning limestone for lime and quarrying rock for building and other purposes.

The quarries on the island of Talim, Laguna de Bay, which furnish a dark basalt rock for the streets of Manila, are equipped with a 125-horsepower engine and three crushers, with a combined capacity of 63 tons of rock per hour. During the past year 33,045 cubic meters of crushed rock were brought from these quarries by water to Manila, a distance of 27 miles. The cost of the crushed rock, delivered at the Bridge of Spain, has been $1.18 per cubic meter. Rock for the works of the port has been obtained from the Mariveles quarry, which furnishes a gray andesite containing augite in important amount. Approximately 1,000 Filipino laborers are employed in this quarry under the direction of a force of 30 to 40 white men. The company uses 18 derricks, with dummy engines and cable complete. Six hundred and three thousand tons of rock have been quarried up to date, and at the present time more is being quarried at the rate of 20,000 tons per month. Native laborers are paid an average of 1.10 pesos per day and have proved very satisfactory. Houses, churches, and schools have been erected for them by the company, which is no longer confronted by any "labor problem."

Natural earths are taken in many provinces for use in whitewashing and wall decoration, and a mineral-paint factory in the district of Santa Ana is doing a good business in paints made exclusively from Philippine earths. Plans are now on foot for a reorganization of this business on a much larger scale.

MINING LABOR.

Although some of the natives of Lepanto and Benguet are accustomed to work in mines and like to do so, no large force of native miners has as yet been developed. The success obtained in using Filipino labor at the Mariveles quarries, on the Benguet road, and by the street railway company in Manila encourages the belief that there will be no great difficulty in securing a sufficient force of satisfactory miners as the mining industry develops. A Spanish mining superintendent is authority for the statement that he can at any time secure 60 good Visayan miners in the city of Cebu and begin the development of any coal mine in the island, and that with these men to instruct inexperienced laborers he can in time develop a large force of coal miners. This man states that in mine timbering and other precautions for safety the Visayans have proved to be as good miners as could be desired. There is no reason for believing that the people of this tribe are likely to be better than the Ilocanos, Tagalogs, Bicols, or other civilized peoples of the islands. The collector of customs has rendered a decision to the effect that a miner is a skilled laborer, so that Japanese miners, and in fact any miners other than Chinese, may be imported under contract.

Unsettled conditions due to brigandage and insurrection are no longer such as to delay the development of mines in any province.

NECESSITY FOR AMENDMENT TO CONGRESSIONAL LEGISLATION.

There is at present but one really serious drawback to the inauguration of successful mining operations in the Philippine Islands. This is afforded by section 33 of the act of Congress of July 1, 1902, entitled, "An act temporarily to provide for the administration of the affairs of civil government in the Philippine Islands, and for other purposes," which provides that "no holder shall be entitled to hold in his, its, or their own name, or in the name of any other person, corporation, or association more than one mineral claim on the same vein or lode." The undersigned has twice called attention, in previous reports, to the harmful operation of this provision, and can not refrain from again urgently recommending that the necessary steps be taken to secure from Congress the repeal of this section, concerning which the chief of the mining bureau, in his report for the year ending August 31, 1904, says:

This most unfortunate section will naturally operate against the development of any but the richest lodes, and in the Philippines, as in mining districts the world over, the bonanzas are few and the deposits of low-grade ores relatively large. In Lepanto and Benguet as well as in the Camarines, Masbate, and Mindanao there are important deposits that should be worked upon a large scale and which, under section 33, can never be worked at all. It is safe to say that under section 33 neither the famous Homestake nor the Alaska Treadwell mines would ever have been developed, and yet these are among the greatest gold producers known. The ore of the Homestake mines in South Dakota averages only $4 and that of the Alaska Treadwell only $2 to the ton, yet these mines being able to handle immense bodies of ore, are among the best paying and soundest mines in the world. The former requires 900 stamps, yielding a monthly output of $373,000 of gold, and the latter employs 540 stamps, paying $130,000 a month.

The low-grade ore deposits in the Philippines are so extensive and valuable that section 33 tends to operate as an obstacle to the development of the greater part of our metalliferous resources.

The sentiment of persons engaged or interested in mining in the Philippine Islands is unanimous in favor of the repeal of this section. The chief of the mining bureau, the secretary of the interior, the civil governor, and the Philippine Commission have heretofore urged its repeal. The incorporation of further recommendations on this subject in this annual report of the Commission is suggested. It is certainly to be hoped that favorable action by Congress upon this important matter may not be longer delayed.

MINERALS OF THE PHILIPPINES.

A mineral map of the Philippines showing the locations of known or reliably reported mineral deposits of economic value has been prepared. This map is being kept carefully up to date by entering upon it all new information obtained.

The valuable minerals thus far found in the Philippines are gold, copper, lead, silver, platinum, zinc, tin, manganese, iron, mercury, antimony, coal, sulphur, petroleum, salt, gypsum, limestone (including marbles), clays (including kaolin), and building stone.

A deposit of stream tin has been reported at Alfonso XIII, on the west coast of Paragua, and there is good reason to believe that cinnabar and native mercury have been found on Mount Isarog, in Ambos Camarines. Reports of their occurrence in Panay have proved false.

Many of the minerals mentioned in the above list have not yet been found in paying quantities.

The only precious stones thus far reliably reported are opals from Binangonan, province of Rizal, and some very small rubies from the headwaters of streams which reach the ocean near Mambulao and Paracale, in Ambos Camarines.

For further details relative to the work of the mining bureau for the past year and for a concise and reliable statement relative to the occurrence in the Philippine Islands of each of the minerals mentioned in this report reference is made to the report of the chief of the mining bureau for the year ending August 31, 1904 (Appendix I).

BUREAU OF GOVERNMENT LABORATORIES.

NEW BUILDING.

With the completion of its building the bureau of government laboratories will enter upon a new era. In September, 1901, this bureau had no quarters and practically no equipment, the very limited amount of biological and chemical apparatus and materials which had been inherited from the old municipal laboratory of Manila being stored in a basement room of the civil hospital.

The overcrowding of the city of Manila at this time rendered it extremely difficult to rent buildings of any sort. As a result of this fact and in view of the desirability of having the laboratory building near the civil hospital, the bureau was at the outset necessarily housed in a small, low, and somwhat dilapidated building of the class usually referred to in Manila as a "shack," situated immediately behind the civil hospital. As laboratory work increased and new equipment and additional supplies were added, various nondescript additions were made to this building in order to furnish the space imperatively needed. It was eventually devoted exclusively to chemical, photographic, and botanical work, and the remainder of the biological work, the pathological collections, and the technical library were transferred to a large dwelling house on Calle Alix. Both of these buildings lacked power, and the latter one was without that sine qua non of laboratory work—gas. The chemical laboratory building was almost surrounded by low, flooded lands and was intolerably hot, which probably accounts for the poor health of many of the employees who worked in it.

A year ago it was hoped that the new building would be ready for occupancy on July 1, 1904. This hope was not realized. Prior to September 1, however, it was practicable to transfer to it the officers and employees of the biological laboratory; also the technical library, the botanical and pathological collections and the contents of the laboratory storehouses. Before October 1 the entire working force and equipment of the chemical laboratory will have been transferred. Gas machine and gas tanks are in place; a donkey engine which temporarily supplies water is in operation, and the main boilers and vacuum pump are in position. The engines and dynamos are now being set up, but the starting of the engines must await the arrival of an iron stack for the chimney, which had to be secured from Singapore and was ordered very late. A considerable amount of plumbing

work, and of carpenter's work on shelving and laboratory desks, remains to be done. It is hoped that all work on the main building will be completed and that the machinery will be in operation by December 1.

Stables for serum horses and vaccine calves, and the small animal houses, which will be located a short distance away from the main building, for hygienic reasons, have not yet been constructed, but work upon them will begin at once.

The wisdom of giving a large amount of time to the preparation of the plans for this building has been demonstrated by the fact that it has not been necessary to change them in any important detail, and by the further fact that the several rooms are proving perfectly satisfactory for the purposes for which they were designed. The construction materials used were chiefly cement and expanded metal, so that the danger from fire is reduced to a minimum. In order still further to reduce it a powerful fire pump, operated by steam from the boilers, and an adequate supply of fire hose have been installed. Coolness and good ventilation have been secured to a degree which will insure to laboratory employees a more comfortable place in which to do their work than can be found elsewhere in Manila.

All laboratory desks are supplied with water and gas connections, and, where needed, with electrical, steam, and vacuum connections as well. The library is equipped with steel book stacks.

While all of the rooms in the building will be occupied from the outset, the space allotted to each of the several branches of work is such as to allow a material increase in the number of employees without overcrowding. The power plant will be available at night to supply electricity for light or power to other buildings now on the exposition grounds or which may hereafter be erected there. Space has been left for the installation of an additional boiler, should it be needed later.

It is now for the first time feasible to perform work involving the use of a considerable amount of power, or of steam, or of vacuum, and to conduct operations in vacuum extraction, drying and distillation upon a commercial scale, so that the narrow limitations within which the work of the bureau has heretofore been held by the lack of these very necessary facilities are removed. No one not familiar with the details of laboratory work can appreciate the stimulus which will be afforded to employees by the change from the overcrowded, badly ventilated, poorly lighted, and generally unsatisfactory structures in which they have heretofore been housed, to this comfortable, thoroughly equipped building, carefully planned to meet the special needs of the several branches of biological, chemical, and serum work.

VISITING SCIENTISTS.

The bureau has already been fortunate in securing the services of two thoroughly trained visiting scientists, whose work it will publish in return for such facilities as it has been able to furnish them. With the new building completed, the coming of other visitors who will desire to carry on scientific work of practical value to the islands is assured.

POSSIBLE OUTSIDE ASSISTANCE.

As the chemical work of the bureau will be largely associated with the practical development of the plant products and mineral wealth of the islands, in which business men are very directly interested, it seems by no means impossible that support in the way of grants for the carrying out of special researches, or contributions of money to make possible the gathering of raw material, may be secured for the bureau, as they have been for so many university laboratories in the United States. The present interest in the study of tropical medicine, which has increased greatly within the past few years, might well justify the contribution of funds for adding to the already exceptional facilities for this study here by increasing the scientific library or by paying the traveling and living expenses of visiting investigators. The marine biological station at Naples is, to a considerable extent, supported by subscriptions from colleges and universities throughout the world, these institutions gaining the privilege of placing one or more students in the laboratory in return for their assistance. The bureau of government laboratories at Manila, with its present facilities, is an institution to which universities could subscribe with as much justness and as great advantage as they now do to the biological station at Naples. This matter will be seriously taken up with American universities by the superintendent of government laboratories while on leave in the United States.

LIBRARY.

The growth of the library has been steady and satisfactory, although it has been found impossible up to the present time to secure a number of the most important sets of periodicals. The expenditure of fixed sums for books has been authorized from time to time by resolution of the Commission, it being deemed inadvisable to appropriate funds for this purpose in advance in view of the long time which usually elapses after placing an order before it is filled in whole or in part. Uncertainty as to the cost of books ordered has rendered it necessary to leave a wide margin of safety in placing orders, and owing to this fact and to the further fact that a number of books ordered have not been obtained considerable sums appropriated for the purchase of books have lapsed at the close of fiscal years. With a view to the simplification of accounting, it is proposed to cancel all orders which are not filled prior to January 1, 1905, and to place new ones, requesting at the proper time the appropriation of unexpended portions of back appropriations which have lapsed. One semiannual appropriation of $7,650 remains to be made in order to complete the sum agreed upon for the purchase of books. Meanwhile the character of the library as originally planned has undergone material change. The original list of books was chiefly biological and chemical, and among biological books medical works were given a very important place. With the transfer to the bureau of government laboratories of the botanists of the bureau of agriculture and those of the bureau of forestry the botanical libraries of these bureaus were likewise transferred. Requests on the part of officers of other scientific bureaus for authorization to purchase books already in this

library or ordered for it have been met by the adoption of rules under which officers and employees of such bureaus can make use of its facilities. The new building has an admirable reading room and excellent facilities for the storage and care of books, while a trained librarian and stenographer catalogues, arranges, and cares for them.

Experience has shown that small collections of books scattered among the separate bureaus are often exposed to injury by dampness, mold, and insects through lack of proper care, and that sets of periodicals are incomplete owing to loss of individual numbers. In order to avoid these difficulties and to have one place where all scientific books and periodicals are catalogued, the undersigned has determined to convert the library of the bureau of government laboratories into a general technical library for the bureaus of the department of the interior and to transfer to it all of the books and publications of the several bureaus. Such books as are required for constant reference by any bureau may be drawn by its chief, but the librarian of the bureau of government laboratories will from time to time check them up and examine their condition, for which the persons signing for them will be held responsible. Current periodicals will be kept in the reading room, where they can be used by a larger number of persons than is the case when they are scattered through numerous bureau offices. The loss of individual numbers can then be avoided. Economy will be secured by making impossible the needless duplication of books. The usefulness of the library will be greatly increased by the existence of a comfortable reading room, which will be open in the evening.

With a view to carrying out the policy above outlined, the commissioner of public health, the chief of the bureau of forestry, the chief of the bureau of agriculture, the chief of the mining bureau, and the chief of the ethnological survey have been requested to furnish the superintendent of government laboratories lists of the books most urgently needed by them in connection with their work, to the end that the unexpended balance of funds for the purchase of books may be employed as wisely as possible. The transfer of the several bureau libraries will be directed as rapidly as books can be catalogued and shelved in the new building.

Many gifts to the technical library have been received during the past year, and it is hoped that they may be increasingly frequent in the future.

OFFICE OF THE SUPERINTENDENT.

To the great satisfaction of the entire force of laboratory officers and employees, the superintendent of government laboratories, Dr. Paul C. Freer, has finally severed his connection with the University of Michigan, which had gradually extended his leave for a total period of three years in the effort to retain his services, and has permanently entered the service of the insular government. It would have been very unfortunate if, after having planned and supervised the construction and equipment of the new building and having organized the bureau and brought it to its present high state of efficiency, he had not remained to direct its work. During the past year his time has been almost entirely given to the administrative

work involved in supervising the construction and equipment of the building, accounting for the rapidly increasing volume of property of the bureau, editing publications, and planning and supervising the work of subordinates. As the new building is now practically completed, and as the Commission has relieved him of further property responsibility by authorizing a bonded property clerk, it is believed that upon his return from leave in the United States he will be able to give a large amount of time to research.

SERUM LABORATORY.

Until July 1, 1904, the serum laboratory was under the able direction of Dr. James W. Jobling, who resigned on that date in order to undertake a course of study in the United States and in Europe, extending over a period of two or more years. It is largely through Doctor Jobling's efforts that the serum laboratory has been brought to its present high state of efficiency. His loss is greatly regretted, and it is hoped that he may reenter the service at some future time. His place was taken by Dr. Paul G. Woolley, formerly of the biological laboratory, who had been previously transferred to the serum laboratory in order that he might obtain the necessary preliminary training to fit him to act as its director.

As heretofore, the preparation of antirinderpestic serum and of vaccine virus have constituted the bulk of the work of this laboratory; but diptheria, plague, and tetanus antitoxins have also been made as occasion required.

Work of the director.—During the past year Doctor Jobling has demonstrated the fact that Texas fever, or so-called tick fever, exists not only in these islands, but in China, to such an extent that most of the native and imported Chinese animals, while themselves immune to the disease, are capable of communicating it. The importation of nonimmune cattle for breeding, dairy, or draft purposes is therefore certain to end in disaster through their contracting Texas fever. Doctor Jobling's original suggestion that Texas fever might be widespread in these islands was received with incredulity, if not with derision, by most of his scientific colleagues, but the thoroughness with which he demonstrated the fact left no room for further discussion.

Until March 1, 1904, the veterinary surgeons and inoculators of the board of health carried on the work of inoculating against rinderpest in the provinces under the director of the serum laboratory. On that date the veterinary corps was reorganized as a division of the board of health, and all of its work is now, as it should be, in charge of that board, while the laboratory furnishes the necessary serum.

In addition to his other duties the director of the serum laboratory had charge of the health of all carabaos imported from Shanghai during the latter part of the year 1903 and the first months of the year 1904. The appearance of surra among these animals after the disappearance of hemorrhagic septicemia added greatly to his already heavy burden of work and responsibility until the sending of all imported cattle to the island of Burias, which was free from surra, was determined upon.

Surra among carabaos.—Long-continued and careful observation carried on by the force of the serum laboratory has demonstrated the fact that surra is very fatal to carabaos when herded together, but

that when individual carabaos suffering from it are well isolated, properly fed, and moderately worked they in most instances soon come into good condition. Whether or not they ultimately recover from the disease completely, or whether they continue to harbor the parasites at all times and are thus a constant source of danger to healthy animals, can only be determined after a greater length of time has elapsed.

Cure of rinderpest.—Experiments made at the serum laboratory on animals which had already contracted rinderpest by injecting intravenously from 115 to 500 c. c. of serum resulted in saving most of the animals taken in the early stages of the disease and in demonstrating the curative properties of this serum, the prophylactic properties of which have long been known.

Antiplague serum.—Death from surra of all the serum horses has temporarily put a stop to the production of this serum during the past year. Six animals are, however, being rapidly brought up to the bleeding point, and it is hoped that in the new fly-proof stables soon to be built it may prove possible to protect the serum horses from this disease.

Preparation of vaccine virus.—Experience in the preparation of vaccine virus has proved that it is not wise to attempt to make this prophylactic during the hottest season in the present temporary quarters at San Lazaro. Although extra precautions were taken to make the temporary stable as cool as practicable, a large percentage of the virus obtained during April and May was of inferior quality. The new vaccine stable at the main laboratory will be of a permanent character and will be so constructed as to give the best possible results.

Lack of opportunity for research.—Because of the steadily increasing demand for antirinderpest serum and vaccine virus, practically all of the time of the serum laboratory force has been given to the care of animals and the preparation of serums, and none has been left for research work. As the science of serumtherapy is still in its infancy, and as there is opportunity for great improvement in the methods of producing many of the sera already known, this fact is to be regretted. In no other line of work are the government and the people likely to derive more benefit from painstaking investigation.

Difficulty in securing employees.—Better salaries must be paid to the men engaged in serum work if the services of competent persons are to be secured and retained. The importance of this work is now so generally recognized in the United States that large salaries are readily obtained there by those who are competent to undertake it. Diligent and long-continued efforts to secure a competent assistant director of the serum laboratory at a salary of $2,250, begun by the undersigned and continued by the civil-service board, the chief of the bureau of insular affairs, and the superintendent of government laboratories, ended in failure.

Changes in equipment.—Few additions or improvements to the temporary buildings of the serum laboratory on the San Lazaro estate have been made during the past year, because it was known that the work involving the use of calves and horses would soon be transferred to the new laboratory building, leaving at San Lazaro only the rinderpest cattle and the small animals kept for breeding purposes. The presence of rinderpest serum cattle in the immediate

vicinity of the San Lazaro hospitals is not unnaturally objected to by the commissioner of public health. Their transfer to ground near the new laboratory building would be desirable, but does not seem at present practicable on account of the heavy expense involved.

Small animals successfully bred.—Difficulties formerly encountered in breeding small animals, which were imported from China and Japan at heavy expense, have been overcome for the present, and Guinea pigs, rabbits, and white rats and mice are now being bred successfully. It seems probable that the laboratory will be able in future to raise an adequate supply of small animals, but the possibility of losing the entire collection through epidemic disease is ever present in a tropical country.

BOTANICAL WORK.

During the past year the botanical work carried on for different bureaus of the government, and more especially for the bureau of forestry and the bureau of agriculture, has been expanded and improved. A systematic botanist, Doctor Copeland, and two botanical collectors, Doctor Whitford and Mr. Elmer, were added to the previous force. They have all proved to be very efficient field and laboratory workers, and the botanical collections have rapidly increased. Five thousand nine hundred and twenty-eight specimens were added to the herbarium; of these 218 were foreign and the remainder were from the Philippines. While a knowledge of the systematic botany of the islands and a good herbarium collection are necessary as a basis for botanical work, results of the greatest practical importance must be sought along other than systematic lines. Doctor Copeland and Doctor Whitford will soon take up physiological and other work, leaving Mr. Merrill and Mr. Elmer to continue the work in systematic botany, so that the growth of the herbarium during the next year will probably be less rapid than heretofore. A considerable amount of the material collected can now be identified in these islands, but it will ultimately be necessary to send some one to the herbaria of Europe to work up plants which it is impossible to determine here on account of lack of literature and of accurately identified specimens for comparison. As soon as sufficient funds are available the botanical force should be strengthened by the addition of a plant pathologist. Results of far-reaching practical importance have been obtained in the United States from the careful study of plant diseases, and there is no reason why similar results may not be obtained here.

BIOLOGICAL LABORATORY.

Owing largely to the absence of the undersigned, the understanding reached with Dr. Richard P. Strong, director of the biological laboratory, relative to the terms of his employment upon his return from Germany was not immediately carried out, and Doctor Strong at one time seriously considered the advisability of resigning his position. Fortunately for the biological laboratory, he decided to remain for the present as its director. The salary of this position was originally fixed at $3,500 per annum. This was a nominal sum, for the reason that Doctor Strong was at that time in the Army and

did not receive compensation from the insular government for his services while on detail. The salary has now been fixed at $5,000 per annum, a sum fully justified by the importance of the position and the well-known ability of its present incumbent.

Clinical work.—During the past year clinical work in the diagnosis of disease has quadrupled. An average of 103 examinations per working day has been maintained, and this has left very little time for the carrying on of original investigation.

The force of the biological laboratory has been strengthened by the addition of Dr. Maximilian Herzog, a pathologist, who, in addition to a large amount of autopsy work, has already completed two important bulletins and has a third nearly ready for the press.

Pathological museum.—The valuable pathological museum has steadily increased. In the limited space heretofore available it has not been possible properly to classify and arrange the specimens, but in the new building space adequate to meet present needs is available.

Special investigations.—Doctor Musgrave and Mr. Clegg have carried on very important work during the year on the occurrence of amœbæ in the city water and in other waters used for drinking purposes. Chemical analyses and bacteriological counts of the city water have long been made at fairly regular intervals, but neither of these kinds of examination would have revealed the very dangerous quality of unboiled city water for drinking purposes, for the reason that during the past year this water has been chemically and bacteriologically very good. The examinations of Doctor Musgrave and Mr. Clegg have, however, conclusively demonstrated the abundant and continuous presence of amœbæ in it. These amœbæ have been isolated and through them amœbic dysentery has been communicated to monkeys, so that their pathogenic nature has been conclusively demonstrated.

While a large part of the study of diseases of cattle during the first half of the year was carried on under the direction of the serum laboratory, nearly all the diagnostic work on cattle was performed by the biological laboratory. This has sometimes necessitated sending members of its force into the field. The laboratory is now equipped with travelers' microscopes, the compactness, lightness, and strength of which make it possible to carry on diagnostic work in the field to the best advantage.

ENTOMOLOGICAL WORK.

The entomologist, Mr. Webb, after spending but a short time in the Philippines, resigned his position and returned to the United States without having accomplished results of any practical value. Mr. Schultze, who was appointed to the position thus vacated, has already done a large amount of valuable work in the collection and study of insects which attack cocoanut trees, and is carrying on important investigations on the breeding and rearing of butterflies and moths, with a view to the production of silk of a marketable quality from larvæ able to feed on the leaves of trees native to the islands.

The other entomologist, Mr. Charles S. Banks, was ordered to the United States on March 17 to install the entomological exhibit at the Louisiana Purchase Exposition and to identify material which could not be satisfactorily determined here. Mr. Banks subsequently ap-

plied by cable for an extension of leave, with pay, in the United States in order that he might identify this material, giving as an excuse for not having already done so the fact that he had remained at St. Louis to act as a juror in judging exhibits. As this action on his part was taken without authority, he has been instructed to remain in the United States for six weeks, without pay, in order to complete this work.

CHEMICAL WORK.

The routine work of the chemical laboratory performed for other bureaus of the insular government has, like that of the biological laboratory, very largely increased during the past year and has almost monopolized the time of the laboratory force, which has been considerably weakened by sickness among its members, due no doubt in large part to the intolerable heat and the insanitary surroundings of the old chemical laboratory. In the present undeveloped state of the natural resources of the country it is important that research work of a practical nature looking to their development should be undertaken and pushed to completion as soon as possible. Chemical investigation is of a peculiar nature, in that it requires the employment of complex apparatus and appliances and that its operations having once begun must, in many instances, be pushed through without interruption, or materials will spoil and the work will have to be repeated. It is therefore usually impracticable to turn from routine work to investigation and keep both going at the same time. In the necessary effort to reduce expenses the Commission made up for the necessary addition of the engineering force required in operating the machinery of the new building by abolishing one position in the chemical laboratory which was vacant at the time and by discontinuing another, soon to be vacated, upon the date of resignation of its present incumbent. It is not certain that the necessary routine work, which will inevitably be materially increased in meeting the needs of the newly organized bureau of internal revenue, and which will now further expand for the reason that operations requiring power, steam pressure, or vacuum extracting, distilling, and drying apparatus are now possible, can be done by the force at present authorized; but the employees of the chemical laboratory will doubtless do their best in the future, as they have in the past, and with more healthful surroundings and vastly increased facilities for their work should be able to accomplish more than ever before.

Mineral analysis.—The work on the minerals of the islands has continued, but in a somewhat desultory manner, for the reason among others that a considerable part of the time of the men whose duty it is to carry it on has necessarily been employed in routine work of other and more immediately urgent character. Mr. F. A. Thanisch undertook a trip to Cebu in order to investigate the possibilities of cement production. Samples of limestone and coal which he obtained have now been analyzed, and enough has been learned to make it highly probable that materials for the manufacture of good cement may be obtained in these islands. Cement is used here in large and constantly increasing quantities. Much of that imported is of poor quality, and all of it is expensive, owing to heavy freight charges. Further and thorough investigations along this line are needed. If good cement can be produced here at moderate

cost an industry of importance both to capitalists and to the Government might be established.

Other work.—There have been made analyses for the civil hospital for clinical purposes; examinations for the custom-house to determine classifications under the tariff or to detect frauds; analyses of soils and of agricultural and forest products for the bureaus of agriculture and forestry; analyses of water for the board of health; examinations for the detection of poison in the human stomach, of blood stains on garments, etc., as well as analyses of a great variety of products for private persons.

Division of chemical work.—The chemical work performed was divided among the bureaus of the insular government and private individuals as follows:

Number of analyses.

Board of health	32
Bureau of agriculture	106
Bureau of government laboratories	56
Ethnological survey	8
Civil hospital	457
Custom-house	200
Exposition board	20
Bureau of forestry	41
Insular purchasing agent	29
Mining bureau	38
Secret service	5
Bureau of architecture	4
Bilibid prison	99
Police department of Manila	18
Other government institutions and officers	37
Private	185
Total	1,335

as against 764 for the previous year.

A large amount of work will be necessary on material which the field party of the mining bureau will collect. A series of specimens secured by this party in the Mancayan-Suyoc region has just been received at the laboratories, and work upon it has begun.

RESEARCH ON COCOANUTS.

The stimulation of cocoanut production, at present a source of considerable wealth to the Philippines, is a matter of much importance. The trees thrive on ground which is worthless for other purposes. They require comparatively little care, and when grown in large numbers are not often seriously injured by the attacks of insects or by unfavorable climatic conditions other than long-continued drought. At present nuts are, as a rule, planted haphazard, without regard to the productivity of the trees from which they come. Plantations are cultivated little, if at all. Fruit is often harvested before maturity; no use whatever is made of the husk except for fuel. Copra is sun dried at considerable expense and with constant risk of heavy loss from sudden showers, or, during the rainy season, is placed in bins and smoked over slow fires; the resulting product is often badly injured before or during shipment by mold and dampness, and the contained oil rapidly becomes rancid. A comprehensive investigation has been carried on during the year by cooperation

between botanists, chemists, bacteriologists, and entomologists of the bureau of government laboratories and the superintendent of the San Ramon farm, Mindanao, where the government is raising cocoanuts with a view to settling many mooted questions as to the best method of germinating and planting the nuts, the kind of soil on which they can be grown to best advantage, practical methods of combating harmful insects, kinds of nuts which produce the largest percentage of copra and oil, the degree of maturity which nuts should attain before copra is made in order that the highest percentage of oil may be obtained, the possibility of economical and advantageous use on a commercial scale of the vacuum drier in making copra, practical methods of preventing rancidity in copra and cocoanut oil, machinery for the extraction of the coir from the husk and the advantageous utilization of the cellulose material left after such extraction and of press cake when oil is obtained by compression, the relative cost of extraction methods involving the use of heat and pressure as compared with those involving the use of solvents, the manufacture from cocoanut oil of food products, the importance or nonimportance of evenly distributed rainfall and of planting groves where the trade winds will have ready access to them, the practical value of cultivating and enriching the soil, and the existence or nonexistence about the roots of trees of nitrogen-producing bacilli.

Practical results of great importance to intelligent planters are expected from this research, which is progressing favorably. Much has been written about cocoanut culture, but comparatively little careful and reliable investigation has been made. It seems that certain trees make excellent growth and fruit heavily when planted in sea sand, which is almost without plant food, provided their roots are laved by the rising tide and the sea breeze fans their leaves. Should it prove that their ability to live and flourish is dependent upon the presence of a nitrogen-producing organism capable of cultivation and distribution, so that the barren wastes of sand along our long coast line can be made to produce cocoanuts advantageously, it would obviously be more economical to plant them there than to give up rich soil to their cultivation and incur the expense of purchasing and using artificial fertilizers.

DIVISION OF WEIGHTS AND MEASURES.

Dr. Gilbert N. Lewis, physical chemist in charge of the division of weights and measures, reached Manila on September 7, 1904, about two weeks before his rooms in the new building could be completed. He will at once begin the work of standardizing weights and measures. When such standardizing is possible, it will be feasible to enforce a proper law for securing uniform weights and measures and punishing the users of those which are false.

DIFFICULTIES DUE TO COST OF LIVING.

The superintendent of government laboratories calls attention in his report to the difficulties encountered by the employees of his bureau, owing to the high cost of living in Manila and to the undesirable and insanitary quarters occupied by them in their attempts

to keep their expenses within their receipts or to save a little money. This is, of course, but one phase of the large and important problem of securing for all government employees at Manila comfortable and sanitary quarters and proper food and drink at a reasonable price. It is understood that a committee appointed by the civil governor has this matter under consideration. It is certainly worthy of careful investigation.

PUBLICATIONS.

Although the time of the entire force of the bureau of government laboratories has been largely given up during the year to routine work, a number of important researches have been completed, and the following bulletins have been issued:

No. 11, 1903. Biological laboratory.—Entomological Division, Bulletin No. 1, Preliminary Bulletin on Insects of the Cacao. By Charles S. Banks, entomologist.

No. 12, 1903. Biological laboratory.—Report on Some Pulmonary Lesions Produced by the Bacillus of Hemorrhagic Septicemia of Carabaos. By Paul G. Woolley, M. D.

No. 13, 1904. Biological laboratory.—A Fatal Infection by a Hitherto Undescribed Chromogenic Bacterium: Bacillus Aureus Fœtidus. By Maximilian Herzog, M. D.

No. 14, 1904. Serum laboratory.—Texas Fever in the Philippine Islands and the Far East. By James W. Jobling, M. D., and Paul G. Woolley, M. D. Biological laboratory.—Entomological Division, Bulletin No. 2, The Australian Tick (Boophilus Australis Fuller) in the Philippine Islands. By Charles S. Banks, entomologist.

No. 15, 1904. Biological and serum laboratories.—Report on Bacillus Violaceous Manilæ: A Pathogenic Micro-organism. By Paul G. Woolley, M. D.

The following additional bulletins have been completed and are now in press:

No. 16. Biological laboratory.—Protective Inoculation Against Asiatic Cholera: An Experimental Study. By Richard P. Strong, M. D.

No. 17, 1904. New or Noteworthy Philippine Plants. By Elmer D. Merrill, botanist.

No. 18, 1904. Biological laboratory.—I. Amœbæ: Their Cultivation and Etiological Significance. By W. E. Musgrave, M. D., and Moses T. Clegg. II. The Treatment of Intestinal Amebiasis (amœbic dysentery) in the Tropics. By W. E. Musgrave, M. D.

No. 19, 1904. Biological laboratory.—Some Observations on the Biology of the Cholera Spirillum. By W. B. Wherry, M. D.

No. 20, 1904. Review of the Identifications of the Species of Blanco's Flora de Filipinas. By Elmer D. Merrill, botanist.

Doctor Strong's bulletin on protective inoculation against cholera and the bulletin of Doctor Musgrave and Mr. Clegg on the cultivation of amœbæ and on amœbic dysentery and its treatment are especially important.

CLINICAL WORK.

The number of clinical examinations made by the biological laboratory on human subjects for the year ending August 31, 1902, was 3,816; for the year ending August 31, 1903, it was 6,535; and for that ending August 31, 1904, it was 30,830.

The director of the biological laboratory calls attention to the fact that there has been a falling off in the number of clinical examinations made at the request of outside physicians. This he ascribes to the charges imposed and to the fact that such examinations are made

free of charge at the small army laboratory at Manila. He recommends that all charges for such work be abolished. The undersigned does not concur in this recommendation. The working force engaged in making these examinations is already nearly swamped by the volume of work thrown upon it. The charges made by the laboratory for such biological work, when requested by private physicians, are moderate, and there is no reason apparent why they should not have it done elsewhere if they prefer to do so. Such a course on their part would result, so far as the laboratory is concerned, in decreasing somewhat the burden of routine work and leaving more time for independent investigation, which is urgently needed.

Clinical work on cattle.—Nine thousand five hundred and sixty-nine examinations for surra were made during the year, of which 1,123 were positive. Numerous examinations for glanders, pseudo-farcy, and hog cholera were also made.

Autopsies.—Two hundred and seventy-one autopsies were performed, an increase of 71 over the preceding year.

Plague work.—Interesting evidence has been obtained by the examination of rats as to the greatly improved condition of the city with reference to plague. Not one of the rats examined during the year has been infected with this disease. During the previous year one-sixteenth of 1 per cent of the rats examined were found to be so infected, and when the plague epidemic was at its worst, shortly after the organization of the board of health, 2.3 per cent of the rats examined were suffering from this disease.

WORK OF THE GOVERNMENT PHOTOGRAPHER.

Mr. Charles Martin, the government photographer, has not only performed the large amount of routine work required of him, including the making of 4,200 prints, but has found time greatly to increase his knowledge of photography. He now does first-class copying work, makes admirable enlargements, is very successful with X-ray work, and has secured a fairly good working knowledge of micro-photography, which has been carried on under the greatest difficulties, as vibrations in the loosely constructed chemical laboratory made it necessary to take all micro-photographs late at night, and even then prohibited any but very short exposures. This difficulty will be entirely overcome in the new building, where the micro-photographic apparatus will be set on cement piers.

Mr. Martin has also made two expeditions into the provinces. During the first of these he secured 126 negatives showing the work on the Benguet road. During the second he visited the provinces of Abra, Lepanto-Bontoc, Isabela, and Nueva Viscaya, in order to secure for the ethnological survey photographs showing types of the less known non-Christian tribes of this region and illustrating their houses, methods of industry, religious rites, amusements, etc. Seven hundred and fifty excellent negatives were taken, of which 500 were developed in the field under very trying conditions.

Numerous short expeditions for the purpose of doing work for the bureau of agriculture and other bureaus of the government were also made.

INCOME FROM PRIVATE WORK.

The funds received by the bureau of government laboratories during the fiscal year ending June 30, 1904, for clinical, chemical, and other work performed for private persons and for the city of Manila, and for vaccine virus and serums sold to private persons, amounted to ₱40,098.07, Philippines currency, and $2,381.69, local currency.

VALUE OF WORK PERFORMED FOR OTHER BUREAUS.

Under existing regulations no charge is made for work performed on official business for other bureaus or offices of the government, but a record is kept of the value of such work if paid for in accordance with the established scale of charges. For the fiscal year ending June 30, 1904, it was as follows:

	Local currency.	Philippine currency.
Civil hospital	$5,392.00	₱4,598.44
Bureau of public instruction	375.00	322.08
Custom-house	342.00	1,860.50
Benguet road	1.00	15.00
Settlement House	9.00	21.00
Board of health	29,272.00	26,681.90
Bilibid Prison	246.00	978.00
Bureau of agriculture	2,603.00	526.48
Mining bureau	90.00	529.00
Bureau of forestry	618.00	389.00
Ethnological survey	30.00	478.28
Civil governor		3.12
Secretary of the interior		140.32
Bureau of architecture		10.00
Government carabao		5,757.00
Insular treasurer		140.00
Insular purchasing agent		255.00
Civil sanitarium, Baguio, Benguet		25.00
Bureau of engineering		110.00
Consulting engineer		30.00
Coast and geodetic survey		37.00
Civil-service board		6.00
Coast guard and transportation		50.00
Quarantine service		3.00
Exposition board	343.00	
Bureau of public printing	50.00	
Improvement of the port	100.00	
Total	39,471.00	42,966.12

It should be understood that the work above listed includes only that performed by request for the several bureaus of the insular government, the city of Manila, government officers, and private persons, and does not include the investigations and other work undertaken by the bureau of government laboratories upon its own motion.

The following table shows the amount and value of sera and prophylactics prepared at the serum laboratory for the fiscal year ending June 30, 1904:

	Quantity.	Value.
Antirinderpest serum ..... cubic centimeters	1,279,598	₱63,979.90
Vaccine virus ..... doses	2,316,140	69,484.20
Plague prophylactic ..... cubic centimeters	36,183	24,074.00
Mallein ..... doses	1,050	1,050.00
Total		158,588.10

For further details relative to the work of the bureau of government laboratories for the year ending August 31, 1904, reference is made to the report of the superintendent. (Appendix J.)

THE BUREAU OF PUBLIC LANDS.

NEW LEGISLATION.

The rules and regulations relative to the lease, sale, or other disposition of public lands required to be prepared by the government of the Philippine Islands by section 13 of the act of Congress of July 1, 1902, were embodied in Act No. 926, entitled "The public land act," and having been submitted to the President of the United States and received his approval were transmitted to Congress for its action. Congress adjourned without amending or rejecting this act, which became a law by virtue of the provisions of section 13 of the act of Congress of July 1, 1902, upon the publication by the civil governor on July 26, 1904, of a proclamation declaring it to be in effect.

This act does not apply to the Moro Province, or to the provinces of Lepanto-Bontoc, Benguet, Paragua, and Nueva Vizcaya, but its provisions, or those of any chapter, may at any time, by resolution of the Commission, be extended over and put in force in any of these provinces or any part thereof. By resolution of the Commission of August 5, 1904, the provisions of chapter 5 relative to town sites were made applicable to the province of Benguet, in order to render it possible to establish a town site for the summer capital of the Philippines at Baguio.

Forms of application for land under the various chapters of this act have been prepared in English and are now being translated into Spanish and printed. Seven applications for entry of homesteads, 1 for lease, and 18 for free patents have been received. All of these applications were imperfect, and it has been necessary to return them for correction. This difficulty will be overcome when proper blank forms have been supplied. No applications to purchase public lands have as yet been made.

WORK OF THE CHIEF OF THE BUREAU.

During the year the chief of the bureau of public lands has been cited to appear before the court of land registration in 11 cases in which it was believed that the public lands were involved. While the government interests are protected in this court by the attorney-general, the chief of the bureau of public lands has in each case caused search to be made among old Spanish land titles in his custody for facts of importance, which have been called to the attention of the attorney-general if found.

At the date of the receipt of the first application for a patent to land alleged to contain coal no regulations were in force establishing a procedure whereby patents to coal lands could be issued. This lack was subsequently supplied by the enactment of Act No. 1128, which was drafted by the chief of the bureau.

Act No. 624, relating to the recording of mining claims, was amended during the year by Act No. 859, providing that fees for recording mining claims should be paid to provincial or district treas-

urers, and by Act No. 1134, providing for the recording of any document alienating, mortgaging, leasing, or otherwise affecting the possession of mining claims or any right or title thereto or interest therein. This act also was drafted by the chief of the bureau.

ADMINISTRATION OF SPANISH MINING GRANTS TRANSFERRED.

The act of Congress of July 1, 1902, provides that Spanish mining grants perfected prior to April 11, 1899, shall be conducted under the provisions of law in force at the time they were granted, subject at all times to cancellation by reason of illegality in the procedure under which they were obtained or failure to comply with the provisions prescribed as requisite to their retention in the laws under which they were granted. By Act No. 915 the administration of such grants was transferred from the mining bureau to the bureau of public lands.

The chief of the bureau of public lands has been directed to investigate the status of all the so-called Spanish mining grants, with a view to the institution of proceedings for the cancellation of any grant in connection with which the provisions of Spanish law have not been observed.

NECESSITY FOR A SYSTEM OF LAND SURVEYS.

The chief of the bureau of public lands in his annual report calls attention to the urgent need of a comprehensive system of land surveys at the earliest practicable time. The undersigned concurs fully with the chief of the bureau as to the great necessity for such a system of land surveys to supplement the excellent work now being done by the branch office of the United States Coast and Geodetic Survey. It is hoped that assistance in this matter may be secured from the United States Geological Survey, as the present state of the insular finances is not such as to render it feasible to undertake this work and pay for it from insular revenues.

RECORD OF SPANISH LAND TITLES.

The work of examining and entering on a tabulated list expedientes relating to Spanish land titles has been continued through the year as opportunity has offered, and has included 3,284 expedientes of sales and composiciones, and 603 expedientes of illegal appropriations. It is expected that this work will be completed before September 1, 1905.

SAN LAZARO ESTATE.

The city engineer of Manila has completed plans for the improvement and extension of the street system through this estate, which is, as heretofore, administered by the chief of the bureau of public lands. Comparatively little actual improvement of the proposed streets has thus far been made, but stone monuments marking their corners have been put in at about one-third of the points where they will be required. As the city has charge of the street work only, the chief of the bureau of public lands has begun a resurvey of the entire estate, selecting such blocks as have been definitely established by the city engineer and dividing them into lots of proper dimensions, which vary with the varying area of the blocks. These subdivisions have been made with a view to the convenience of tenants, the betterment of

sanitary conditions, and the diminution of risk from fire. Upon the completion of the survey of each block tenants who had previously constructed their houses without regard to order, alignment, or convenience were induced to remove them within the lines of regular subdivisions and to align them according to established rules. It is interesting to note that almost no opposition was experienced in accomplishing this, the tenants by their cheerful cooperation showing a personal interest in the plans for the improvement of their condition.

On April 21, 1904, there occurred one of the disastrous fires which may be expected to devastate the San Lazaro property so long as the use of the so-called light materials (nipa and bamboo) for building purposes is permitted. Two blocks of buildings were almost totally destroyed.

For the year ending August 31, 1904, rents were received aggregating $15,988.92, United States currency, as compared with $12,670.92 for the preceding year.

On June 14, 1904, the Archbishop of Manila and the religious corporation of the Franciscan Fathers of the Province of San Gregoric Magno of the Philippines brought suit against the chief of the bureau of public lands to recover the administration of the property of the San Lazaro Hospital. The prosecution of this suit has been suspended pending the enactment of legislation providing a method for the settlement of property disputes between the Catholic Church and the insular government.

A growing disposition on the part of many of the tenants of this estate to avoid the payment of their rents has been noted during the past year, and has made necessary the institution of suits for ejectment against a considerable number of them. It is believed that the outcome of these suits will be such as to produce a wholesome effect on other tenants.

FRIAR LANDS.

The work of subdividing the friar lands and of attending to the details of leasing and selling the different subdivisions will devolve upon the bureau of public lands. With a view to its accomplishment, an increase in the force of the bureau sufficient to allow the placing of five surveying parties in the field has been authorized.

SPECIAL WORK PERFORMED BY THE CHIEF.

The chief of the bureau has been twice ordered into the provinces to assist officers of the bureau of justice in criminal cases by performing expert work involving questions of disputed handwriting. On March 28 the chief of the bureau was directed to proceed to the island of Culion to purchase the property of private owners in and in the vicinity of the town of the same name, in order to make possible the establishment of a leper colony there. The thanks of the undersigned are due him for the efficient manner in which the work, which presented many difficulties, was performed. All the pieces of property desired were secured without litigation and at moderate prices which were satisfactory to the owners and fair to the government.

For further details as to the work of the bureau of public lands, reference is made to the report of its chief for the year ending August 31, 1904. (Appendix K.)

THE BUREAU OF AGRICULTURE.

Dr. F. Lamson-Scribner, chief of the bureau of agriculture, left the Philippine Islands on December 15, 1903, to spend his accrued leave of absence in the United States. He subsequently tendered his resignation to take effect on March 23, 1904.

Mr. W. C. Welborn, assistant chief of the bureau, succeeded him as acting chief on December 15, 1903, and was appointed chief on July 1, 1904. Mr. Welborn, with the energy and efficiency which are characteristic of him, at once undertook to put the work of the bureau on a more satisfactory basis, and substantial progress has been made toward securing practical results. The present chief has obtained increased efficiency and has materially reduced expenses. There has been a notable decrease in the number of reports and newspaper articles setting forth the anticipated future achievements of the bureau and a gratifying improvement in the returns from the experiment stations, the rice farm, and the stock farm. Seven resignations, 2 transfers, and 1 removal, many of which occurred soon after the resignation of the former chief of the bureau, have resulted in materially strengthening the working force. The net result for the year has been a decrease of 7 regular employees and an increase in the number of laborers. The chief of the bureau was of the opinion that it would be beneficial to the service to have more labor, more animals, and more work done in proportion to the number of high-salaried employees. This view was concurred in by the undersigned, and results have demonstrated its wisdom.

Increased attention has been paid to the raising of forage on the experiment farms. The San Ramon farm and the Batangas experiment station are now practically self-supporting, and considerable amounts have been collected by the Manila and Trinidad stations and by the La Carlota estate in western Negros.

No additional stations have been established. It was felt that with eight experiment stations and farms already in operation the wiser course would be to put sufficient energy, material, and labor into these enterprises to insure satisfactory results before entering upon other similar undertakings.

ESTABLISHMENT OF A DAIRY FARM.

An exception was made, however, in favor of the establishment of a dairy farm in the suburbs of Manila. The attending physician and surgeon in charge of the civil sanitarium at Baguio had applied for and received authority to purchase milch cows. The attending physician and surgeon in charge of the civil hospital at Manila was preparing to ask for the establishment of a dairy farm for that institution, which was running a milk bill of $4,000 gold per year and getting in return an insufficient supply of milk of unsatisfactory quality. The commissioner of public health was asking for milch cows for the San Lazaro Hospital. Milk was almost unobtainable by the sick, except in a few special cases through friends of the few persons who were fortunate enough to own cows, and then at a cost of 50 to 75 centavos, Philippine currency, per wine quart. The chief of the bureau of agriculture was therefore authorized to make purchase of 60 high-grade Jersey cows and heifers and to establish a dairy farm.

In order to avoid the certainty of heavy loss from Texas fever, he secured animals from the Texas fever belt in Mississippi. Sixty-four cows and one bull were bought for the sum of $3,500. They were shipped on the animal transport *Dix*, and 60 of them arrived safely at Manila on August 27, 1904, after a trip of more than 10,000 miles, which occupied two months. Before their arrival good pasture was obtained and fenced, and one of the buildings at the San Juan powder mill was converted into a fly-proof stable.

The animals on arrival were at once given temporary serum immunity against rinderpest. No trouble from foot-and-mouth disease was experienced, nor did any rinderpest appear among these cattle until a veterinarian of the bureau of government laboratories took it upon himself without prior consultation with the superintendent of laboratories to inoculate 37 of the animals by the simultaneous method, in order permanently to immunize them against this disease. In view of two previous disastrous experiences in attempting to immunize by this method cattle coming from countries where rinderpest has never existed, the superintendent of laboratories had been instructed to see that great care was exercised in immunizing these animals, and it had been suggested to him that they be given serum immunity until they were in the best of physical condition, and that an attempt then be made permanently to immunize them by the simultaneous injection method, experiments being made on one or two animals at a time, and the animals experimented upon being isolated from the remainder of the herd. The invariable success of inoculations made on Philippine and Chinese cattle had inspired the veterinarian of the bureau of laboratories with undue confidence, and acting merely on his own responsibility, although with the knowledge and approval of the chief of the bureau of agriculture, he employed the simultaneous inoculation method, which had been extraordinarily successful with Philippine and Chinese cattle. The result was disastrous, the animals displaying so high a degree of susceptibility to rinderpest that the serum failed to hold them, and all but 7 died, thus once more emphasizing the fact, which should already have been sufficiently apparent from past experience, that much remains to be learned relative to the immunization of animals from countries where rinderpest has never existed, and that with our present knowledge the utmost care is necessary to prevent serious loss.

In extenuation of the unauthorized and careless action of the veterinarian of the bureau of government laboratories in this instance, it should be stated that he had employed inoculation by the simultaneous injection method in immunizing a small herd of Jersey cattle previously imported by the bureau of agriculture from the United States without the loss of a single animal.

The cows still remaining, together with a number of calves which were successfully immunized, showing no ill effects from the inoculation, will form a good nucleus for a herd, and it is hoped that one of the great difficulties heretofore encountered in the treatment of intestinal troubles and the artificial feeding of young infants through inability to secure sufficient pure milk may ultimately be overcome.

While tropical grasses tend to coarseness and become woody during the dry season, green corn, teosinte, and other succulent crops will grow

luxuriously throughout the year, and concentrated food can be had at reasonable expense. Rice by-products are as cheap as in Louisiana, while wheat bran from Australia costs only about 25 per cent more than does a similar article in the United States. The establishment of plants for cocoanut oil extraction should ultimately make a large amount of press cake available. The bean which produces the cake and oil of China and Japan has been successfully grown in an experimental way, and the velvet bean, so largely cultivated in Florida, flourishes here. It should be borne in mind that the temperature at Manila is never so high as it is for three months of the year in the Gulf States. If animal diseases can be successfully combated, dairying in Manila will be profitable.

OTHER ANIMALS RECEIVED.

The bureau has received, in addition to the cattle above noted, 8 Australian mares, 33 native mares, 40 Kentucky mares, 13 stallions, 10 Australian work horses, 10 jacks, 5 head of Jersey cattle from the United States, 4 Berkshire hogs, and American chickens of three breeds. No contagious disease has thus far attacked any of these animals.

HORSES AND JACKS.

All of the mares, as well as 2 of the jacks and 1 stallion, were ordered for work and beeding purposes. The remaining stallions and jacks were for the most part ordered originally by different provincial governments, but were not taken on arrival, a very long period having elapsed since the orders were placed, and the ravages of surra, financial difficulties, and other causes having rendered it useless or financially impossible for the provinces ordering them to pay for them. Ten jacks were imported by the insular purchasing agent. Two of these had been ordered by the chief of the bureau of agriculture and were promptly transferred to the Singalong station. They have remained in good health. The 8 which remained were quartered in the corral of the insular purchasing agent. Five of them promptly contracted surra; 3 remaining uninfected and will soon be turned over to the bureau of agriculture.

PROPOSED BREEDING STATION FOR HORSES.

The 40 Kentucky mares and 11 stallions which came on the *Dix* with the Jersey cattle arrived in fine condition. These animals were selected with great care in the United States by Mr. John G. Speed, with a special view to the making of experiments in the direct breeding of American horses in the Philippines and in the breeding of native mares to American stallions and vice versa. Among the stallions sent were some fine Arabs and Morgans, which, when bred to native mares, ought to produce the best results. Breeding operations will be carried on by the bureau of agriculture on the La Carlota estate in western Negros, where 30 of the Kentucky mares and 1 stallion have been sent; at the rice farm at Murcia, Tarlac, where the Australian mares and 2 stallions will be kept, and at Baguio, Benguet,

where it is proposed to establish a central breeding station in charge of Dr. H. L. Casey, who has had twenty years' experience as a breeder in Kentucky, and who came to Manila in charge of the horses above mentioned and of others for the city of Manila. Baguio has been selected as the site for the central breeding station on account of its temperate climate, its freedom from surra, which has never invaded the high mountain region of northern Luzon, its proximity to the Trinidad experiment station, where oats and clover can be grown successfully, and to pasture lands furnishing grass of a better quality than is found in the lowlands. Ten of the Australian mares and at least 2 of the stallions, including the best Arab, will be sent there from the outset, and additional native mares and stallions will be purchased as required.

The remaining stallions, suitable to breed to native mares, and the jacks will be used in the provinces as may seem advisable. One stallion has already been sent to Romblon, in charge of the governor of the province, and two have been sent to the province of Batangas in care of employees of the bureau of forestry.

While Doctor Casey will make his headquarters at Baguio, he will have general supervision over all breeding operations and will purchase native mares and horses with a view to advantageous crossing with American animals and to the preservation of some of the fine blood which now exists in these islands, but is in danger of disappearing.

It is earnestly hoped that mares, rather than geldings, will hereafter be purchased by the insular government for draft purposes. They can be bred and at the same time worked in moderation, and if it is not deemed advisable to breed them while they are being worked they may be available for breeding purposes when no longer useful as draft animals.

JERSEY CATTLE.

Of the five head of pure Jersey cattle imported two were heifers and three were bulls. One of the bulls had lump jaw on arrival and afterwards died, but the breeder from whom it was purchased has promised to deliver another in its stead. Both of the heifers have dropped calves since arrival, but neither has given entirely satisfactory milk. This is probably due to the fact that they have not had fly-proof stables or pasture. They will now be transferred to the dairy farm, where better results are expected.

HOGS.

Imported Berkshire boars have done well and the Filipinos have been greatly pleased with them. Many half-breed pigs have been raised and sold to the people at low prices. Nine additional head of Berkshires have been ordered by cable. Hogs can be raised at a handsome profit in these islands, as the meat brings about 10 cents, gold, per pound on the hoof, while half a million dollars' (gold) worth of ham, bacon, and lard are now being annually imported. The necessary foodstuffs can be cheaply purchased or raised. Hogs seem to be more free from disease here than in the United States, and at Manila ice and cold storage are abundant and reasonably cheap.

PURE-BRED FOWLS AND CROSSES.

Fine representatives of brown and white leghorns and buff cochins were imported in December. They did well during the dry season, but fell off during the rains, at which time it proved almost impossible to raise chickens. Half-breeds between leghorns and native fowls have developed into small, hardy, well-muscled birds, with a good proportion of white meat of excellent quality. Plymouth Rock grades obtained by the chief of the bureau of forestry by breeding Plymouth Rock cocks to native hens have produced fine fowls of excellent constitution.

Chickens are fairly abundant and cheap in the Philippines, and it is doubtful if Americans can compete with Filipinos in raising them. Guinea fowls are almost unknown. Turkeys recently imported from the United States have thrived. The turkey hens nested during the latter part of the dry season and the young were sufficiently matured before the rains came on to be little affected by them. Turkeys require no feeding, on account of the abundance of insects.

BEEF BULLS.

An Australian beef bull, apparently a nearly pure shorthorn, has been used for some time at the Culion stock farm on cows imported from Shanghai. What the result of this cross will be remains to be seen. Young Devon and Galloway bulls have been ordered by cable from the United States for use with native cows, which, although small and useless for dairy purposes, give a good quality of beef. It is hoped that by the use of proper bulls considerable increase in size may be secured.

About a million dollars' worth of cattle are now imported annually into the islands, and a healthy steer weighing 700 pounds on the hoof costs $40 gold. With a good permanent market assured, inoculation against rinderpest a success, and abundant cool and well-watered mountain grazing lands available, the raising of beef cattle on a large scale should give handsome returns.

STOCK FARM AT CULION.

A limited number of horses sent to the Culion stock farm have done very poorly, suffering greatly from the attacks of flies and ticks, and apparently from insufficient nourishment as well. It has been found impracticable to subsist them on the native grasses. They will be transferred, as soon as transportation is available, to Murcia or Baguio.

The cattle on this farm are Chinese heifers shipped from the Serum laboratory, where they had been used in serum or vaccine manufacture. They have done fairly well. Señor Palanca has a herd of native cattle at a point near the stock farm, and there are numerous wild cattle and carabaos on the island. The valley where the stock farm is now located has abundant pasture for 1,000 head of cattle, and the number of animals kept there will be increased as rapidly as practicable, with a view to supplying beef to the leper colony.

FODDER ON GOVERNMENT FARMS.

It having been demonstrated experimentally that teosinte, corn, and sorghum could be grown abundantly and cheaply, superintendents of government farms were directed to increase their plantings, so as to afford an abundant and constant supply of forage for all their draft animals. As a result the purchases of hay, except for animals newly arrived, have almost entirely ceased, and the cost per head of feeding draft animals is not more than one-half what it was a year ago.

SINGALONG EXPERIMENT STATION, MANILA.

This station has been conducted under the personal direction of the present chief of the bureau for a year. It includes 10 acres of land on which are being tried various forage crops, fruit trees, American vegetables and field crops, and fiber and other plants.

Okra, eggplants, corn, lettuce, radishes, beets, garlic, leeks, onions, and peppers have been found to succeed well at any season, provided moisture conditions are good. Cabbages, garden peas, tomatoes, turnips, and carrots succeed only during the dry, cool months from November to April. Melons and cucumbers do not succeed at any time. One good crop of summer squashes has been grown. Onions have not made good bulbs. Asparagus has done fairly well, but does not produce so many large shoots as in the United States. Irish potatoes have not succeeded.

Okra has done exceptionally well. It is a vigorous, rapid grower, holds its own against weeds, and furnishes a constant supply of excellent and easily prepared food. Its use should become general throughout the islands and the bureau is now saving large quantities of seed for distribution.

Orange, lemon, and olive trees are growing well, but have not come into bearing. Figs have borne good fruit and grapes are flourishing. Improved varieties of papaya have given excellent results. Bananas from Hawaii have fruited, but are not to be compared with the best native varieties. Hundreds of young alligator pear trees are in flourishing condition.

Forage crops.—Alfalfa has failed completely at Manila and elsewhere in the islands except at Trinidad, where the result is still in doubt. Teosinte has continued to make exceptionally heavy yields during the rainy season, but does not resist drought well. It is greatly relished by horses, cattle, and hogs. The several determinations made from green teosinte fodder as ordinarily fed show that it contains but 12½ per cent of dry matter, so that a person buying it at $10 gold per ton pays $80 gold per ton of dry matter, but zacate, the green grass sold so largely in Manila, is even dearer; it contains 14 per cent of dry matter and at the prevailing price of 40 cents gold per hundred bunches, gives a ton of dry matter at a cost of $108 gold.

Sorghum and Kaffir corn.—Thirteen months ago a stalk of sweet sorghum resembling the orange variety was found growing among some fruit trees at Singalong. The seed was saved and planted, and all the seed made was planted again. As a result, more than 60 bushels of seed have been saved and several crops of forage secured. This plant made good crops throughout the dry season without irrigation. Three cuttings were obtained from each plant-

ing of seed. A tenth of an acre sown broadcast in June and cut in August produced at the rate of 18 tons of green forage to the acre. Two analyses showed an average of 28 per cent of dry matter at the time of cutting. Another tenth of an acre produced at a single cutting at the rate of 28 bushels of seed per acre. It will be seen, therefore, that this new crop is very promising.

Several lots of imported Kaffir corn seed proved bad, but success was at last obtained and a fine crop is now just coming to maturity.

Velvet beans.—A patch of velvet beans sown at the beginning of the wet season covered the entire ground to a depth of 3 or 4 feet with a dense tangle of vines and leaves so thick as not to allow a spear of cogon or other noxious grass to grow. The vines are fruiting heavily, and this most valuable nitrogen-producing plant seems likely to be a great success. It should yield 25 to 30 bushels of beans, very valuable as food for stock, per acre, and the chief of the bureau of agriculture is confident that the raising of a good crop of velvet beans during the dry season on rice land will double the next rice crop.

Soy beans.—The Japanese soy bean, which makes a more nitrogenous stock food than does the velvet bean, is now coming to maturity and promises a fine crop.

Sulla.—Sulla, or Egyptian clover, tried at Manila and elsewhere in the islands, has failed, but white and red clover have been successfully grown at Trinidad, Benguet.

New equipment.—Important results have certainly been obtained from the 10 acres of land at Singalong during the past year. New barns and sheds have been erected, and machinery, tanks, and pipes for irrigation have been installed. The water supply has proved insufficient and the boring of an artesian well will probably be necessary.

SEED AND PLANT INTRODUCTION.

This work was handicapped at the outset by the fact that nearly all seed sent out was bad and failed to germinate, so that experimenters became discouraged. All seed is now tested before distribution, and failure to germinate is rare. Furthermore, sufficient information has been gathered to allow of the sending out of the proper kinds of seed at the proper seasons and to people living where conditions are such as to promise success. The Trinidad station in particular will be used for growing seeds of most of the staple kinds of temperate-zone vegetables.

BATANGAS STATION.

The chief of the bureau reports the Batangas station in a flourishing condition, and states that it affords an attractive and instructive object lesson in the province in which it is located. The soil is better than that at Manila, and excellent corn of a quality which has astonished the people has been produced. Teosinte and other crops grow well. The sales of forage, corn, vegetables, etc., just about meet the expenses of the station.

Seven hundred pounds of seed cotton to the acre were grown at this station during the past season. This is more than the average crop in the United States, and the chief of the bureau states that the quality was as good as that of upland cotton at home. At the

time this cotton was gathered there was an excellent prospect that the stalks would produce as much more, but a species of boll weevil attacked the plants and destroyed every young boll. This insect also prevented the production of cotton at Manila and at La Carlota, but at San Juan de Boc-Boc, Batangas, where the bureau distributed seed and placed a hand gin, about 30,000 pounds of lint cotton were made.

The chief of the bureau is of the opinion that a quick-maturing variety of cotton may make a fair yearly crop in the Philippine Islands, as in Texas, before the weevil has time to become numerous enough to do much harm.

Fine Spanish peanuts were grown at the Batangas station, where the results in growing vegetables have been practically the same as at Manila.

COFFEE PLANTATION AT LIPA, BATANGAS.

The manager of the Batangas station is also superintendent of the coffee plantation at Lipa, where 10 acres of young trees are thus far free from any sign of disease. The fact that the coffee plantations of Batangas Province, formerly a source of great wealth to the inhabitants, were annihilated in the years 1888 to 1890 has been mentioned in previous reports. The coffee growers were so discouraged that they have never made any effort to rehabilitate the industry. The present experiment is being conducted at government expense, with a view to demonstrating whether the reestablishment of the once important coffee-growing industry in the lowlands of the Philippines is possible. It may incidentally be mentioned that coffee of excellent quality is produced in Benguet, Lepanto, and Bontoc, and that these mountain plantations, although badly cared for or utterly neglected, seem never to have suffered seriously from disease.

EXPERIMENTS AT BAGUIO AND TRINIDAD, BENGUET.

The last annual report of the bureau of agriculture detailed the failure of attempts to grow vegetables in Baguio soil. It is the opinion of the present chief of the bureau that this failure was not due to the presence of any poisonous substance in the soil nor to the absence of any essential element, but rather to the fact that the soil was broken too deeply and was too loose and incoherent. Plantings made during the present season while only indifferently successful, owing to exceptionally heavy rains, seem to demonstrate the correctness of this theory. Before the advent of dry weather other plantings will be made, and the chief of the bureau is confident that with the use of fertilizers success is certain. He observed native planters growing magnificent cabbages, turnips, tomatoes, potatoes, beans, etc., in this soil in May of the present year. In each instance the ground had been broken to a depth of 3 or 4 inches only and manure had been used.

The chief of the bureau reports the soil in Trinidad Valley to be richer than at Baguio, and states that he has never seen finer English peas and cabbages in any country than have been produced there. The peas in some instances made vines 10 feet in height, which were loaded with full pods, and cabbage heads were found which weighed 18 pounds. American onions were observed to produce good bulbs.

Vermont potatoes yielded at the rate of 100 bushels to the acre without fertilizer or irrigation, and native potatoes, which were planted earlier and suffered less from drought, did better. Pumpkins, carrots, squashes, beets, spinach, parsley, kale, egg plant, beans, radishes, lettuce, cauliflower, and nearly all ordinary vegetables grow to perfection in the dry season with some irrigation, which has now been provided for. White and red clover and alfalfa were doing well in May, but the alfalfa did not flourish during the wet season. Oats make fine crops, and it is supposed that barley, rye, and wheat would do likewise. Teosinte, sorghum, and corn have done fairly well when the weather was not too cold and wet. Fruit trees and grapevines from America came near perishing during the last dry season before the completion of the irrigation ditch, which supplies the farm with water, but are now flourishing, although none of them have reached the bearing age. Additional tools, teams, and laborers have been sent to the Trinidad station, with a view to getting 40 acres under cultivation during the approaching dry season.

RICE FARM AT MURCIA, TARLAC.

The soil of this farm is poorer than that of most of the rice farms of the islands and is not as level as it should be to give the best results. About 1,000 acres can be put under cultivation. Eight hundred acres have been cleared and diked. Six hundred acres are now growing rice and 200 more will be planted by the middle of October. The last wet season's crop consisted of about 30 acres, on which the yield was very good. Four hundred acres were planted for the dry season with a quick-maturing Japanese seed never previously tried in the Philippines. The experiment resulted in failure, the Japanese rice not producing 20 per cent of the crop afforded by the regular Philippine dry-season rice, called "iníta." The Japanese rice proved too weak to hold its own against the strong tropical grasses.

Methods of planting rice.—The native method of planting rice in seeding beds and then transplanting by hand and the American method of direct seeding by the use of drills have both been tried. With the faulty methods of preparing land employed by the Filipinos it is doubtless better to transplant, as the young plants are thus given a good start over the weeds which might otherwise choke them out, but when land has been properly prepared the planting of rice with drills is feasible and gives excellent results.

Draft animals.—It is found that horses and mules stand the heavy work on the rice farm as well as in the Southern States of America. A native teamster with 4 mules plows 4 acres of land per day, while a native plowman with 4 Chinese oxen, of which some 10 head are in use on the farm, plows 2½ acres per day. The ordinary Filipino, using 2 carabaos, is able to plow about one-fifth of an acre per day. Two carabaos are used in order that they may be interchanged every two or three hours and allowed to get their mud baths, without which they soon become incapacitated for work.

Labor.—Filipino labor is abundant and satisfactory. The chief of the bureau was at first ridiculed when he insisted that Filipinos must drive the teams and do the plowing on the government farms, but they are now doing it on every farm controlled by the bureau of agriculture. Furthermore, they are doing it as well as Americans

ever did and at prices amounting to but 6 to 10 per cent of what it formerly cost to get Americans to perform the same work.

Buildings.—New buildings adequate for the needs of the farm have been erected during the past year.

Steam thrasher.—Some 35,000 bushels of rice were thrashed for the neighboring people, the work extending over an area of approximately 125 square miles. Its purpose was to demonstrate to the Filipinos the advantage of the steam thrasher. This machine got so much more rice from the stalks than they had been accustomed to obtain by tramping it out under foot after it had stood for weeks and been subject to the depredations of thieves and rats that they at first conceived the idea that rice hidden inside the separator was allowed to flow from the spout of the machine, thus augmenting the real output.

A period of three months is ordinarily consumed in thrashing rice by native methods, and 25 per cent of the crop is often lost. Native methods of hulling and cleaning are very crude and the valuable by-products are all lost, while rice thrashed by steam power is ready to go to the cleaning mill at once and 20 per cent of the rough rice is saved in bran and polish, which make excellent cattle food. The rice crop being thus quickly disposed of, the farmer and his laborers have time to put in other crops. As a result of the demonstrations made, several steam thrashing outfits have been ordered by Filipinos.

New machinery.—A complete outfit for steam plowing, harrowing, seeding, and ditching has been ordered by the bureau, and upon its arrival in October a considerable increase in the area cultivated in rice can be made.

A good straw baler has been installed at Murcia. It costs about $3 gold per ton to bale and ship rice straw to Manila, where there is quite a market for it at $10 per ton.

SAN RAMON FARM, MINDANAO.

During the past year the boundaries of this farm have been definitely fixed. It includes some 2,000 acres, of which not more than 9 per cent are at present under cultivation. The cultivated area is being increased as rapidly as possible. Difficulties caused by disease among the draft animals and by shortage of labor have prevented the making of rapid progress. If the steam plow ordered proves successful in actual operation another one will be requested for the San Ramon farm.

The importance of planting abacá and cocoanuts in rows and of giving them thorough cultivation has been conclusively demonstrated on this farm, trees so planted and cultivated making far more satisfactory progress than those that were planted haphazard and worked once a year with hoes and bolos in the usual Filipino fashion. The common practice of planting camotes (sweet potatoes) between abacá plants to keep down weeds and furnish food to laborers has been shown greatly to retard the growth of the plants.

The copra raised on this farm is still dried in the crude native way. The practicability of making copra cheaply in a vacuum drier will be fully tested by the bureau of government laboratories, and should this process prove economical upon a commercial scale a suitable drying plant will be installed at San Ramon. The cocoanut husks

are at present wasted or used for fuel. As soon as practicable fiber-extracting machines will be installed and a good profit should be realized on the fiber from husks.

As heretofore stated, the San Ramon Farm was in a condition of almost complete abandonment when turned over to the civil government by the military authorities. Buildings were in a state of dilapidation, parts of machinery were scattered from Zamboanga to Manila, the plantings of cocoanuts and abacá were neglected, and cocao bushes were so overgrown with trees and underbrush that it was some time before they were even discovered.

Transportation and labor difficulties, the loss of draft animals through disease, and the unprecedented drought of last year have combined to retard the development of this valuable property, which should bring a handsome revenue to the insular government. The farm is now upon a paying basis and the cultivated area will be extended as rapidly as possible.

The government of the Moro Province has of late evinced a willingness to take over this valuable property, and General Wood recommended its transfer to the province in order that the provincial government might develop it for the purpose of growing cocoanut and abacá plants for sale to planters, it being his opinion that in this way the farm might be made of far greater practical value than it is at the present time. In the event that this recommendation was not followed, General Wood deemed it advisable for the insular government to devote at least $30,000 annually for the development and maintenance of the farm, independent of the salary of the superintendent, and that it should be administered with a view to producing in the future 1,000,000 hemp plants and 250,000 cocoanut plants annually, the hemp plants to be sold at a price not exceeding 3 cents Mexican each and the cocoanut plants at a price of $2\frac{1}{2}$ or $2\frac{3}{4}$ cents Mexican each.

While the insular government was not willing to make over this property to the Moro Province, there seemed to be no reason why hemp and cocoanut plants should not be grown in any desired numbers and turned over to the provincial government for sale to planters as occasion might require. General Wood was informed that the plan for the San Ramon farm had been to increase as rapidly as might prove feasible the area planted in cocoanuts and abacá and to undertake also the cultivation of cacao upon a considerable scale, and that the raising of abacá and cocoanut plants for sale had not been contemplated for the reason that we were not informed that there was a demand for such plants in considerable quantity, but that if such a demand really existed it was evident that one of the most important functions of the farm would be to produce plants with which to meet it. It was suggested that both lines of work might profitably be carried on together for the reason that if the demand for plants exceeded expectations a draft could be made on the stock intended for use on the farm, while if the demand fell short of expectations the surplus plants, if not too numerous, could be used on the farm to good advantage. There was, of course, no room for discussion as to the desirability of furnishing such plants if the inhabitants of the Moro Province would take them, put them out, and care for them. It was felt, however, that the government of the Moro Province would best be able to determine the probable demand for plants,

and in view of the fact that it had the necessary transportation for use in distributing them, the suggestion was made that after due consideration the legislative council of the Moro Province should make a definite offer to take for distribution in the province, at the price suggested by General Wood, such minimum number of each of these two kinds of plants as that body might feel certain could be disposed of during the year ending June 30, 1905, and as soon as it might acquire the necessary information that it make a further definite offer covering the next fiscal year. The undersigned undertook to bring the production of abacá and cocoanut plants for sale to the Moro Province up to the desired number as rapidly as practicable.

General Wood did not feel that it would be advisable for the province to guarantee to take such plants from the farm for distribution among and sale to the natives, and the undersigned does not feel justified in embarking on the policy of raising for sale hemp plants by the million and cocoanut plants by the hundred thousand without fairly definite assurance that they can be sold when raised. This matter, therefore, seems likely to lie in abeyance, although orders for cocoanut and hemp plants, which responsible persons may desire to make, will be met as speedily as practicable.

In view of the wide distribution of the cocoanut palm throughout the Moro Province, the ease with which nuts may be sprouted in shady and damp places, and the heavy cost of transporting the young plants, the undersigned seriously doubts whether there would be any considerable demand for them. Should such a demand exist, however, it should be met with plants grown from carefully selected nuts, which would be likely to give trees of high productivity.

AGRICULTURAL COLLEGE AND EXPERIMENT STATION AT LA CARLOTA, NEGROS.

The construction of the new buildings for the agricultural college at La Carlota is in the hands of the insular architect, who, it is understood, will begin work at the close of the present rainy season. The farm includes about 1,900 acres of very fertile land, of which some 250 acres are now under cultivation. It is admirably adapted to the raising of sugar, and the chief of the bureau of agriculture calls attention in his annual report to the great necessity in these islands for an object lesson in up-to-date methods of sugar cultivation and extraction. The mills at present in general use are fifteen to twenty years behind the times. The entire juice, after liming and a little skimming, is boiled down to a solid mass or is stirred while hardening to make it grain, and is then called sugar. There is incorporated in this so-called sugar from 20 to 25 per cent of molasses, which must be extracted at the refinery. Three samples of Negros sugar analyzed at the bureau of government laboratories show an average of 78.7 per cent sucrose of crystallized sugar, 7.2 per cent of glucose or noncrystallizable sugar, and 1.41 per cent of ash.

FIBER INVESTIGATION.

Several good mechanics are at work on the difficult problem of producing a satisfactory machine for cleaning abacá. At least one of the machines nearing completion seems quite likely to prove fairly

satisfactory. Should this be the case, the production of abacá will be greatly stimulated. The bureau of agriculture has done all it could to aid inventors by giving them practical suggestions and by furnishing them abacá stalks on which to test their working models.

Experiments as to the value for paper making of the abacá waste produced in stripping are now in progress, and large quantities of this substance will soon be sent to different paper factories for practical trial. Analyses of this waste show that it contains fiber nearly equal in weight to that contained in esparto, which is so largely used for paper making in Europe. Should it prove as good as esparto, it is not too much to say that the value of the abacá waste now annually thrown away is at least $3,500,000 gold.

Maguey, or *sisal hemp*, grows perfectly in these islands and is admirably suited to those regions where abacá can not be raised because of the long dry season. With good machinery the fiber can be extracted for a small fraction of its value. Machinery for cleaning this fiber has been ordered and will be used for purposes of demonstration.

Tree cotton grows well throughout the islands without cultivation, but seems never to have been systematically planted. The United States now imports annually more than $100,000 gold worth of this fiber, at a price of 20 cents gold or more per pound, while the seed is about as valuable for oil and fertilizer as is that of true cotton. Machinery for cleaning this cotton has been ordered.

COCOANUT-OIL PRODUCTS.

Details of the processes which have long been used in France, Germany, and England to make from cocoanut oil solid food substances resembling butter and lard have recently been obtained by the bureau of agriculture, and independent experiments bearing on this subject have been in progress for some time at the chemical laboratory. It is believed to be entirely feasible to establish an important industry here in the manufacture of this fat, which, if sold at the prices now prevailing for compound lard, would nearly double the values obtained for copra even at present high prices. Copra is now the second largest export from the islands, and the area planted in cocoanut trees can rapidly be increased very greatly.

OTHER INVESTIGATIONS.

Cassava, the sole source of the tapioca of commerce, grows all over the islands, but is little used except as a famine food. Starch is worth 4 cents per pound here and tapioca still more. Analyses made of Filipino cassava indicate that 25 per cent of its weight may be recovered in the form of pure starch or tapioca. With a suitable machine for working the roots a very profitable business might be done up to the point of supplying the home demand. Experiments in the planting of cassava have been made as a basis for further investigations.

INDIAN CORN.

Corn is somewhat extensively grown in some of the provinces, notably in Cebu and in the Cagayan Valley, in northern Luzon. It

is at present usually roasted about the time it is hardening and then eaten off the cob. Less frequently it is shelled and parched or ground in rude stone mills. A crop may be matured in less than three months. The meal, pound for pound, is more nutritious than rice. The average rice crop, which requires six months to grow, does not yield more than 750 pounds of cleaned rice per acre, while the average corn crop is 15 bushels per acre, which is more than equivalent in food value to 750 pounds of cleaned rice. It is apparent, therefore, that successful stimulation of corn production will greatly increase the available food supply. Some small, effective, and cheaply operated corn mills for grinding meal have been ordered for the purpose of demonstrations in the provinces.

THE CASTOR BEAN.

The castor bean grows all over the islands. Little use is made of its fruit, while much castor oil is imported, at a high price. Press cake obtained from this bean is worth approximately $20 gold per ton for fertilizer. Investigations are in progress as to the kind and cost of a milling plant which will best handle this product.

SHEEP AND WOOL.

There are now several thousand head of inferior sheep in these islands. So far as can be learned, no one here has ever sheared a sheep or sold a pound of wool. The bureau of agriculture is securing a large number of sheep shears and is distributing them among persons who will agree to use them. It is hoped that a supply of wool may be secured for export, or that the Filipinos will learn to use it as they do cotton and other fibers.

PUBLICATIONS.

The following publications have been issued during the year:

Bulletin No. 5.—List of Agricultural Products and Fiber Plants, by F. Lamson-Scribner (Spanish edition).

Farmers' Bulletin No. 4.—Preliminary Report on the Commercial Fibers of the Philippines, by John W. Gilmore. (In Ilocano dialect.)

Farmers' Bulletin No. 5.—Cultivation of Tobacco, by Clarence W. Dorsey. (Spanish edition.)

Farmers' Bulletin No. 9.—Algunas Suggestiones sobre el Cultivo del Algodonero, by W. C. Welborn. (Spanish edition.)

Farmers' Bulletin No. 10.—Maguey in the Philippines, by H. T. Edwards. (English edition.)

Farmers' Bulletin No. 11.—The Jute Industry, by W. S. Lyon. (English and Spanish editions—in hands of the printer.)

Farmers' Bulletin No. 12.—Abacá, by H. T. Edwards. (English and Spanish editions—in hands of the printer.)

Press Bulletin No. 1.—Maguey Cultivation in Mexico, by W. C. Welborn. (English and Spanish editions.)

Press Buletin No. 2.—The White Cotton Tree, by H. T. Edwards. (English and Spanish editions.)

Press Bulletin No. 3.—Abacá Cultivation in Southern Mindanao, by H. T. Edwards. (English and Spanish editions.)

Press Bulletin No. 4.—The Relative Use of Abacá and Sisal for the Manufacture of Binder Twine, by H. T. Edwards. (English and Spanish editions.)

For further details relative to the work of the Bureau of Agriculture reference is made to the report of its chief for the year ending August 31, 1904. (Appendix L.)

PHILIPPINE WEATHER BUREAU.

Rev. José Algué, S. J., director of the weather bureau, was absent in the United States from November 20, 1903, to August 2, 1904. During much of this time he was engaged in the preparation of the weather bureau exhibit at the Louisiana Purchase Exposition. Meanwhile the affairs of the bureau were under the able direction of Rev. Saderra Maso, who served as acting director.

IMPROVEMENT IN OFFICES.

During the past year a new wing has been added to the building occupied by the weather bureau, which now has excellent quarters, affording accommodations for the director and assistant directors, as well as for observers, clerks, and other employees. With all the members of the observatory staff living within a few steps of the meteorological instruments, the operations of the Manila office are greatly facilitated.

WORK OF THE BUREAU.

The regular work of the bureau, both in the making of weather observations and predictions and in the issuing of reports, has progressed satisfactorily. Among the extraordinary publications of the year must be mentioned an English edition, revised and greatly enlarged, of the very valuable special report of the director, entitled "Cyclones of the Far East."

Ordinary and extraordinary weather reports have been sent by cable to the Asiatic coast and to Japan, as heretofore. Many special reports have been made, such as that on rainfall and evaporation, requested by Mr. Desmond Fitzgerald to aid him in passing upon plans for a new water supply and sewer system for the city of Manila.

Barometers, both aneroid and mercurial, have been adjusted, regulated, and compared with standard barometers of the observatory free of charge, and missing parts of barometers have been supplied at cost price. The astronomical department has furnished official time by telegraph to the provinces daily at 11 a. m. and to the city of Manila by time ball at noon. More than 70 chronometers have been repaired and rated during the year.

The observatory is cooperating in the international study of earthquakes inaugurated by the Second International Seismological Congress held at Strasburg last year, by sending monthly reports of the earthquakes felt in different parts of the archipelago and of the microseismic movements registered at the central observatory.

At the request of General Sanger, the director prepared a pamphlet on the climate of the archipelago, and Rev. Saderra Maso prepared one on "Volcanoes and earthquakes in the Philippines." These papers were incorporated in the Government report of the census of the Philippines, and were also printed as separate pamphlets.

The regular magnetic work has been continued at the observatory, which has also cooperated in the investigations of magnetic disturbances carried on by the chief of the German magnetic service, and has continued investigation of days of magnetic calm, in accordance with a resolution passed by the International Congress of Meteorology in 1900. Observations have also been sent to Doctor

Fritz for his researches on the variation of the magnetic elements throughout the world, and the coast and geodetic survey of the Philippine Islands has been supplied with the hourly values of declination, to facilitate the work of calculating and reducing the numerous determinations made in different points in Luzon, the Visayas, and Mindanao during the years 1902 and 1903. Special observations were made during the annular eclipse of the sun which occurred on March 17, 1904.

Compasses and theodolites which have been brought to the observatory have been tested and adjusted without charge.

WEATHER STATIONS.

The number of secondary stations is the same as last year. The absence of a number of the officers of the bureau in the United States has interfered with the regular inspections of these stations, which are so useful in maintaining their efficiency. The station at Masbate, which had been rendering voluntary service since 1902, has been made official, while the third-class station at Biñang has been suppressed and in its place a fourth-class station established at San Antonio, Laguna Province, at the request of the bureau of engineering. The third-class station at Iba, Zambales, has been abolished, and Masinloc, formerly a fourth-class station, has been raised to the third class.

Eight registering anemometers have been secured for the first-class stations. The officer in charge of Benguet improvements, the bureau of forestry, the officer in charge of Government investigations relative to coal in Bataan Island, and an American school-teacher in Quiangan, Nueva Vizcaya, have been provided with meteorogical apparatus on condition that they furnish certain reports to the bureau.

Difficulties have been encountered in establishing the proposed meteorological station at Guam, but it is hoped that they may soon be overcome. Meanwhile, thanks to the hearty cooperation of Governor Dyer, meteorological data of importance are obtained by mail, and news of atmospheric disturbances likely to be of importance to this archipelago is sent by cable.

EXHIBIT AT THE LOUISIANA PURCHASE EXPOSITION.

While at St. Louis Reverend Algué installed an interesting and unique exhibit and supervised the construction of an immense and admirably executed relief map of the archipelago, which has doubtless done much toward teaching the people of the United States the geography of the Philippines. Eight smaller relief maps were also installed, which gave information on different subjects, as follows:

1. The religious and political divisions of the archipelago.
2. The regions inhabited by the different races and tribes.
3. Mineral resources and mineral springs (hot and cold).
4. Forestry and agricultural products of the islands.
5. The distribution and relative frequency of earthquakes.
6. The distribution of precipitation during the month of August, which is typical of the rainy season.
7. The same during February, typical of the dry season.
8. The meteorological districts and the stations of the Philippine weather bureau.

Representations in relief of Mayon and Taal volcanoes were likewise displayed, and the work of the seismic, meteorological, and other sections of the observatory was adequately represented.

For further details relative to the work of the weather bureau reference is made to the report of the director for the year ending August 31, 1904. (Appendix M.)

THE ETHNOLOGICAL SURVEY FOR THE PHILIPPINE ISLANDS.

Practically all the field work performed during the past year by the ethnological survey has been directly connected with the preparation of an adequate ethnological exhibit at the Louisiana Purchase Exposition. A liberal sum was set aside for this purpose by the exposition board, and a large and valuable collection of ethnological objects was obtained. Much of this material will ultimately be returned to the Philippine Islands, and with a view to facilitating its return and to securing proper labeling at St. Louis a strong effort was made thoroughly to catalogue it before it was shipped. This work could not be completed on account of the shortness of the time and the great number of objects to be catalogued and labeled.

On August 13, 1903, Dr. David P. Barrows, the chief of the survey, was appointed general superintendent of education, but retained supervision over the affairs of the survey for two months, in order to close his work. Dr. Albert E. Jenks was at this time completing his paper on the "Bontoc Igorot," based on a residence of many months among this interesting tribe, but as it was anticipated that he would be ordered to the United States to help in the installation of the ethnological exhibit at St. Louis it seemed best for him to make a hasty trip to the southern islands in order to familiarize himself with the non-Christian tribes of that region, so that he might more intelligently arrange the material from this part of the archipelago.

He was also authorized by the civil governor to make direct contracts with responsible private persons for securing delegations of Manobos, Bogobos, Lake Lanao Moros, and Samal Moros for St. Louis. Acting under this authority, he arranged to secure delegations of Lake Lanao and Samal Moros and of Bogobos. It did not prove practicable to secure Manobos. An agreement was made by Doctor Jenks looking to the sending of Jolo Moros to the exposition, but as the Moros were already adequately represented by the delegations previously arranged for, the agreement was canceled by direction of the undersigned.

During this trip Doctor Jenks visited Zamboanga, Jolo, Cottabato, Davao, and Malabang, from which point he crossed the island of Mindanao to Iligan.

As the various delegations of non-Christian tribes arrived at Manila in charge of their several managers, difficulties were encountered in housing and feeding them and in preventing clashes between the several tribes. The settlement of these troubles occupied much of the time of the officers of the ethnological survey. When most of the tribal delegations were safely on their way to St. Louis, Doctor Jenks was directed to proceed there in order to aid in the installation of the ethnological exhibit and to serve on a committee which is to determine what part of the Philippine exhibit is to be returned to these islands. Upon his departure, Dr. Merton L. Miller, who had

been employed by the exposition board in connection with the preparation of the ethnological exhibit, and who had been working under the direction of the chief of the survey, was appointed acting chief.

WORK OF DOCTOR MILLER.

Doctor Miller had recently returned from a trip to the northeastern and eastern part of Mindanao, where he had visited the Manobos and Mandayas of the Agusan Valley, and the interesting tribe of Mamunuas, in the Surigao Peninsula. Doctor Miller estimates the number of Mamanuas at some hundreds, but thinks it possible that it may reach 2,000 or 3,000. Owing to their shyness and timidity, and to the fact that they live in the forest in groups of not more than four or five families and are constantly changing their place of habitation, it is difficult to form an accurate estimate of their numbers. They seem to be growing less numerous quite rapidly.

Subsequently Doctor Miller crossed Mindanao from north to south, ascending the Agusan River to its headwaters, climbing the divide, and descending the Hijo River to the south coast. In crossing the divide he passed through an almost uninhabited country over a little-used trail. The people encountered showed no hostility, but were timid and for the most part fled at his approach. After reaching the Hijo River he was deserted by all but one of his carriers, but, aided by this man and four constabulary soldiers who accompanied him, he built a bamboo raft on which he descended the river.

WORK OF MR. REED.

Mr. William A. Reed, one of the clerks of the survey, was appointed to enumerate the non-Christian tribes of Negros for the census and to make a hasty survey of these tribes. He returned to Manila on September 6, 1903, and from that time until his resignation from the bureau to accept the governorship of Lepanto-Bontoc devoted himself to completing his paper entitled "The Negritos of Zambales," except during a brief interval occupied in a trip to Zamboanga to adjust difficulties connected with the securing of tribal delegations from that island.

WORK OF MR. CHRISTIE.

On June 1, 1904, Mr. Emerson Christie was appointed to succeed Mr. Reed, the title to the position vacated by the latter having been changed from clerk to ethnologist. Mr. Christie, who has paid special attention to the study of languages, should be able to do valuable work on the native dialects in the islands. Since his appointment he has been occupied in translating and editing a series of old Spanish papers on northern Luzon and the people inhabiting this region.

PUBLICATIONS.

From the time of the organization of the bureau up to the time that the work of preparing the ethnological exhibit for the Louisiana Purchase Exposition was completed the officers and employees of the

ethnological survey had spent a very large portion of their time in the field. Since the latter date they have devoted themselves to preparing for publication the results of their field work. The following papers are now in press:

"The Bontoc Igorot," by Dr. Albert E. Jenks. The pulication of this paper has been somewhat delayed from the necessity of sending the proofs to Doctor Jenks in the United States. All proofs have, however, been forwarded to him, and after they are corrected and returned work on the volume which gives a very comprehensive and valuable account of this interesting tribe will be rapidly concluded.

"The Negritos of Zambales," by William A. Reed. The page proof of this paper has been returned to the printer and it will be ready for distribution within a few weeks.

"Notes on the Nabaloi Dialect of Benguet," by Otto Scheerer, who lived for many years among the Benguet Igorrotes and who is a linguist of unusual ability. This work, which has been prepared with painstaking care, contains a good vocabulary of words of the Nabaloi dialect and a brief but interesting and valuable grammar of the language.

"A Brief Report on the Bataks of Paragua," by Lieut. E. Y. Miller, governor of the province. This paper will be supplemented by further information drawn from a pamphlet by the division of military information, Philippines division, from translations of previous articles on the tribes of Paragua and from a manuscript sent to the survey by the division of military information. Lieutenant Miller secured the first photographs ever taken of this interesting and practically unknown tribe of curly-headed blacks.

"Augustinian Relations of Northern Luzon." A series of papers written at various times during the past two hundred years by Augustinian missionaries and edited by Father Angel Perez. They contain much interesting historical and ethnological matter.

History and Laws of the Moros. Early in the year 1903, 33 manuscripts, in part originals and in part copies, were purchased from Dr. N. M. Saleeby. These manuscripts deal with the history and laws of the Magindanao and Sulu Moros. By the terms of the sale Doctor Saleeby was to translate the manuscripts into English. The work of translating and editing the manuscripts has been greatly delayed. Fifteen of them have, however, been completed and are now in process of publication. It was Doctor Saleeby's desire that a part of them should be printed in Arabic characters. As there are no Arabic types to be had in Manila and as the Arabic text would be useful to specialists only, it did not seem to the undersigned wise to print them in this way. A limited number of sample pages can be readily and inexpensively reproduced by the photographic half-tone process, and this will be done.

A knowledge of Moro law, customs, and ideas, such as these translations will afford, should be very useful in dealing with the Moro tribes, and it is to be regretted that the publication of this material has been so long delayed.

Doctor Saleeby is preparing a brief account of the Moro tribes, their relationships, their languages, and the territory they occupy, which will be published in connection with these manuscripts.

ETHNOLOGICAL AND COMMERCIAL MUSEUM.

Nearly all of the material constituting the Ethnological Museum has been sent to the Louisiana Purchase Exposition, but will ultimately be returned. The work of the Commercial Museum was interfered with from September, 1903, to December of the same year by the necessary absence of Mr. Shiley in Zamboanga, where he went to aid in the preparation for publication of Doctor Saleeby's manuscripts. He has since been engaged in collecting information, answering inquiries of correspondents, who have been chiefly residents of the United States, and in the installation of exhibits. He has given a large amount of valuable and accurate information to inquiring manufacturers and exporters relative to the lines of goods suitable for the Philippines.

Early in May the museum, together with the offices of the survey, was moved into the Oriente Building, where the museum has 3,882 square feet of floor space and 1,500 square feet of wall space. About two-thirds of the floor space is occupied by cases which were made in Japan for the exposition board and which are now filled with Japanese exhibits. The remaining space is nearly all in use, and many of the exhibits now on hand can not be displayed for lack of cases to protect them. It is confidently believed that with adequate space the Commercial Museum would be able to promote the trade relations between the United States and the Philippines to an extent that would show it to be a very important institution.

NEED OF MUSEUM BUILDING.

With the return of the ethnological and other material from St. Louis and the constantly increasing demands for space in the Commercial Museum by manufacturers who desire to exhibit their wares with a view to securing trade in the Philippine Islands, the question of adequate museum space must become urgent in the near future. An adequate and properly furnished museum is one of the greatest of educators, but if it is to fulfill its legitimate ends it must be vastly more than a collection of curios. It should show the natural resources, the manufactured products, the ethnology, and the natural history of the country in such a way that he who runs may read. Every exhibit should teach its lesson, to the end that the museum may be not only a place of amusement and entertainment, but one of instruction as well.

It is safe to say that no institution in New York City is nearer the heart of the masses or reaches them more effectively than does the American Museum of Natural History, and the important part which the Philadelphia Commercial Museum has played and is playing in increasing American trade is too well known to require comment. This government has already made extensive and valuable collections of ethnological material; agricultural products and manufactured goods; woods, gums, resins, and other valuable forest products; rocks, minerals, birds, animals, insects, and plants. An abundance of material is on hand for the installation of valuable and instructive exhibits, but there is no suitable place in which to show them, and adequate facilities can not be provided except by construction. In

the opinion of the undersigned this difficulty should be met as soon as the state of the insular finances will permit, by the construction of a wing connected with the new building of the bureau of government laboratories. Such a wing might be small at first, but the principle adopted in planning the American Museum of Natural History should be followed. The building of the latter institution had small beginnings; when completed it will cover a large city block and will be the finest museum building in the world. As increasing collections have demanded more space, and as increasing funds have rendered further construction possible, every stone has been laid in accordance with plans perfected before ground was broken, and each addition has meant one more step toward the completion of the perfected building.

While it is useless to expend money in the erection of exhibition halls which are to stand empty for years awaiting the gathering and installation of collections, yet a good museum must grow or die, and plans for a building to house it should be of such a nature as to allow of extension when extension becomes necessary. The wing suggested might, after being sufficiently prolonged to the northward, be later supplemented by one extending to the eastward, and when further space was necessary by a third extending to the southward and joining the main building, so that the space at present occupied by the power plant would be converted into an inclosed court. This would allow of adequate lighting, without which the exhibition rooms of a museum are practically useless.

For further information relative to the work of the ethnological survey and of the Museum of Natural History and Commerce, reference is made to the report of the Acting Chief of the Survey. (Appendix N.)

DEAN C. WORCESTER,
Secretary of the Interior.

The PHILIPPINE COMMISSION,
Manila, P. I.

ANNUAL REPORT

OF THE

SECRETARY OF COMMERCE AND POLICE

FOR

FISCAL YEAR ENDING JUNE 30, 1904.

H. Doc. 232, 58–3——10

REPORT OF THE DEPARTMENT OF COMMERCE AND POLICE.

DEPARTMENT OF COMMERCE AND POLICE,
Manila, P. I., November 7, 1904.

SIRS: I have the honor to make the following report of the operations of the various bureaus of the department of commerce and police during the fiscal year ending June 30, 1904, and for the months of July and August, 1904:

BUREAU OF PHILIPPINES CONSTABULARY.

The Philippines Constabulary were increased from 275 officers and 6,774 enlisted men at the beginning of the fiscal year to 288 officers and 6,950 enlisted men at the close. The necessity and importance of this force are conclusively shown by the record of their performance during the year and by the fact that the American troops in the islands, numbering at the beginning of the fiscal year 18,000 men and occupying 79 posts, have been reduced to 12,000 men occupying 39 posts. Of the 50 companies of scouts, numbering 5,000 men, 31 companies were detailed to service under the chief of the Philippines Constabulary during the fiscal year and actively engaged in assisting in the maintenance of order. The present arrangement, however, is unsatisfactory in one respect. The scouts are under-officered, and as the law provides that they can only serve under the chief or assistant chiefs of the constabulary it is impossible to use the bulk of the officers of the Philippines Constabulary to supply the deficiency in the number of scout officers, thus creating a dearth of men who can command the scouts. This makes it impossible to divide the scouts up into small detachments, such as the peculiar needs of the service require. It is estimated that the efficiency of these troops could be increased 100 per cent if they were given the additional officers which the law has made provision for them to have. The value of native troops has passed wholly beyond the experimental stage and is demonstrated beyond question. The chief of the constabulary reports:

> The service of the native troops has conclusively shown the wisdom of their creation. In the first place, they are efficient and relatively economical. In the second place, their organization, with the training and education they receive, materially aids in the development of the country. The experimental stage has passed.

The constabulary are to be congratulated upon having so far reduced the ladrones that it is now safe to travel practically throughout the archipelago. During the year the officials of all the departments of the government, including nearly 1,000 teachers, officers of the forestry bureau, mining bureau, bureau of agriculture, ethnological survey, provincial officers, supervisors and foremen in charge

of construction of roads, have traveled from end to end of the islands, penetrating regions hitherto unexplored and seeing people who have never before seen white men, and almost without exception have not been molested. Members of the Commission and other officials go freely everywhere unarmed and without guards. The activity of the constabulary has resulted in practically wiping out the curse of ladronism, which has done so much to render any real development of the islands impossible. They have hunted these scattered bands down, killed or captured the members, until now there are only a few of the old leaders left, and these skulk in the mountains with the weight of public opinion against them, many of the natives who used to help them now endeavoring to effect their capture and giving information of their whereabouts to the authorities, so that they hardly dare to sleep two nights in the same place. In the course of this work parties of constabulary have covered over 158,000 miles, as against 222,000 in the previous year. They have captured 706 firearms in 1904, as against 948, and it is believed that these captures have reduced the number of arms illegally held in the archipelago to such a point that there are at present outstanding not more than were captured in the last year. During the year they killed and wounded 570 outlaws, as against 1,185 in the previous year, and captured 1,364, as against 2,722. Their losses were 53 men and 2 officers killed this year, as against 78 men and 5 officers in the previous year. The loyalty of the men is demonstrated by the fact that there were but 52 desertions, as against 84 in the previous year, and considering that 23 of these were concerned in one mutiny, which was instigated by the return of the insurgent leader Ricarte, now serving a long term in Bilibid Prison, it can be seen that the percentage of desertions is so small that for all practical purposes it can be considered negligible.

For the purposes of administration the archipelago is divided into five constabulary districts. The first district, covering the provinces nearest Manila, is inhabited mostly by the Tagálogs, who have been the cause of most of the disturbances. This district has been under the very able command of Colonel Scott, whose enforced departure to the States on sick leave is very much regretted by the department. The whole district is in a condition of unprecedented tranquillity and, except for a handful of scattered outlaws, too hardly pressed by the constabulary to be able to gather any bands or to commit depredations, there are no disturbing elements to the peace of the community.

In the second district, comprising practically all of the south of Luzon, reports show everything more quiet than at any time in its history. The body of the outlaw Roldan and four of his companions were recently brought in by his own men for the reward offered by the government, thus removing the only disturbing element.

In the third district, comprising the Visayan Islands, the Pulajanes, who are religious fanatics, have recently become involved in an outbreak which extended through parts of Cebú, Leyte, and Samar. Bands of these people, armed with a few guns and many bolos, have kept in hiding in the mountains and have descended on the coast towns in different directions, burning a few houses and murdering a few people, mostly natives, and indiscriminately men, women, and children. The whole movement seems purposeless and is un-

doubtedly due to ignorance and superstition on the part of the men engaged in it. Several Americans, including one constabulary officer, have been killed, and a few enlisted men of the constabulary and scouts killed and wounded in addition during the months of July, August, and September, 1904. Additional companies of both constabulary and scouts have moved into the infected region and are pressing the Pulajanes very hard. The inhabitants of the coast towns seem to be loyal and inclined to help the troops in defending their towns against attacks. It is hoped in a short time to quell these disturbances, as there are already signs that the Pulajanes are tiring of it, and many captures have been made.

In the fourth district, comprising the provinces of northern Luzon, everything is reported quiet, except occasional disputes and small fights among the wild tribes. These difficulties have always existed.

In the fifth district, comprising the Moro provinces in Mindanao, the Americans have undertaken the advance of civilization among peoples who have never before been brought under modern rule. Indications are that the great island of Mindanao, with its immense potential wealth, will soon be as safe and available for development as any in the group.

The Commission, in its appropriation for the fiscal year 1905, has provided, for economical reasons, for a reduction of the constabulary force to 6,000 men, these reductions to take place gradually during the course of the year. This and the Pulajanes difficulties in the Visayan Islands have caused the civil governor to ask for seven additional companies of scouts, which have been assigned by the general commanding the Philippines Division to service under the chief of the constabulary, many of them being employed in Samar.

It frequently happens that where a Filipino is advanced to a position of authority that, until he becomes accustomed to the responsibilities of his office, he abuses his privileges. The enlisted natives need constant and rigorous supervision by competent officers to prevent their using their newly acquired authority to oppress the people they are supposed to serve.

There are occasional complaints in regard to abuses by the American officers, and these are given immediate and careful attention. Wherever any abuse is found to have been committed severe discipline is meted out to the offenders, but in most cases it is noticeable that the complaints come from the more lawless regions, and when investigated are likely to show that they emanated from people who are compelled to observe laws they wish to break and whose personal records are not above suspicion.

In general it can be said that the constabulary are a good, efficient organization, well officered, well manned, well drilled, and accomplishing in full measure the purpose for which they were organized.

INFORMATION DIVISION.

Under the operation of this division there have been 1,400 arrests of outlaws and other criminals. Eighty-one firearms have been captured. The natives have given ready, intelligent, and very valuable advice as detectives and secret-service agents, although there is great risk attached to this service, as shown by the fact that 6 out of a total rostrum of 118 of these officers were killed during the year.

TELEGRAPH DIVISION.

The telegraph division is now operated jointly by the insular and the United States Government. The tendency has been for the United States Government to turn over to the constabulary the duty of caring for this service. This fact will account in part for the large increase of miles of telegraph from 505 to 2,037 operated by the telegraph division of the constabulary during the year. The miles of telephone also increased from 1,871 to 2,213; the cable from 85 to 163 miles; telegraph offices have increased from 23 to 60, and the telephones in use from 155 to 350 outside of the city of Manila. Seven hundred and seventy-seven miles of new construction were completed, iron poles being largely used. The short life of wooden poles in this climate makes these almost a necessity. The United States Signal Corps operates, in addition, 1,351 miles of telegraph, 1,460 miles of cable, and 398 miles of telephone in the archipelago.

MEDICAL DIVISION.

The constabulary supports 7 hospitals and 2 wards, aggregating 200 beds. Thirteen hundred and thirty-two cases were treated, with a mortality of only 26. The superintendent of the division states that the native soldier is quick to learn the duties required by the Hospital Corps, and that only one instance has ever been brought to his attention where a native has not exceeded reasonable expectations.

ORDNANCE DEPARTMENT.

All the firearms in the islands not in the hands of the military and the constabulary are registered in the ordnance department. Those in the hands of individuals are covered by licenses issued by the constabulary or by the provincial governments, under bond, to be forfeited to the government in case the arms are lost. The total number of permits outstanding, of all kinds, is now 4,749.

For additional information and details in regard to the operations of this bureau attention is called to the annual report for the fiscal year, submitted by Brig. Gen. Henry T. Allen, and supplemental report covering the period from July 1 to September 22; also reports to him of the officers commanding the five constabulary districts and of the chief supply officer.

BUREAU OF COAST GUARD AND TRANSPORTATION.

This bureau is now operating 17 steamers, 6 seagoing launches, 1 river steamer, 6 river and harbor launches, and 1 sailing sloop. The coast-guard cutters, as the steamers are called, are kept continually in use, and perform excellent service in providing transportation for government officials, carrying supplies, expediting and rendering possible the movement of the various government agents to the less accessible parts of the archipelago. There are now 11 routes upon which regular trips are made, 5 of which have headquarters at Manila. During the fiscal year ending June 30, 1904, the various steamers and launches of the coast-guard service traveled over 350,000 miles, visited over 4,000 ports, carried over 15,000 passengers, and over 5,000 tons of freight,

including 5,000,000 pesos in cash. Attention is called to the report of the cruiser *Tablas*, used to prevent smuggling into the Moro Islands. On one occasion the sailors from the coast guard landed to help the constabulary against the ladrones in Samar.

There has been some complaint made by the owners of the merchant steamers that the large use of government ships takes so much of the business as to make it impossible for them to operate at a profit. With a view to considering this point, the civil governor has appointed a committee to consider all questions of island and interisland transportation, and determine, among other important questions, whether it would be advisable to take off the boats belonging to the insular government from the main avenues of commerce and turn the government business over to the commercial lines. This committee is now at work on the problem. It has been the effort of the government to prevent the use of the coast-guard vessels from interfering with the business of the commercial lines in carrying any passengers and freight other than those incident to the government service.

LIGHT-HOUSES.

At the beginning of the fiscal year 61 lights were in operation, including 15 flashing lights, 5 fixed lights, and 41 minor lights. At the end of the fiscal year 15 new lights had been put in operation, bringing the total up to 76, including 19 flashing lights, 3 fixed lights, and 54 minor lights. The Spanish Government had made plans for a very comprehensive system of lights, and many of them were in course of construction at the time of American occupation. The insurgents, apparently not alive to the importance of aids to navigation, rather ruthlessly despoiled the light-houses of their machinery, and the equipment of the light-houses has been gathered sometimes from great distances and at considerable expense, until the system is now in a fair way to become adequate. Many of the partly constructed Spanish light-houses are now nearing completion under American supervision, and the Commission has appropriated money for several much-needed new light-houses, to be ready as soon as the construction can be completed. Lack of funds has prevented the Government from undertaking some much-needed new construction which will render navigation much more certain.

ENGINEER ISLAND.

Engineer Island, situated on the south side of the mouth of the Pasig River, was set aside for the use of the bureau of coast guard and transportation by act of the Commission, in June, 1903. The act authorized the construction of shops, a marine railway, and other facilities for handling the business of the bureau. This work is now nearing completion. The building for the machine shops is about completed, and the machinery will soon be in place. The marine railway, contract for which was let in February, 1904, is in process of construction and will undoubtedly be ready in December of this year, the time called for in the contract.

For additional information and details attention is called to the attached report for the fiscal year, submitted by Commander J. M. Helm, chief of the bureau of coast guard and transportation; also,

supplemental reports for the months of July and August, 1904, and reports of the light-house engineer, light-house inspector, marine superintendent, and paymaster.

BUREAU OF ENGINEERING.

The work of this bureau has been constant and increasing, and it is certain that with the development of the resources and growth of the commerce of the islands its field will assume greater and greater proportions. The work is classified into a division of records, division of surveys, division of construction, division of drafting, division of provincial supervisors, and division of railroads. The chief of the bureau recommends the creation of a division of irrigation and a division of geography. The former officer could well devote all his time to improvements of rivers and waterworks and the maintenance of existing systems of irrigation, which, from lack of proper attention, are suffered to deteriorate; and the latter is urgently needed to supply a suitable map of the islands and collate all the information which is being brought in from various sources, which show inaccuracies in the existing maps to a degree that makes them unreliable for many practical purposes.

A general review of the work of the bureau brings into prominence some extremely interesting facts. During the year the insular government has engaged in the construction of 274 miles of new road, of which part is completed and part still remains unfinished. The money for these has been appropriated principally out of the Congressional relief fund. The bureau has completed surveys and made recommendations in regard to 157 miles of additional road.

The development of roads is probably the most important step in the development of the commerce of the islands. The Spaniards made a practice of diverting to other uses money raised for the maintenance and repair of roads, and thus it seldom accomplished its real purpose. Practically the only work which was done on the roads came from compulsory labor under the laws which then obtained. At present, during the rainy season, the narrow-tired bull carts, following one another in a single rut, wear even the best road through, making them a series of quagmires through which the bulls toil up to their knees in the mud and dragging the carts, whose wheels are submerged to the axle. This necessitates very light loads if the carts are to get through and renders any extensive movement of products or merchandise impossible.

The two main objects to be served by the development of roads are: First, military, and second, commercial. With the advent of good roads comes the advent of peace, for in the presence of quick transportation the ladrone moves out, and until the ladrone has gone industry can not begin. The practical extinction of the ladrone brings the commercial use of the road into first place. It is necessary that the main avenues of commerce should be made passable. It seems, therefore, that the time has come for the government to change its policy and direct its energies and revenue, both provincial and insular, toward putting the existing roads in permanent serviceable condition. This can be done at a much less cost per mile than in construction of new roads and will render much greater service per

mile, and still more per dollar expended, than any new road could reasonably be expected to do. Every year the roads which are not kept up deteriorate, and it is better that the provincial revenues should be expended in keeping good roads in good repair than in making bad roads temporarily passable.

In this connection the report of the chief of supervisors is full of interest. It shows that in the aggregate the provinces completed 252 miles of new road, at a cost of about 300,000 pesos, and repaired 1,662 miles of old road, at an aggregate expense of about 400,000 pesos. There were 582 bridges and culverts built and 458 repaired. The labor, of course, was principally Filipino, and the report shows the equivalent of 1,545,801 single days' work having been done during the year. The Commission has enacted a law prohibiting the use of the narrow-tired bull cart. This law is absolutely necessary if the good roads which have been constructed and the repairs made on the old roads are to be of any permanent value. It is a very difficult matter to enforce the law, as the price of the new wheels is high, and it is difficult to compel the native to buy them, as he does not have the money. Experiments are being made in Bilibid prison looking to a reduction in the cost of this construction, and figures will soon be obtainable. It is hoped that some device may be reached which will put the right kind of wheel and axle within reach of everybody.

Next to development of roads, the improvement of the harbors of the islands merits the attention of the Commission. The approaching completion of the port works of Manila will make a demand for good harbors in the other principal ports of the islands immediate and urgent. To meet this the Commission has authorized the construction of improvements in Iloilo and Cebu, for which contracts have been let, involving about $500,000 gold for Cebu and $250,000 gold for Iloilo. These works will be started immediately, and it is anticipated that the Iloilo works will be finished in about thirteen months from date. Cebu will take nearly a year longer.

It is hoped that as soon as funds become available which can be devoted to harbor improvements the Commission will turn their attention to the most needed unimproved harbors and complete them in order of their importance, with a view to enabling ships to load and unload at wharves provided with adequate warehouses and save the annoyance, risk, and expense incident to lighterage. In this connection the chief of the bureau of engineering says:

> Practically all of the harbors are lacking proper wharfing facilities. Vessels necessarily anchor about 1 mile from shore, and lighterage is accomplished by cascoes, from which the goods are packed to the beach by men or carabao carts, which are driven as far as possible into the surf. The resulting expense in the discharge or shipment of cargoes is large, and considerable damage to the goods is incurred.

The large number of rivers navigable for vessels of light draft present a system of communication of extraordinary promise to the development of the islands, and it is estimated that a single dredger operating continuously on the various bars which obstruct the mouths of all these rivers would render a great service to the coastwise trade at a comparatively small expense.

Some of the rivers of these islands present features worthy of note. The heavy rainfall and precipitous watersheds present a condition

that brings about floods, and many of these rivers are known to rise 20 or 30 feet in the course of a few hours, causing very severe damage to property and often menace to life. The Commission has received from various provinces petitions to have controlling works undertaken to prevent fertile lands or fine buildings from being destroyed. Such work usually involves extremely expensive construction, often in excess of the market value of the property to be saved, and it has been impossible to undertake this work for lack of funds.

The bureau has investigated several water powers during the year, and it is hoped that the high price of coal may be offset in some measure by development of water power. It is common practice in the United States to carry large amounts of power distances ranging from 30 to 150 miles, and there is reason to believe that within reach of Manila there is more than one good water power the development of which will materially decrease the cost of power in the city. It is by no means certain that electric power is not the proper motive power for the railroads of these islands, and this feature lends great importance to these investigations.

Appended to the report of the bureau of engineering, under the division of railroads, is a very complete statement of the business of the Manila and Dagupan Railroad. The most noticeable feature in this is the enormous increase in the third-class passenger business, which is carried to a point far in excess of anything in the previous history of the railroad.

The demand for additional railroads is constant, pressing, and insistent, and comes from all classes and many directions. The existing railroad company has applied for a franchise to extend its line in several directions and build new lines in others. Many other applications for franchises have been received. All action in this matter is withheld, pending decision by Congress upon the bill authorizing the Commission to guarantee interest upon the construction of new railroads. It is hoped that the company or companies which obtain the privilege of building in the most populous districts where the largest business may be reached will be induced by means of a government guaranty to build through some of the less populous regions, thus serving the double purpose of developing the resources of the regions now out of reach and bringing the fertile and populous regions beyond into closer communication with Manila. It is very desirable to have a railroad from Manila to the fertile and populous province of Batangas, and it is hoped that such a road could be extended so as to reach the rich and populous hemp districts at the southern part of Luzon. Another district of Luzon which it is very desirable should be brought within reach of Manila is the great and fertile valley of the Cagayan River, with its immense potential wealth and proved fertility. It is also desirable that the west coast of Luzon, from Dagupan to Vigan, and perhaps Laoag, be reached by railroad.

During the year this bureau has completed surveys of the so-called "friar lands" agreements for the purchase of which have been entered into by the government. This work was complicated by the fact that the title submitted did not have accurate plans and boundary marks in every case, and the title to the land in question involved a good many questions of ownership.

For additional information and details attention is called to annual report of Mr. J. W. Beardsley, consulting engineer to the Commission,

for the fiscal year, and supplementary report for July and August of 1904, to which are attached reports of the railroad engineer and of the chief of supervisors.

BUREAU OF POSTS.

During the year the business of the post-offices showed a steady growth, the number of post-offices having increased from 213 at the beginning of the fiscal year to 3,191 at the close. As very few of these additional post-offices are self-supporting, it is the policy of the Commission to go slow and not increase the number of post-offices further at present. They have limited the number to be established during the present fiscal year so as not to exceed a total of 450 post-offices in the aggregate. This step was taken purely in the interest of economy.

The post-office in Manila is now moved into its new location in the Cuartel Fortin Building, which gives better space and more than double the facilities of its previous site, but at best can be regarded as a temporary expedient.

Too large a proportion of the mail is carried under official frank, and is not revenue producing. It may be necessary to take measures to protect the government from improper use of the mails in this way.

Regulations are now in force providing that United States stamps not countersigned with the word "Philippines" are not accepted in Philippine post-offices, and stamps so countersigned are not accepted in United States post-offices. This change was reported to have worked little hardship.

Plans are being prepared for an issue of distinctive stamps of the Philippine Islands. The money-order business in operation at 33 offices at the beginning of the fiscal year has been increased by 30 additional offices and is now in operation at the capital city of each province. It is used largely for remittances of money to the United States, and the business continues to grow.

The director of posts speaks very favorably of the result of his employing Filipinos, and he reports that he has now 102 Americans and 287 Filipino postmasters, and 72 American and 84 Filipino clerks. This is a great increase in the proportionate number of Filipinos employed the preceding year, and is very gratifying. Some improvement has been made in the transportation during the year, both as regards regularity and frequency. Much of this is due to the establishment of coast guard routes and the service given by the army transports. It is hoped that arrangements may be completed by which this business will be done more and more by commercial lines.

For additional information and details attention is invited to annual report for the fiscal year submitted by Mr. C. M. Cotterman, director of posts.

BUREAU OF PRISONS.

The Commission has ruled that wherever prisoners are sentenced for more than two years in any of the provinces they shall be transferred from the provincial jail to Bilibid. Under the operation of this rule, aided by the vigilance and activity of the constabulary

in hunting down ladrones, the prisoners increased from 2,776 at the beginning of the fiscal year to 4,318 prisoners at the end, an increase of 55 per cent. This has filled up Bilibid to an extent not contemplated at the time of its construction. It is not anticipated that any such increase will occur in the present fiscal year, because the transfers from the provincial jails have been completed and the operations of the constabulary have reduced the number of outlaws outstanding to a comparatively few individuals, very small in number and adept in the art of concealment.

During the year the cost for maintenance per capita of prisoners was 33½ centavos per day, or less than 17 cents gold. This takes no account of receipts from sales of manufactured articles. The prison is engaged in the manufacture of carriages, clothing for their own use, laundry, furniture, and a few specialties, but these operations have not yet developed to a point where they give anything like an adequate return for the amount of potential labor. An effort will be made to give employment to the prisoners in such a way as to educate as many as possible in some trade that will be useful to them after their release and at the same time help maintain them while in confinement. The opening of the extensive carpenter shops nearing completion will tend to bring about this result. The business of making wide-tired wheels for the provinces is one which might prove very advantageous both to the prison and to the provinces. The government has been very careful not to have prison labor compete with legitimate business enterprises in the open market. It is hoped that this policy will not be carried so far as to prevent the prison from becoming more nearly self-supporting.

The rapid increase in the prison population has necessitated several additional buildings to provide accommodation, and this work has been done mostly by prison labor.

The discipline of the prison is good, and the health as good as could be expected where there has been such overcrowding of quarters as has been necessary pending completion of the new. Additional hospital facilities and more sleeping space are necessities if the health of the prisoners is to be preserved. It is noticeable that with the substitution of bread for rice in the native rations beriberi has almost disappeared. Considering the calls that have been made on it during the last year, the prison has been carried on in a high state of efficiency, and it speaks well for the corps of officers. The fine physique of the long-term prisoners, who have thrived under the regular life and good food accorded them, is in sharp contrast to the appearance of the short-term prisoners, who present the more emaciated appearance, which is characteristic of the Filipino of the lower classes.

For additional information and details attention is invited to annual report of Mr. M. L. Stewart, acting warden, and his supplemental report for the months of July and August, 1904, to which are attached reports of the resident physician and of the chaplain.

BENGUET IMPROVEMENTS.

The construction of the Benguet road is being pushed rapidly to completion. Col. L. W. V. Kennon, the officer in charge, has proved himself capable of surmounting the many obstacles which present

themselves, and is completing a road of easy grades, few curves, and of a permanent nature. The roadbed can readily be adapted for an electric railway whenever the time comes for the construction of such a road, although it will require a good deal of expensive bridging to prepare the road for the railroad. The canyon is narrow and winding, the rocks on either side precipitous, and the material of which the rocks are composed and their nature are such that it was found necessary to strip the hillsides sometimes for several hundred feet in height in order to make sure that the material above would not slide down, thus rendering travel dangerous. There are now over 3,000 men at work, and it is estimated that the road will be finished during this fiscal year. The bridges—wherever it seemed wise to complete the permanent construction—and culverts are of cement, as wood was found to rot too rapidly to be safe. The highest grade is 9 per cent, and the sharpest curve 80 feet in radius. While a very small part of the whole is actually finished at the present time, the bulk of the work is done, the finishing touches being very easily put on by a gang of finishers. In the difficult and dangerous work it is found that the white men are the most efficient, the full-blooded negro next, while nearly a thousand Japanese are employed and are giving very good service in the other difficult parts of the work. Filipino laborers, of whom there are over a thousand now employed on the road, have to be educated very gradually up to this sort of thing, but there is one body of Tagalogs who have attained great skill and have proved themselves to be very serviceable workers, having been a long time with the road. Colonel Kennon speaks highly of their work.

NAGUILIAN.

Nothing further is being done toward the completion of the road to Benguet from San Fernando known as the "Naguilian Trail." It is passable for horses.

BENGUET.

The Commission has had plans prepared providing for the creation of a township consisting of 6,866 acres, to take in the whole of the available country around the proposed site of the new town of Baguio. At present the buildings in Baguio consist of a sanitarium that has 48 beds, a number of cottages of cheap construction, and a few other buildings for prison purposes, constabulary barracks, provincial headquarters, etc.

With the completion of the road it is hoped that the advantages of this temperate climate will be placed within the means of Government officials and men in civil life who are living in Manila on small salaries and can not afford the time and expense to go to Japan, China, or the United States.

The Commission is fortunate in having secured the services of Mr. D. H. Burnham, of Chicago, who will lay out the plans for the permanent improvements and arrangements of the public buildings, streets, etc., with a view of having everything upon the most improved lines.

For additional information and details attention is invited to report of Col. L. W. V. Kennon, officer in charge, Improvements in

Benguet Province, for the fiscal year, and to the supplemental report covering the two months of July and August, 1904. Also to reports of the disbursing officer, property officer, commissary officer, medical officer, and chief engineer.

BUREAU OF COAST AND GEODETIC SURVEY.

The work of this bureau has been systematically and regularly pursued during the year. The steamers *Pathfinder* and *Research* have been in continuous operation except for such times as they have had to be laid off for repairs, and the new steamer *Fathomer* is nearing completion in Hongkong and will be put into commission as soon as ready.

The nautical information division has prepared bulletins entitled "Notices to Mariners" and "Sailing Directions," wherein all changes of buoys, lights, etc., discoveries of uncharted rocks and other menaces to navigation are reported as promptly as practicable. The chief of the bureau reports that "the work of the native draftsmen is surprisingly excellent, and their service worthy of very great praise."

The attached report shows 30 topographic and 33 hydrographic sheets inked, and 20 new charts completed since the last reports, and about as many more nearing completion. The bureau reports over 4,000 charts distributed for official use or disposed of by sale during the fiscal year.

Much has been accomplished by this bureau, but more remains to be done. The archipelago has a coast line more than double that of the United States, and not more than 10 per cent of this has been adequately charted. The exact geographical situation of a great portion of the east coast of the islands has never been determined, and there has been considerable uncertainty in regard to many other points. With the opening of the Pacific cable the exact longitude of Manila has been determined from San Francisco during the year, and several other points hitherto in doubt have been cleared up. The bureau will compile data from which it will eventually plot an accurate coast line. In two cases the actual surveys show a discrepancy of nearly 4 miles over the previous reports. Accurate tidal observations are being made and valuable records obtained. The work of this bureau is of the utmost importance to navigation and will be forwarded continuously just so fast as the means of the government will allow, especial attention being devoted to the main avenues of commerce.

For additional information and details attention is called to annual report submitted by Mr. John E. McGrath, assistant in charge of bureau.

TELEPHONES.

The situation in regard to telephones, telegraph, and cable service is very mixed, and would be much bettered if some arrangement for centralization could be put in operation. There are several telephone systems operating in Manila, none of them satisfactory. The instruments are old-fashioned and not adequate to the needs of the service, and a practically complete new installation is necessary if good service is to be obtained. It is to be hoped that some means will be found to this end.

HARBOR LINES COMMISSION.

Under authority granted by Act No. 592 a commission has been appointed, consisting of the consulting engineer to the Commission, as provided by the law, the chief of the bureau of coast guard and transportation, and the officer in charge of the port works of Manila, whose duty it is to make recommendations in regard to the establishment of permanent harbor lines in such ports as they shall be requested to consider. The ports of Manila, Iloilo, Cebu, and Nueva Caceres have been submitted to them for recommendation.

Respectfully submitted.

W. CAMERON FORBES,
Secretary of Commerce and Police.

The PHILIPPINE COMMISSION, *Manila, P. I.*

THIRD ANNUAL REPORT

OF THE

SECRETARY OF FINANCE AND JUSTICE

TO THE

PHILIPPINE COMMISSION.

H. Doc. 232, 58-3——11

REPORT OF THE SECRETARY OF FINANCE AND JUSTICE.

DEPARTMENT OF FINANCE AND JUSTICE,
Manila, P. I., November 15, 1904.

GENTLEMEN: I hereby submit a report on matters, legislative and executive, pertaining to the department of finance and justice in the Philippine Islands during the period from September 1, 1903, to September 1, 1904.

Some of the data contained in this report are brought down to a date later than September 1, 1904, but unless otherwise stated this report will cover the year from September 1, 1903, to September 1, 1904.

ADMINISTRATION OF JUSTICE.

Prior to the date of the second annual report from this office to the Commission, November 6, 1903, new legislation had been enacted covering the subject of leaves of absence of judges, changing the times and places of holding the supreme court and rearranging the judicial districts and times and places of holding the court in each province, creating two additional judicial districts, revising certain provisions of law as to special terms of court, and making more adequate provision as to traveling expenses of judges, fiscals, and clerks.

Under the partial reorganization of the courts, as above stated, the administration of justice has been conducted throughout the islands in a manner on the whole satisfactory. The larger number of judges authorized by the legislation referred to has enabled the courts substantially to keep abreast of all litigation. Indeed, in some of the districts the judges have not been fully occupied and have been available for temporary transfers to other fields of labor. The liberal provisions of law for leaves of absence for judges enabled six of the judges, after three years' continuous service, to be absent from the Philippine Islands, in the United States or elsewhere, for practically five months each, from May 1 until October 1. But by temporary assignment of judges at large to special districts and by detailing judges of the court of customs appeals for duty in the courts of first instance the regular July, August, and September terms of every court of first instance have been held at the proper time and the dockets finished. The return of the absent judges, together with the utilization of the judges at large, will enable the regular subsequent terms to be held at the times fixed by law.

In the supreme court the situation has not been so fortunate. At the close of the court year, May 1, 1904, two of the judges of the supreme court, the Hon. Charles A. Willard and the Hon. John T. McDonnough, much to the regret of the government, tendered their

resignations, which were accepted. Both were able judges, and Judge Willard, by several years' service, had acquired a thorough knowledge of the Spanish language and of the law prevailing in the islands. His retirement from the insular service was a distinct loss to the judiciary. Judge McDonnough served for a shorter period, but had proven himself to be an able and upright jurist. At the same time that Judges Willard and McDonnough retired three other judges of the supreme court availed themselves of their five months' leave of absence, authorized by law after three years' service, and went to the United States, leaving but two judges of the supreme court on duty. The law requires five judges to constitute a quorum, and consequently the supreme court has been unable to hold sessions since the 1st day of May, 1904, the vacancies created by the resignation of Judges Willard and McDonnough not having been filled. This fact has resulted in a large accumulation of business in the supreme court, to the great detriment of the litigants and particularly to alleged criminals whose cases are pending in the supreme court. The court will probably be able to reconvene some time in December, with a bare quorum, should all the judges who are now holding office be in Manila and ready for service. It is not believed that this unfortunate condition will soon again arise.

On the 25th day of October, 1904, there were pending in the supreme court—

Civil cases	242
Criminal cases	591
Total	833

The number of cases disposed of by that court in the court year, from July 1, 1903, to May 1, 1904, either by trial and decision or otherwise, was 339.

No cases have been disposed of since the 1st of July owing to the want of a quorum in the court. The situation, therefore, is that if cases are not disposed of more rapidly by the supreme court in the future than in the past year it will be more than two years and a half before a case entered in the supreme court at this time or subsequently can be disposed of. This condition of affairs is most disastrous, and results in a practical denial of justice in many cases.

The difficulties arising from the want of a quorum during the first half of the court year of 1904 and 1905 will be corrected if the Philippine bill now pending in Congress is passed, one of the provisions of which is that in the absence of a quorum one or more judges of the court of first instance may be detailed to sit with the supreme court to constitute a quorum. This provision, however, does not strike at the root of the difficulty.

It is possible that the supreme court may be able to expedite the work which has accumulated by having longer hours for the hearing of cases and by restricting the length of time allowed for argument. Probably, however, some legislation may be necessary to furnish temporary relief and enable the court to get abreast of its business. The desired relief might be obtained by creating a supreme court commission for temporary service, which should take the burden of hearing, and recommending to the court for decision all civil cases where the amount involved does not exceed $2,000 United States money, and all

criminal cases where the penalty provided by law to be imposed does not exceed two years' imprisonment. The effect of such a provision would be to relieve the supreme court from the drudgery of hearing a large number of cases in which comparatively small interests are involved, the smaller cases receiving not only the careful consideration of the courts of first instance, but also that of a commission of good lawyers or judges appointed for that purpose.

The amount of criminal business has during the past year, as for many years before, been largely in excess of the civil. Great numbers of people have been convicted of "bandolerismo," or robbery in bands, and much of the time of the court has been occupied in disposing of criminals of this character. The greater degree of good order that now prevails throughout the archipelago renders it probable that this branch of judicial duty will be much less in the coming year than in the past. The judges, native and American, have justified their appointments by the character of their work, and little criticism is made as to the administration of justice in the higher courts, aside from the delay in the supreme court. The prosecuting officers are substantially all Filipinos, and they, differing in efficiency, have on the whole performed their duties well.

The justices of the peace are all natives. In many of the smaller municipalities it has been difficult to find persons competent to perform the duties of this office, and consequently many changes have been necessary.

Under the policy adopted by the Commisison of reducing the number of municipalities by consolidation some hardships have been imposed upon people living in remote portions of consolidated municipalities, who reside many miles from the office of the justice of the peace. To meet these difficulties it will probably be necessary to make some slight modifications in the law, so as to provide for more than one justice of the peace in certain of the consolidated municipalities, so that the local tribunals may be easily available to all the people. Under the new code of criminal procedure which is about to be adopted, as hereinafter stated, the labors of justices of the peace will be made more simple and can be more easily performed by men of limited education.

NEW LEGISLATION RELATING TO COURTS.

Comparatively little new legislation has been necessary in relation to the courts. Such legislation as has been enacted has been mainly for the purpose of meeting minor defects found in existing laws.

By Act No. 1019, passed December 3, 1903, the judge of the sixth judicial district was authorized to reside in the city of Manila and to exercise in that city certain interlocutory jurisdiction with respect to causes pending in his district.

By Act No. 1056, passed February 20, 1904, provision was made for court vacations for the courts of land registration and customs appeals and for leaves of absence of judges of those courts substantially on the same basis as had been previously provided with reference to judges of the courts of first instance.

By Act No. 1108, passed April 5, 1904, authority was given for the designation of any judge at large of the court of first instance to

perform the duties of a judge of the court of land registration in any province or in the city of Manila; authorizing the secretary of finance and justice to direct any register of deeds or provincial fiscal of any province to perform the duties of examiner of titles in his province; increasing the salary of the associate judge of the court of land registration after January 1, 1905, from $4,000 to $4,500 per annum; providing for the review of any order, decree, or decision of the court of land registration by the supreme court in substantially the same manner as orders, decrees, and decisions of the court of first instance are reviewed; giving the court of land registration power to issue a writ of possession placing an applicant for registration in possession of property covered by a decree of the court in his favor; authorizing the Government of the United States or of the Philippine Islands or of any province or municipality thereof and foreign corporations to apply for and secure registration of titles to lands through the court of land registration, and making minor provisions as to the proceedings in the court of land registration, including adequate arrangements for the employment of surveyors and the apportionment of their fees.

By Act No. 1123, passed April 27, 1904, authority was given to any court of first instance to conduct its proceedings in the English language or in a native dialect only, when all the parties or counsel so stipulate in writing, providing that in case the proceedings are in the English language only in the trial court the English record alone shall be used by the supreme court, the briefs being accompanied by a translation into the Spanish language; that in case exceptions are taken in courts of first instance, the original bills of exceptions and all documents which by the bills of exceptions are made a part thereof shall be transmitted to the supreme court instead of certified copies; providing for appeals to the supreme court by paupers without fees and without printed record; directing that when the supreme court may, under the law, review evidence taken in the court below, the testimony shall not be copied, but the original testimony on file and all documents constituting a part of the files in the case, shall be transmitted to the supreme court and referred to on hearing. It has been found that great expense and delay were incurred by reason of the requirement that in all cases the record should be translated into the Spanish language before a case could be transmitted to the supreme court and that cases should be tried wholly in the Spanish language, although the judge and all the counsel and parties were accustomed to use the English language only, and desired its use. In many cases criminals, who had been convicted in the courts of first instance, were compelled to wait many months before the record could be transcribed into the Spanish language and transmitted to the supreme court. It has also been the rule of the supreme court that whenever the evidence taken in the court below was to be reviewed in the supreme court it must all be translated into the Spanish language and printed. In many cases these requirements resulted in a practical denial of the right of appeal, because the expense of translation and printing exceeded the ability of the parties. Printing bills of $1,000 or more in a single case were not infrequent. In fact the expense of getting cases in readiness for trial in the supreme court often exceeded the whole value involved in the controversy. The relief furnished

by Act No. 1123 is very marked and was indispensable to an inexpensive and speedy administration of justice.

By Act No. 1153, passed May 11, 1904, most of the administrative duties relating to the bureau of justice, as well as the bureau of the insular treasurer, heretofore authorized by law to be performed by the civil governor, were directed to be performed by the secretary of finance and justice. Practically all of the administrative duties referred to had been performed by the secretary of finance and justice before the passage of this act, but every paper in each case had to be transmitted to the civil governor to be by him signed, and it was deemed advisable to have the final responsibility of these administrative duties rest upon the secretary of finance and justice instead of upon the civil governor.

COURT OF CUSTOMS APPEALS.

The court of customs appeals was reorganized by virtue of act 864, as stated in the last annual report from this office, and no changes have since been made in its personnel.

Judge Crossfield, of the court of customs appeals, has performed duty by special assignment as judge of the court of first instance in the city of Manila and in the provinces of Rizal, Cavite, and Romblon. Judge Roxas likewise has preformed similar duties in the provinces of Bulacan, Rizal, and Neuva Caceres. During the year 184 cases have been filed in the court and 159 have been disposed of. Forty-two cases are still pending. Most of the questions involving constitutional law that are liable to arise in that court have already been determined, and the number of appeals on that ground will hereafter doubtless be very few.

There is not enough work in the court to employ two judges, and for that reason it has been practicable to detail the judges for considerable work in the courts of first instance as above stated.

The report of the clerk of the court of customs appeals is annexed to the report of the attorney-general hereinafter referred to.

THE COURT OF LAND REGISTRATION.

Great progress has been made toward the settlement of land titles through the court of land registration during the past year. Up to September 1, 1903, 144 applications for registration of titles had been filed, and during the succeeding year 833 applications were received, being approximately 70 cases per month, making a total of 977 applications already filed. It is a very satisfactory fact that these applications have come from every part of the islands, 36 provinces or districts, including the city of Manila, being represented. This shows probably a more rapid progress than has occurred in the same length of time after the inauguration of the Torrens system of registration in any other country. Some of the applications cover immense haciendas and involve the title to lands occupied in individual cases by several thousand people. The controversies thus arising, of course, are burdensome to the court, but it is of vital importance to the owners and occupants of lands that the titles should be finally settled.

The disposition of cases has not been as rapid as was hoped, owing in part to the absence of one of the judges on leave for several months during the year, as well as to the great amount of time required in investigating cases where large haciendas were at stake.

The question as to whether prescription runs against the government is involved in more or less cases which have passed to the supreme court, and a final determination of that question will enable the court to make decrees with greater rapidity.

In this connection attention should be called to certain provisoins of Act No. 926, the public-land act, which was passed by the Commission October 7, 1903, but which, by the provisions of the act of Congress approved July 1, 1902, entitled "An act temporarily to provide for the administration of the affairs of civil government of the Philippine Islands, and for other purposes," could not become effective until approved by the President of the United States and expressly or impliedly sanctioned by Congress. This act became effective upon the adjournment of the Congress and proclamation of the civil governor of the Philippine Islands under date of July 26, 1904. By virtue of Chapter VI of the public-land act, provision was made for the confirmation, through the court of land registration, of imperfect titles in favor of persons occupying public lands. Persons eligible to the benefits of these provisions are thus set forth in the act of Congress:

CHAPTER VI.—UNPERFECTED TITLES AND SPANISH GRANTS AND CONCESSIONS.

SEC. 54. The following-described persons or their legal successors in right, occupying public lands in the Philippine Islands, or claiming to own any such lands or an interest therein, but whose titles to such lands have not been perfected, may apply to the court of land registration of the Philippine Islands for confirmation of their claims and issuance of a certificate of title therefor, to wit:

1. All persons who prior to the transfer of sovereignty from Spain to the United States had fulfilled all the conditions required by the Spanish laws and royal decrees of the Kingdom of Spain for the purchase of public lands, including the payment of the purchase price, but who failed to secure formal conveyance of title;

2. All persons who, prior to the transfer of sovereignty from Spain to the United States, having applied for the purchase of public lands and having secured a survey, auction, and an award, or a right to an award, of such lands, did not receive title therefor through no default upon their part;

3. All persons who, prior to the transfer of sovereignty from Spain to the United States, having applied for the purchase of public lands and having secured a survey and award of same, did not, through negligence upon their part, comply with the conditions of full or any payment therefor, but who, after such survey and award shall have occupied the land adversely, except as prevented by war or force majeure, until the taking effect of this act;

4. All persons who were entitled to apply and did apply for adjustment or composition of title to lands against the Government under the Spanish laws and royal decrees in force prior to the royal decree of February thirteenth, eighteen hundred and ninety-four, but who failed to receive title therefor through no default upon their part;

5. All persons who were entitled to a gratuitous title to public lands by "possessory proceedings" under the provisions of articles nineteen and twenty of the royal decree of the King of Spain issued February thirteenth, eighteen hundred and ninety-four, and who, having complied with all the conditions therein required, failed to receive title therefor through no default upon their part; and

6. All persons who by themselves or their predecessors in interest have been in the open, continuous, exclusive, and notorious possession and occupation of agricultural public lands, as defined by said act of Congress of July first, nine-

teen hundred and two, under a bona fide claim of ownership, except as against the Government, for a period of ten years next preceding the taking effect of this act, except when prevented by war or force majeure, shall be conclusively presumed to have performed all the conditions essential to a Government grant and to have received the same, and shall be entitled to a certificate of title to such land under the provisions of this chapter.

All applicants for lands under paragraphs one, two, three, four, and five of this section must establish by proper official records or documents that such proceedings as are therein required were taken and the necessary conditions complied with: *Provided, however*, That such requirements shall not apply to the fact of adverse possession.

Provision was also made for the determination, by the court of land registration, of the titles of occupants of lands who should not voluntarily come in under the provisions of the act, so that, at the instance of the chief of the bureau of public lands, the titles of all such occupants could be determined.

The act also authorized the court of land registration to determine the right to all private lands, or interests therein, within any town sites that have been set apart in accordance with the provisions of the act. This act, by virtue of section 78 thereof, applies to all provinces and places in the Philippine Islands except the Moro Province, the provinces of Lepanto-Bontoc, Benguet, Paragua, and Nueva Viscaya. But it, or any chapter of it, may be made to apply at any time, by resolution of the Philippine Commission, to any of the provinces or parts of provinces last named, the purpose of these provisos being to enable the Commission to deal specially with public lands in the so-called non-Christian provinces, where land titles have been much more uncertain than in the Christian provinces and where the interests of the natives need to be especially protected and guarded by reason of their ignorance. The general provisions of the land-registration act were applicable to all provinces. In view of the provisions of section 78 of the public-land act, just referred to, it was deemed inexpedient to continue the jurisdiction of the court of land registration over lands situated in the non-Christian provinces. It was found that considerable portions of the public domain were being claimed by others than Filipinos under options of purchase obtained from the non-Christians, and attempts to perfect titles, through the court of land registration, were being made. Such attempts, if successful, would defeat the beneficient purpose of section 78 of the public-land act and render it probable that the Igorrotes and other non-Christian people would part with lands which ought to be secured to them or which ought to remain as a part of the public domain for very small considerations. Therefore, on the 31st day of August, 1904, Act No. 1224 was passed, providing that the court of land registration should not take cognizance of or have jurisdiction over applications for the registration of titles to land situated within the provinces aforesaid, except in certain specified instances named in the law. At the proper time suitable legislation will be enacted protecting the rights of actual occupants in the non-Christian provinces in the possession of their lands, but it is impracticable to deal with that subject in the same manner that lands in Christian and well-settled provinces are dealt with. The case being special, special legislation is required for the protection of the people inhabiting those provinces and for safeguarding the public domain. Such special legislation is familiar in the action

of the United States Congress relating to lands occupied by the Indians and in the dealings with uncivilized people in New Zealand and other parts of the world.

The report of the clerk of the court of land registration is hereto annexed and marked "Exhibit 1."

THE CRIMINAL CODE AND CODE OF CRIMINAL PROCEDURE.

As stated in the second annual report from this office, the criminal code prepared by Governor Wright had been brought up for public discussion in open session of the Commission. Those discussions continued for a considerable length of time and promised to continue for a length of time beyond the power of the Commission to give to that particular subject.

The Filipino lawyers objected to many sections of the proposed code, which was drawn largely on the lines of American law, although it incorporated many provisions of the existing Spanish Code. The result was that it was deemed expedient to see if a substantially unanimous result might not be accomplished by the appointment of a special commission or committee for the preparation of a suitable code of criminal law and procedure, on which committee the American and Spanish-Filipino views should be represented. Accordingly a committee was appointed, to consist of the Hon. Florentino Torres, Hon. E. Finlay Johnson, judges of the supreme court; Felipe Calderon, president of the Filipino College of Abogados (Filipino Bar Association), and Mr. W. L. Goldsborough, assistant attorney-general. Judge Torres has a very intimate knowledge of the Spanish criminal law and procedure, and Judge Johnson has not only a knowledge of American legislation and procedure on that subject, but also has had an extended experience in the Philippines as judge of the court of first instance and judge of the supreme court. Señor Calderon is a good representative of the Filipino opposition to the proposed code, and Mr. W. L. Goldsborough, the assistant attorney-general, has had sufficient experience under both American and Spanish procedure to make him a useful member of the committee. That committee has finished its labors and made a report, both upon penal law and procedure. The report was unanimous except that Messrs. Torres and Calderon have filed a separate report, indicating that in certain important respects it would be better to apply the Spanish law on the subjects referred to in their supplementary report.

The code, as drafted by the committee, retains as much of the Spanish Code as was deemed feasible, eliminating all those portions of it that refer to or are dependent on the sovereignty of Spain; incorporating substantially the postal laws of the United States; limiting to a considerable degree the right of private prosecutions which, under the Spanish regime, is said to have been utilized very largely for purposes of blackmail; omitting the provisions of the Spanish Code which bind the discretion of judges in the imposition of penalties, and substituting in place thereof the discretion of the judge, within limits defined by law; providing adequate civil remedies for injuries inflicted by criminal actions in proceedings distinct from the criminal prosecutions; abolishing all distinction as to nationality or race in the imposition of penalties, and prohibiting interlocutory appeals and simplifying the proceedings in all the courts.

The code, as drafted by this committee, with some modifications that have already been found to be necessary, will doubtless be enacted at an early date.

The committee made full use of all suggestions received in the prior public discussions, and are entitled to much credit for the patient, able, and conscientious manner in which they performed their duties.

CHANGES IN THE PERSONNEL OF THE COURTS.

Since the date of the last report from this office two vacancies have occurred in the office of judge of the supreme court, occasioned by the resignation of the Hon. Charles A. Willard and the Hon. John T. McDonnough, as above stated. These vacancies have not yet been filled, and great inconvenience has resulted from the want of a quorum in the supreme court. Accumulation of business in that tribunal is such that possibly some further legislation may be needed to prevent small criminal cases from being reviewed upon the facts by the supreme court.

Hon. Miguel Logarta, of Cebu, who was a judge at large, died February 13, 1904, and the Hon. Mariano Cui has been appointed to succeed him. Hon. Estanislao Yusay has been transferred from the tenth judicial district to the fifth judicial district, and the Hon. Vicente Jocson, of Bacolod, Occidental Negros, has been appointed to succeed him. The Hon. John C. Sweeny, who was judge at large, has been transferred to the city of Manila, and the Hon. Beekman Winthrop, of New York, was appointed to succeed him as judge at large. After a short period of service Judge Winthrop resigned to accept an appointment as governor of Porto Rico, and he has been succeeded by the Hon. James C. Jenkins, of Georgia, as judge at large. The remaining vacancy in the office of the judge at large has been filled by the appointment of the Hon. Charles S. Lobingier, of Omaha, Nebr. Judge Winthrop served but a few months before his transfer to Porto Rico, but in that short period demonstrated his fitness for large usefulness as a judge. Judge Jocson had served as judge of a court of first instance under the Spanish authorities and under the military government of the United States; was a lawyer of wide experience and established reputation for ability and probity. Judge Cui had seen considerable service as fiscal of the province of Cebu, where he had rendered most valuable services, and was highly recommended for promotion by the judges before whom he had conducted the business of prosecuting officer and by the bar and business men of the province of Cebu. Judge Jenkins was a lawyer of long experience and high reputation in the State of Georgia, and was highly recommended by the prominent jurists and public men of that State, irrespective of party. Judge Lobingier has had an extended experience as law writer and as lecturer in the law department of the University of Nebraska, as reporter of the decisions of the supreme court of that State, and as supreme court commissioner to hear cases as a judge in aid of the judges of the supreme court. Judge Logarta had served but a short time as judge at the time of his death. He was regarded as an upright and able jurist, and his death was greatly regretted by the public at large.

ATTORNEY-GENERAL'S OFFICE.

The full and satisfactory report of the attorney-general, giving a detailed description of the work of the bureau of justice, is hereto annexed and marked "Exhibit 2."

Attention has heretofore been called to the great accumulation of business in the supreme court, and that subject need not be again here discussed.

During the year 34 Americans and 113 Filipinos have taken the examinations for admission to the bar of the supreme court, of whom 24 Americans and 62 Filipinos were successful.

In the city of Manila 336 civil, 573 criminal, and 88 probate cases were disposed of. In the provinces 1,786 civil and 6,445 criminal cases were disposed of. At the close of the year there were 431 more civil cases than there were at the beginning of the year, but 539 less in the criminal branch.

The attorney-general, the solicitor-general, and their subordinates have furnished 537 opinions in accordance with the law; have made briefs for 316 cases in the supreme court, and have made recommendations on 776 applications for pardon.

The attorney-general recommends that his office be authorized to instruct justices of the peace in the several provinces in the performance of their duties. This recommendation is entirely approved and provisions will doubtless be made for what will be practically schools of instruction for that purpose. The supervisor of fiscals and his deputy and the assistant attorney-general of the Philippines Constabulary devote much of their time to the trial of important cases in the provinces. With the probable diminution of criminal business in the early future these officials will be able, under the direction of the attorney-general, to carry on advantageously the schools of instruction referred to. They will also be able to furnish important aid to the fiscals by instructing them in the methods of performing their duties.

The attorney-general calls attention to a hardship that is imposed upon witnesses in criminal cases who are obliged to leave their vocations and travel long distances to attend court and receive no compensation, nor are they furnished with food. The proposed new criminal code deals with this subject, and the needed relief will doubtless be furnished by the enactment of that code. The hardship is real and the relief is necessary.

Three cases of great practical importance relating to the Philippine Islands have been determined by the Supreme Court of the United States during the year. In the cases of Thomas E. Kepner *v.* The United States and Secundio Mendezona *v.* The United States the Supreme Court of the United States, by a majority of five to four, held that the supreme court of the Philippine Islands had no right to review the findings of a court of first instance in criminal cases where the defendants had been acquitted in the courts of first instance. This decision reversed the practice which had prevailed under the Spanish law and likewise under the system of jurisprudence adopted under the American régime. The decision, of course, will be binding upon all the courts of the Philippine Islands.

In the case of Edward F. O'Brien and Fred L. Dorr *v.* The United States the Supreme Court of the United States determined that the

right of trial by jury in a criminal case did not, under the present law, exist in the Philippine Islands. This decision was reached by a vote of eight to one, and confirms the legality of the existing system of criminal jurisprudence in the islands in respect to jury trials. These cases were argued in the Supreme Court of the United States by the attorney-general for the Philippine Islands, the Hon. Lebbeus R. Wilfley, and by the Hon. Harry M. Hoyt, Solicitor-General of the United States, on behalf of the insular government.

INSULAR COLD STORAGE AND ICE PLANT.

Capt. Leon S. Roudiez, Twenty-fifth Infantry, U. S. Army, who had acted as the superintendent of the insular cold storage and ice plant from the time of its construction, retired from that position on the 1st day of September, 1903. Reports of the operations of the plant for the fiscal year 1903 and for the first two months of the fiscal year 1904, down to September 1, 1903, were annexed as exhibits to the second annual report from this office. Captain Roudiez was succeeded by Mr. Charles G. Smith as superintendent, who had charge of the operation of the plant during the remainder of the fiscal year 1904, since which time Mr. J. F. Edminston has been performing the duties of acting superintendent.

Under Mr. Smith's efficient administration the expenses of operation were largely reduced and the income from the sale of ice was materially increased. Owing to the increased demand for ice, an additional ice-making tank was installed in the plant, at an expense of about $8,500 gold.

In May, 1904, the chief quartermaster of the Philippine Division of the United States Army entered into a contract for an additional cold-storage room, to be used largely as a salesroom for the commissary department of the army at a rental of $15,000 gold per annum. This contract has been renewed for the fiscal year 1905, as was the contract for the rental of the other cold-storage rooms that was in force during the fiscal year 1904, and the contract in force in the fiscal year 1904 with the chief commissary for the furnishing of ice to the army has been renewed for the fiscal year 1905.

The report of Superintendent Smith for that portion of the fiscal year 1904 when he was in charge of the ice plant is hereto annexed and marked "Exhibit 3," and the report of Mr. Edminston, acting superintendent of the ice plant for the months of July and August, 1904, is also annexed hereto and marked "Exhibit 4."

The entire income for the fiscal year 1904 for cold storage, ice sales, and sale of distilled water and electric power amounts to ₱602,948.81, and the entire disbursements for that period amount to ₱395,622.18, leaving a net income for the plant for the fiscal year 1904 of ₱207 326.63.

The amount of space required by the army for cold storage during the fiscal year 1904 was materially less than that which had been required in prior years, by reason of which the income from cold storage was reduced, but the saving in operating expenses and the increase in the sale of ice have been such that the net income was not largely diminished. Included in expenditures were items for the installation of an additional freezing tank, which adds 18 tons of ice to the daily capacity of the plant, and keeping of the plant in good

condition during the year, the rebuilding of the rolling stock, and the overhauling and general repair of machinery whenever necessary.

The question of the future administration by the government or of the sale of the plant has been under consideration. It is considered that the fair value of the plant and land is not less than $1,000,000 gold. Advertisements were inserted in newspapers in Manila and in the United States for competitive bids for its sale, with a minimum limit of $1,000,000 gold. Bids were to be opened on the 29th of June, 1904. No bids were received, although more or less inquiries were made by parties who are still investigating the subject.

The plant is able to pay a moderate return to the insular government upon $1,000,000 under the present system of administration. In the hands of a private corporation, which could economize still more in the cost of operation and could, by active competition, increase the amount of ice sold and cold-storage space rented, the property would be, it is believed, a very profitable investment on a purchase price of $1,000,000 or more. There is no reason why the insular government can not continue to administer it as heretofore, the principal argument in favor of a sale being that it is undesirable for the government to be engaged in business that could be carried on by private individuals. But that argument is not especially effective in view of the governmental necessity for the furnishing of ice and cold storage at reasonable rates to the Army, to its officers, and to civil employees and hospitals, and in view of what the government has done in the way of carrying on what might be termed private enterprises in other directions, particularly in the bureau of the insular purchasing agent. A statement of the receipts and disbursements for the fiscal year 1904 is herto attached and marked "Exhibit 5."

CURRENCY.

By far the most interesting problem in connection with the department of finance and justice during the past year has been the method of dealing with the currency. The evils of a fluctuating currency, resulting from the rise and fall in value of Mexican and Spanish-Filipino pesos and subsidiary coins in circulation in the islands, have been so fully detailed in former reports from this office that it is unnecessary here to repeat what has been there said. The great loss sustained by the government from the depreciation of Mexican currency in its value during the fiscal year 1903 did not continue during the fiscal year 1904, because that currency was mainly paid out before the commencement of the fiscal year 1904 and the loss had been sustained.

NEW COINAGE AND SEIGNIORAGE.

On March 2, 1903, Congress passed an act entitled "An act to establish a standard of value and to provide for a coinage system in the Philippine Islands."

As stated in the last report from this office, action was immediately taken by the Philippine Commission to put this act in force and to purchase silver and other metals for the new coinage, and to secure, through the Bureau of Engraving and Printing, at Washington, the silver certificates authorized by the act. The purchase of metal

for coinage continued until November 30, 1903, when it was believed that enough silver had been purchased for all necessary new coinage, taking into consideration the fact that the Spanish-Filipino coins in circulation in the islands were to be brought into the insular treasury, through agencies hereinafter to be mentioned, and recoined. Seventeen million three hundred and thirty-four thousand five hundred pesos in silver coins have been coined from bullion purchased. The total cost of bullion purchased was 14,745,981.30 pesos, an average of $0.5453 gold per ounce fine. The mint charges for the coinage of this sum have been 419,673.60 pesos, and the expenses of transportation, insurance, etc., have been 45,114.41 pesos, showing a net seigniorage, less all charges, of 2,123,730.69 pesos.

Four hundred and ninety-nine thousand two hundred and fifty pesos in nickle coins have been received, upon which the net seigniorage, less all charges, has been 370,830.11 pesos.

Three hundred and thirty-six thousand seven hundred and seventy pesos in copper coins have been received down to September 2, 1904, upon which the net seigniorage, less all charges and expenses, has been 97,623.65 pesos. The result of the total coinage from metal purchased, therefore, has been a net seigniorage of 2,592,184.45 pesos, or one-half that sum in gold. Meanwhile the Spanish-Filipino coins have been gathered into the treasury in the manner hereinafter stated and none that have come into the treasury have been paid out, but all have been shipped to San Francisco for recoinage into the new currency. The process of eliminating the Spanish-Filipino coins from circulation is still going on and it is impracticable yet to give an accurate statement as to the result of such recoinage upon the seigniorage, in view of the high rate which the government has paid for those coins for the purpose of eliminating them. The results of recoinage will undoubtedly show an absolute loss, which must be deducted from the net seigniorage above stated in determining the final result to the gold-standard fund. The Spanish-Filipino pesos contain about 7 per cent less silver than the Mexican dollars, and the Spanish-Filipino subsidiary coins 12 per cent less, but during the time that the government was receiving both Mexican and Spanish-Filipino coins into the treasury it was not deemed expedient to make a distinction between the values that should be given to the two classes of money, because they have always passed side by side in the islands at the same value, and a distinction would complicate all business transactions by introducing an additional kind of money to be computed from day to day. It was also considered that the government owed an especial duty to the Spanish-Filipino coins as the lawful money of the country, which it did not owe to the Mexican coins, many of which had been introduced by smuggling in violation of the Spanish law and which could find a ready market in the adjacent countries of Asia, while no such opening was available to the Spanish-Filipino coins.

AMOUNT OF NEW COINS RECEIVED AND IN CIRCULATION.

All the new coins above referred to, minted from metal purchased, have been received in the islands. The recoinage of the Spanish-Filipino coins is still going on.

The total amount of the new currency received in the islands from bullion purchased and recoinage of Spanish-Filipino coins amounted

to 21,342,520 pesos on August 31, 1904. Since that date ₱3,582,000 have been received, making ₱24,924,520 of new coins in the islands on October 31, 1904. The new coins are received by each United States transport coming from San Francisco, and the Spanish-Filipino coins are transmitted to San Francisco for recoinage by each transport from Manila to San Francisco. The amount of new currency in actual circulation has been computed by the chief of the division of currency upon the basis of considering as in circulation all money outside of the treasury vaults except that held by depository banks in the city of Manila in excess of one-third of their Philippine currency demand liabilities. Upon that basis the new currency actually in circulation is shown for the several months from November, 1903, to September, 1904, inclusive, in the following table, together with the increase or decrease each month:

Philippine currency circulation.

	Amount in circulation.	Increase (+) or decrease (−).
Fiscal year 1903:	*Pesos.*	*Pesos.*
November	3,993,058.00	
December	3,910,393.00	− 82,665.00
January	5,484,295.00	+1,573,902.00
February	6,233,827.00	+ 749,532.00
March	7,402,368.00	+1,168,541.00
April	6,718,799.00	− 683,569.00
May	8,226,114.00	+1,507,315.00
June	9,057,127.00	+ 831,013.00
Fiscal year 1904:		
July	10,481,955.00	+1,424,828.00
August	12,362,617.00	+1,880,662.00
September	14,253,799.69	+1,891,182.27
October	15,963,043.00	+1,709,243.00

It will be observed that the increase of circulation has been almost constant from month to month and has been very rapid. The amount so treated as actually in circulation is materially less than the amount of new currency received in the islands. This arises from the fact that large sums standing to the credit of disbursing officers in the insular treasury are not treated as in actual circulation, yet in a sense they are performing all the functions of money. If the new currency had not been introduced the same amounts to the credit of disbursing officers in the old currency or in United States currency would have been lying in the treasury awaiting disbursement, and the old currency in actual circulation would have been diminished by the same amount as now deducted from the total received. In that view the whole amount of the new currency received is performing its functions as a part of the circulating medium of the islands and ought properly to be considered as supplying to its full extent the vacuum created by the elimination of the old currency, and the process of filling that vacuum is constantly going on by the recoinage of the Spanish-Filipino coins.

There is nothing yet to indicate that there is not sufficient currency in the islands to meet all the demands of commerce. The banks have lying in their vaults a large amount of money unemployed in excess of the reserve which they are by law required to keep. The diminished producing power and consequent power of the people to buy, owing to war, pestilence, cattle diseases, diminution of the United

States army in the islands, and other causes, have necessarily resulted in a decrease in commercial demands for money. Should the prosperity of the islands, which is beginning to show itself to a large degree, continue to such an extent that more currency is required to meet all the necessities of business transactions, more bullion will be purchased and the demand will be met. But it is the fundamental basis of the maintenance of a silver currency upon a gold standard, without gold in actual circulation, that the coinage of silver should be restricted and never exceed the actual demand, so that the parity of gold and silver may be permanently maintained. This was the theory acted upon by the government of India in establishing the parity of exchange between the silver rupee and the gold pound sterling, and it is the theory upon which our coinage system is based. When there is an excess of the silver currency in circulation it should be retired and no more coinage made. If there is a deficiency it should be supplied by additional coinage or by the emission of coins provisionally retired.

ELIMINATION OF OLD CURRENCY.

During the first half of the calendar year 1903 large amounts of Mexican pesos were exported commercially, while the imports were small. This resulted, of course, in a diminution of the amount of currency in circulation in the islands and came about, in part, from the impending demonetization of the Mexican dollar in the Philippine Islands, and more from the needs of commerce, the imports of the islands being in excess of the exports, the balance being paid largely in Mexican pesos exported. From July, 1903, to August, 1904, inclusive, the total commercial import of Mexican pesos was Pfs.2,168,703, and the total commercial export in the same coin was Pfs.10,210,450, leaving a net export of Pfs.8,041,747. During substantially the same period new currency coined from metal purchased amounted to ₱18,170,520, as above stated. It thus appears that the new coinage brought in from metal purchased exceeded the Mexican coins exported by the sum of P10,128,773 during that period. During the same period there has been exported by the government Pfs. 9,218,000 Spanish-Filipino coins for recoinage, which, on being returned to the islands, will replace the Spanish-Filipino coins so exported. There has therefore been no reduction in the currency available for circulation in the islands since the beginning of July, 1903, aside from shipments of United States currency, of which complete statistics are not available, but rather a substantial increase, notwithstanding the fact that a considerable amount of Spanish-Filipino coins is either in the treasury awaiting shipment to San Francisco for recoinage or on the way to San Francisco, or in the mint at San Francisco, or being returned from San Francisco to Manila. There seems, therefore, to be no probability that the insular government will need to purchase silver for further coinage in the immediate future. These facts led to a cancellation of all orders for the purchase of bullion on July 7, 1904.

SILVER CERTIFICATES.

The circulation of the new silver certificates commenced in the month of October, 1903. Whenever a silver certificate is put into cir-

culation an equivalent of silver pesos is deposited in the treasury for the redemption of the certificate when presented for that purpose. The amount in circulation at the end of the month of October, 1903, was ₱350,200 and has increased during every succeeding month, the amount in circulation at the close of August, 1904, being ₱7,230,000. It is very apparent that the silver certificates were greatly needed. The only paper money in the islands by virtue of any earlier legislation was about 2,000,000 pfs. issued by the Spanish-Filipino Bank and an unknown amount of United States paper currency. The silver certificate performs a most convenient function by obviating the necessity of transporting heavy, bulky silver from place to place as the necessity for making payments arises. Their usefulness, however, would be greatly increased if larger denominations were authorized by Congress to be issued. The highest denomination now authorized amounts only to 10 pesos, or $5 United States currency. It is earnestly recommended that Congress be asked to authorize the issuance of silver certificates of denominations of 20, 50, 100, 500, and 1,000 pesos each. It is true that United States paper money might be used to some extent for large transactions, but it is not the money of the country nor are the people in the remote provinces accustomed to it, nor ought they to be forced to take it. The insular government should be authorized, as it has a currency system of its own, to meet all the proper demands of business by furnishing certificates of such denominations as the public desires.

ISLANDS PRACTICALLY NOW ON A GOLD BASIS.

All payments for salaries made by the insular, provincial, or municipal governments are in the new currency. This distributes the currency necessarily throughout every portion of the archipelago. All duties and taxes, insular, provincial, and municipal, are payable in the new currency only. It is received by the natives in all parts of the archipelago and nearly everywhere at the proper ratio above the old currency. Every bank in Manila has published a notice that it will receive no old currency on deposit after September 30, 1904. The only railroad in the islands has issued a notice that it will receive no old currency after September 25. Nearly all accounts of banks throughout the islands have been reopened in the new currency. The Spanish-Filipino Bank has called in its old notes and issued new ones on the basis of the new currency. Substantially all new contracts are being made in the new currency. Most of the stores have posted notices that they will not receive the old currency in payment for purchases, and business is, in nearly all parts of the archipelago, conducted upon the new basis.

The work of putting the islands upon a gold basis and giving them a stable currency has been well-nigh completed. A certain amount of the old currency is still among the people, but mainly in the hemp provinces, where it is used to a degree in the purchase of commodities for export. But the comparatively small amount that remains is being most rapidly eliminated, and nearly every steamer that goes to Hongkong carries with it Mexican dollars for export, which never can be returned.

The government and the public are to be congratulated upon the speed with which these good results have been accomplished, and

upon the comparative ease with which a fluctuating and cheap currency, to the amount of nearly ₱30,000,000 has been eliminated, in spite of the prejudices and conservative character of the people, and of the great inducement that always exists to make use of a cheaper currency instead of a better and more expensive one. The substitution of a stable currency in the place of an unstable and gambling one, which before existed, is one of the causes which will, no doubt, contribute largely to the now apparent return of prosperity to the islands.

EXCHANGE SOLD FROM THE GOLD-STANDARD FUND.

For the purpose of maintaining the parity of the Philippine currency with gold, exchange is sold at the treasury in Manila upon the depositories of the gold-standard fund in New York at a premium of three-fourths of 1 per cent for demand drafts and $1\frac{1}{8}$ per cent for telegraphic transfers. The law also authorizes similar sales in New York upon the treasury in Manila. No sales have been made in New York upon the funds in Manila, but during the fiscal year 1904 exchange was sold by the treasurer in Manila upon the funds in New York, including both drafts and telegraphic transfers, to the amount of $3,338,955.03. During the same period the excess of imports into the islands over exports therefrom was $2,995,064, not including currency imported or exported. The drafts sold in Manila on the gold-standard fund in New York are largely the means utilized for adjusting the adverse balance of trade, although large adjustments are also made by the export of currency or other agencies through banks.

HOW THESE RESULTS WERE ACCOMPLISHED.

The last report to the Commission from this office announced the passage of Act No. 938 (the gold-standard act) and set forth the important provisions of that act and the issuance of temporary certificates of indebtedness, amounting to $3,000,000, for the maintenance of the gold-standard fund on May 1, 1903, and a second issuance of like certificates, to the same amount, on September 1, 1903. These were the first steps in placing the new currency upon a firm and permanent basis in pursuance of the act of Congress above referred to.

The first series of certificates of indebtedness, issued May 1, 1903, sold at a premium of 2.513 per cent; the second, issued September 1, 1903, sold at a premium of 2.24 per cent. On May 1, 1904, the first series was paid and a third series for the same amount issued, which sold at a premium of 1.181 per cent. On September 1, 1904, a fourth series was issued and sold at a premium of 1.41, the second series being retired by the proceeds thereof, each series being for $3,000,000 and payable in one year. The total amount of certificates outstanding therefore is $6,000,000. The premiums received varied acording to the state of the bond market in the United States. The money realized from the sales of certificates was deposited in government depositories in New York at such rate of interest that the issuance of the certificates and the borrowing of money thereon has not been at any cost to the insular government, and has, on the whole, resulted in profit, taking into consideration the premiums at which the certificates were sold. The gold-standard fund now consists of the proceeds of the certificates sold, seigniorage

upon bullion purchased for coinage, earnings derived from the sale of exchange, and interest on deposits of its funds.

Very great pressure was brought to bear upon the Commission to redeem the old currency at what was called par—that is, to pay a peso of the new currency for a peso of the old; but this was deemed by the Commission to be impracticable. The amount of Mexican pesos in the islands was wholly a matter of conjecture, nor was the amount of Spanish-Filipino coins certain. Payment for the old coins at a parity with the new would have involved a very great loss to the insular treasury, undoubtedly far more than enough to extinguish the whole gold-standard fund, exclusive of the sum borrowed on the certificates of indebtedness. The danger of Mexican pesos being smuggled into the islands would have been great had an artificial value been given to them such as would have resulted had they been redeemed at par with the new pesos, which are upon a gold basis. After most careful consideration the Commission decided that it would treat the old coins as generously as the financial condition of the treasury would warrant, but would not redeem them peso for peso.

An ordinance was passed by the municipal board of the city of Manila requiring all merchants in the city to post notices in their stores in the English, Spanish, and Tagalog languages, stating in what currency their prices were fixed and at what rates they would receive other currencies circulating in Manila. Five thousand such placards were distributed free of charge to the merchants of the city.

On December 31, 1903, the government, pursuant to an announcement made several months before, discontinued receiving Mexican currency in payment of government dues, and on January 1, 1904, the civil governor issued an order providing for the redemption of Spanish-Filipino coins by the insular treasurer and the various provincial treasurers until July 1, 1904, at such official rates as should be fixed from time to time by executive order. It further directed that the said currency should be received by the government in settlement of governmental dues until October 1, 1904, after which date it would cease to be so received, and would be redeemable at the option of the government only at bullion value.

On January 26, 1904, the Commission adopted a resolution as follows:

Whereas the treasurer of the Philippine Islands has made arrangements with the four banks in Manila which have government deposits, whereby said banks will return to him Spanish-Filipino coins in payment of his checks upon the government deposits, irrespective of the question as to whether the deposits were made in Spanish-Filipino coins or Mexican; and

Whereas this furnishes a convenient and feasible method of converting all the local currency received by the government into Spanish-Filipino coins, which may be transmitted to San Francisco for recoinage; * * * Be it therefore

Resolved, That it is the sense of the Commission that the retirement of the Spanish-Filipino coins would be facilitated by affording means for the replacement of the Mexican pesos in the provinces by the new Philippine currency, through the agency of the provincial treasurers, and the disposition of the Mexican in the manner above provided, and that the civil governor be requested to authorize and direct the provincial treasurers to receive Mexican dollars in exchange for Philippine currency at the authorized rate of exchange between Spanish-Filipino coins and Philippine currency, and transmit the coins so received to the insular treasurer, such order to continue in force so long as the treasurer is able to continue the arrangements that he has made with the banks for withdrawing Spanish-Filipino coins for recoinage in lieu of all deposits of local currency in the banks.

On January 14, 1904, Act No. 1042, entitled "An act for the purpose of maintaining the parity of the Philippines currency, in accordance with the provisions of sections 1 and 6 of the act of Congress approved March 2, 1903, by prohibiting the importation into the Philippine Islands of certain kinds of coins," was passed, prohibiting the importation of local currency into the islands. This act received the general approval of the public. On the same date there was submitted for the consideration of the Commission a draft of a bill providing for heavy taxation of transactions in the old currency after certain dates. This bill, on January 27, 1904, after much public discussion, was enacted into law as Act No. 1045, entitled "An act for the purpose of providing revenue and of maintaining the parity of the Philippines currency, in accordance with the provisions of sections 1 and 6 of the act of Congress approved March 2, 1903, by providing for the purchase of Mexican dollars as bullion, by imposing a tax upon written contracts payable in certain kinds of currencies, and by requiring the payment of a license tax by all persons, firms, or corporations conducting their current business, either wholly or in part, in said currencies, and for other purposes." It imposed an ad valorem tax upon contracts and other legal instruments payable in local currency and drawn or negotiated after September 30, 1904, and upon bank deposits in local currency held thereafter, and requires a special license tax from all merchants doing business in local currency after December 31, 1904. Suitable provisions were made for the protection of existing old currency contracts, and exempting from taxation funds deposited to meet local currency contracts made prior to October 1, 1904, and formally registered. Provisions were also made for the adjustment in the new currency of contracts subsequently maturing payable in the old currency. It will be observed that, aside from the prior notice that had been given to the public as to the demonetization of the old currency, the public were given until October 1, 1904, and January 1, 1905, to dispose of their old currency on fair and profitable terms. Pursuant to the provisions of the act last referred to, nearly 100,000 copies of a pamphlet explaining the new currency system and the more important laws and regulations pertaining to the exchange of the old for the new were prepared in the various dialects and distributed to every municipality and there proclaimed by "bandillo" or town crier.

On March 23, 1904, the Commission adopted a resolution authorizing the treasurer of the Philippine Islands and the provincial treasurers to exchange Philippine currency and nickel coins for copper coins which circulated in the Philippine Islands at substantially the official rate proclaimed as to silver coins. The copper coins have not yet been largely eliminated, but steps looking to the early accomplishment of that result are to be adopted. Under the provisions of the laws aforesaid, 9,078,330.29 pesos of the Spanish-Filipino currency were exchanged through the insular treasury for the new currency between October, 1903, and September 1, 1904. Nearly all of the old currency so purchased has been shipped to San Francisco for recoinage. Repeated applications have been made to the Commission asking for still further extensions of time for the elimination of the old currency and for the imposition of the taxes provided in Act No. 1045, above referred to, but the Commission has constantly

refused to make such extensions, both upon the ground that sufficient time had already been given to the public to prepare for the change and sufficient facilities had been furnished to facilitate the exchange of the old coins for the new, and because it was considered to be in the interests of the general public that uncertainty should not longer continue and that the transition period should be made as short as possible.

The Secretary of War has furnished aid of the utmost importance in the inauguration of the new currency system by authorizing quartermasters and paymasters in the Philippine Islands to make payments in the new currency. As appropriations for the United States Army are in money of the United States, the effect of this order has been to render large amounts of United States money available to the insular government for the purposes of exchange, and to issue therefor Philippine currency, which has been distributed from one end of the archipelago to the other through the disbursements made by the quartermasters and paymasters of the Army. This system has not only greatly facilitated the wide circulation of the new currency, but has likewise furnished a constant replenishment of United States money for the purpose of redeeming Philippine currency presented at the treasury.

It ought also to be remarked that the Treasury Department of the United States has in every way cooperated with the work to be accomplished, not only by facilitating the transfer of funds from the insular depositories in the United States to the insular depositories in the Philippine Islands and the reverse, but likewise by a most prompt and efficient aid in the mintage of the new coins and in the work of engraving and printing the silver certificates. In fact, the maintenance of the gold standard would have been much more difficult had it not been for the cooperation of the Treasury Department in the United States in making the transfers aforesaid without the necessity for the actual transmission of money to and fro. The action of the Secretary of the Treasury in authorizing the deposit of Philippine certificates of indebtedness by national banks as security for United States Government deposits in the banks likewise added materially to the selling value of these certificates and thereby operated greatly to the advantage of the insular treasury.

The intelligent and instructive report of the chief of the division of currency is hereto annexed and marked "Exhibit 6," wherein can be found the details of the various currency transactions that have occurred during the year past. It ought perhaps to be remarked that since the final determination of the government to eliminate the old currency by the means above stated the banks of Manila have cooperated with the government in its effort to expedite the establishment of the new currency upon a gold basis and to eliminate the old currency.

The insular government likewise had the benefit of the valuable advice of Prof. Jeremiah W. Jenks, professor of economics in Cornell University and a member of the International Monetary Conference Committee appointed by the President of the United States for the purpose of attempting to secure an international agreement in regard to the use of silver as money.

In all steps taken for the sale of certificates of indebtedness, for the purchase of silver for recoinage, the arrangement of interest on the deposit of gold-standard funds in New York, looking after the details

of coinage and shipment of coin, the efforts of Col. Clarence R. Edwards, U. S. Army, Chief of the Division of Insular Affairs, War Department, have been most constant, and his services have been of great value to the insular government.

BANKS AND BANKING.

During the period covered by this report no new banks have been established in the Philippine Islands. A large Chinese bank is said to be in process of formation, to have its headquarters at Manila. The Guaranty Trust Company, of New York, has withdrawn from the islands and transferred its business in the Philippine Islands to the International Banking Corporation, of Connecticut. The funds of the insular government in the islands not retained in the treasury vaults have been distributed between the Chartered Bank of India, Australia, and China, the Hongkong and Shanghai Banking Corporation, and the International Banking Corporation, all authorized depositories for funds of the United States Government and of the government of the Philippine Islands. At the close of the fiscal year 1904 funds belonging to the insular treasury were distributed as follows:

Bank balances.	Philippine currency.	United States currency.	Local currency.
Hongkong and Shanghai Bank	$202,870.04	$3,994.55	$356,380.33
Chartered Bank of India	721,728.37	6,990.96	399,940.06
International Banking Corporation	243,972.57	4,979.93	762,783.66
Special deposit, International Banking Corporation, Manila	500,000.00		
Guaranty Trust Company at New York		7,297,277.01	
International Banking Corporation, at Washington, D. C		3,891,232.48	
Merchants' Laclede National Bank, St. Louis		31,873.28	
In transit, United States mint, San Francisco		482.90	
In hands treasurer, Cebu, for exchange	110,349.59		
Insular treasury	2,205,889.50	2,115,304.82	1,013,141.32
Total	3,984,810.07	13,352,135.93	2,532,245.37

The status of the American Bank, so called, remains as stated in the last report from this office.

The Spanish-Filipino Bank has strenuously urged that the issue by the government of silver certificates is in violation of the bank's alleged exclusive right to issue paper money in the islands.

Upon the recommendation of this office, the Commission, on the 19th day of May, 1904, took action as shown by the following excerpt from its minutes:

The president presented a communication, dated November 6, 1903, from the managers of the Banco Español-Filipino, protesting against the issuance of silver certificates by the government, claiming that said certificates are, in fact, demand notes, and that the charter of the Banco Español-Filipino gives to it exclusive right to issue demand notes. This communication had been considered by the secretary of finance and justice, who had indorsed it as follows:

"The Spanish-Filipino Bank within protests against the issue and circulation by the treasury of the Philippine Islands of the silver certificates placed in circulation by it as constituting a violation of the chartered and vested rights of that bank. The communication is dated November 6, 1903. It is to be observed, primarily, that the issuing of the silver certificates, substantially as authorized by the Congress of the United States, was discussed and recommended in the successive reports of the secretary of finance and justice to the

Philippine Commission, and in the reports of the Philippine Commission to the Secretary of War for two or three years prior to the 6th day of November, 1903, which documents were published, and presumably were well known to the managers of the Spanish-Filipino Bank. The legislation by the Congress of the United States, in pursuance of those recommendations, enacted on March 2, 1903, was thoroughly discussed in both Houses of Congress and in the committees intrusted with the preparation of the act finally enacted, and those matters were all of public notoriety and of such publicity and notoriety that the Spanish-Filipino Bank must be presumed to have had the fullest notice of the contemplated action. After the enactment of the act of Congress of March 2, 1903, authorizing the issue of the silver certificates, immediate steps were taken to procure the engraving of suitable plates for the certificates and for the printing thereof, and they were duly prepared at large expense and transmitted to the civil governor of the Philippine Islands, and by him delivered to the treasurer and issued in accordance with the provisions of law. Many of them were in actual circulation before the 6th day of November, 1903. Down to that date there had not been, to my knowledge, the slightest intimation from the Spanish-Filipino Bank that it regarded the act of Congress as an invasion of the rights of the bank in any respect, or the preparation of the plates and engravings and of the certificates themselves and the issue thereof. Had the bank called the attention of Congress to the claim that the issue of such certificates was in violation of its chartered rights, its claim would have doubtless received due consideration, and the bank could not have been deemed to have slept on its alleged rights. Their long silence in this behalf ought to be deemed an acquiescence in the legislation and an agreement on their part that they would not in any way oppose the issue of certificates, but that they were content to have them issued, not deeming them to be in any respect a violation of the chartered rights of the bank.

"But, irrespective of the effect of this acquiescence, I am of the opinion that the claim and protest of the bank is not well founded. It is unnecessary at this point to go into a discussion of the question as to whether the charter of the bank, wherein it claims an exclusive right to issue circulating notes in the Philippine Islands until January 1, 1928, is or is not valid, or as to whether that alleged right is or is not protected by the treaty of Paris, or as to whether the issuing of that which is money is not so clearly a governmental function that the treaty of Paris, like any other law, can not be deemed to have contemplated a binding of the American Government not to exercise the ordinary functions of a government and not to make adequate provision for the expanding needs of commerce for the issuance of circulating money to meet those needs.

"For the purposes of the present question, it seems to me that it is a sufficient and satisfactory reply to say that the silver certificates are not demand notes within the meaning of the law or within the meaning of the language of the charter of the Spanish-Filipino Bank. There is no law which makes such certificates money, in the technical sense of the term. They are not made legal tender for private debts in the Philippine Islands. The act of Congress referred to provides that 'the gold coins of the United States and the silver Philippine pesos shall be the sole legal-tender money of the Philippine Islands.' Section 8 of that act is the one which authorizes the issue of the silver certificates. By its terms the treasurer of the Philippine Islands is authorized, in his discretion, to receive deposits of the standard silver coins of one peso, authorized by the act to be coined, in sums of not less than 20 pesos, and to issue silver certificates therefor in denominations of not less than 2 or more than 10 pesos, and coin so deposited shall be retained in the treasury and held for the payment of such certificates on demand, and used for no other purpose. They are certificates authenticating that silver pesos have been deposited at the treasury to redeem them and authorizing the bearer to present them at the treasury and receive such pesos. No person is compelled to receive them in paymen of a debt due him. The government, by said section 8, is required to receive the certificates for customs duties and taxes and public dues, because the government has in its own vaults silver which they represent. Any banking association may count them as a part of its lawful reserve, because its lawful reserve might be in pesos, and the pesos are at hand awaiting the presentation of the certificates. They do not possess the essential elements of money; they are not the promise of any government or banking institution to pay money for them. They are a convenience devised by the government for the transaction of business with paper certificates in lieu of the heavy coins that would otherwise require transportation from place to place in the business of the islands. They are not as

nearly money as the certificates or notes that were issued by individuals during the civil war in the United States, wherein they promised to pay the sums stated in the notes issued upon demand. Such private papers were never recognized as money and had no legal status. While the silver certificates have a legal status, it is not a legal status of money or circulating notes.

"It should be remarked that the utmost limit of circulating notes that could be issued by the Spanish-Filipino Bank by the terms of its charter is three times its paid-up capital if those provisions are valid and binding. Such an amount of paper representative of money values is totally inadequate to the business of the islands, and the law ought not to be strained for the purpose of protecting a monopoly that hampers every business enterprise. No strained construction of the law is required to substantiate the views here suggested."

After consideration by the Commission, on motion, it was

Resolved, That the protest of the Spanish-Filipino Bank, dated November 6, 1903, against the issuance of silver certificates by the treasury of the Philippine Islands as a violation of its chartered rights is not deemed to be well founded, for the reasons stated in the indorsement by the secretary of finance and justice, and that the Spanish-Filipino Bank be notified of this conclusion.

No further action has yet been taken.

The Spanish-Filipino Bank has likewise strenuously urged that its exclusive right to the issuance of paper money ought to be recognized and to the full extent of the rights claimed under its charter; that is, to issue such paper money to three times the amount of its paid-up capital. The action of the Commission upon this subject is shown by its resolution as follows, adopted on the 17th day of May, 1904, which was transmitted to the bank:

Commissioner Ide presented to the Commission a communication, dated April 4, 1904, from Mr. Eugenio del Saz Orozco, director of the Banco Español-Filipino, relative to the present status of that bank, which communication had been indorsed by the secretary of finance and justice as follows:

"Señor Orozco, director of the Banco Español-Filipino, within requests that he 'be favored with the resolution of the civil government in the matter of the claim submitted by the Spanish-Filipino Bank more than two years ago for the recognition in their integrity of the statutes and charter of that bank as conferred upon it by the Spanish Government, and more especially in connection with the exclusive right of issue of demand notes payable to bearer conferred by such statutes and charter.' Señor Orozco urges authoritative determination, so that the matter may be laid before the stockholders of the bank, and states that the management has experienced great embarrassment from its inability to inform the stockholders of the action of the government.

"There has never been, to my knowledge, two years ago or at any other time, a request that the civil government determine the status of the Spanish-Filipino Bank in the respect referred to. There was correspondence in September, October, November, and December, 1901, in relation to the desirability of the bank's restricting its issue of circulating notes or paper money to the amount of its paid-up capital, the authorities at Washington having stated that such a course ought to be taken in the interests of conservative banking and for the safety of the bill holders. An interview upon the whole subject of the bank's status was had at my office on the 22d day of November, 1901, between the secretary of finance and justice, Señores Balbas and La Rosa, managing directors of the bank, and the committee appointed by the shareholders of that bank, consisting of Señores Alonso and Ossorio and their attorney, Mr. Marple. That interview covered the whole subject of the claim of the bank under its charter, and likewise the objections that had been presented at Washington to the exercise of the rights claimed by the bank. The interview was for the purpose of ascertaining if some working basis could not be arrived at, and a transcript of the interview was subsequently forwarded to the Secretary of War at Washington, and was in the possession of Governor Taft when appearing before the House and Senate committees while he was in the States on account of ill health. The correspondence referred to with the bank officials outlined the legislation relating to banking in the Philippine Islands, which it was proposed to ask Congress to enact, and the bank officials were furnished with a copy of the act proposed, as approved by the Commission and by Mr. Conant, the financial expert sent here by the Secretary of War. All this occurred before the end of the year 1901.

After discussion at Washington, the whole banking features of Philippine legislation were eliminated entirely, and ultimately a new system of currency was authorized, which has been put in force, but no action whatever has been taken by Congress toward the establishment of a banking system in the islands. The regulation of banking, like all other business enterprises of the islands, is doubtless within the competence of the Commission, but it is not probable that the Commission, at present at least, and without further legislation by Congress, will undertake to deal with the subject of banks with power to issue paper money; nor is it deemed to be indispensably necessary that such action should be taken immediately. The new currency system is becoming rapidly well established in the islands, and further financial experiments are undesirable for the immediate present. Meanwhile the Spanish-Filipino Bank furnishes a small amount of paper money which passes among the people, and United States paper money is quite extensively in circulation. The silver certificates issued by the government, in response to the deposit of Philippine pesos, likewise furnish a convenient means of carrying on business transactions. It will thus appear that the claims of the bank and the views of the insular government have been presented to Congress, and no action has by it been taken.

"There are many special features in the charter of the Banco Español-Filipino, to some of which attention is here called.

"Paragraph 11 of article 4 of title 1 of the charter reads: 'To contract (or deal) with the treasury of the islands under its own guaranty through its branches, but with the previous consent and authority of the minister for the colonies.'

"It is apparent that the power thus referred to can only be exercised by virtue of the authority of the minister for the colonies. There is no minister for the colonies that is now authorized to exercise any power in these islands. This paragraph probably is not capable of effective operation without additional legislation.

"Paragraph 12 of article 4, same title, reads: 'To issue loans to the provinces or its municipal territories with the previous consent and authority of the protector and the constitution of proper security.'

"The provinces and municipalities are not, to my knowledge, vested with power to borrow money from banks or to incur indebtedness in the way of borrowing money; nor would it be prudent to intrust the municipalities or the provinces with such general power. Nor is the intervention of the 'protector' in such matters authorized by any existing law. This paragraph does not seem to be self-operative without further legislation.

"Paragraph 18, article 4, of the same title, reads: 'To arrange with the minister for the colonies, or its representatives, duly authorized to that effect, for the emission and negotiation of public bonds, for the payment of the same, or for any other service of the treasury.'

"For the reasons above stated, this paragraph does not seem to be effective without further legislation.

"Article 15 of the same title provides that 'The bank possesses the private (or individual) power to issue paper money throughout the archipelago, payable to bearer upon demand, for three times the amount of its cash capital set aside, subject to article 180 of the Code of Commerce, provided a reserve fund in metallic cash is kept on hand in the bank amounting to at least a fourth part of the deposits, currency accounts in metallic cash, and bank notes in circulation. The denominations which it may issue are of 5, 10, 25, 50, 100, and 200 pesos.'

"It is under this article that the bank claims the exclusive right to issue paper currency to the amount of three times is paid-up capial, subject to the provisos referred to. The word 'privativo' in the Spanish or original charter is translated in my copy 'private' or 'individual,' but proper translation of which the bank claims to be 'exclusive,' instead of 'private' or 'individual.' Doubtless this provision would not have prevented the Spanish Government from printing or issuing its own money and circulating medium, nor is it at all certain that a transference of the sovereignty would prevent the new sovereign from exercising one of the highest functions of sovereignty in the issuance and regulation of money of all kinds. It is likewise certain that, whatever efficacy may be given to this article, the new sovereignty has the power to enact necessary regulations for the security of the public, for the safeguarding of that which is received as money by the public in general, and for the abundant protection of depositors and holders of the securities of this or any other

bank. From this position the Commission has not deviated at any time. But the kind of legislation that ought to be enacted to accomplish these results has not yet been finally determined upon. This article doubtless is the one in regard to which the bank is more solicitous than it is in regard to any other.

"Article 16 authorizes the bank to be a party to actions instituted to prosecute parties forging or falsifying the bank's paper money. It would seem apparent that the question of whether a private individual or corporation can be a party to a criminal prosecution would be determined by the general law of the country, which may be altered from time to time, as it pertains to criminal remedies and not to any chartered or vested rights of the institution.

"Article 17 requires the approval of the minister for the colonies as to the establishment of branches of the bank and as to their location. This article would not seem to be effective without further legislation.

"Article 18 is one of considerable importance. It reads as follows: 'Foreigners may become stockholders in the bank and participate in all exchange and banking transactions in the same form as the nationals, but they can not hold any position in the management or administration of the bank unless they become naturalized and ask to be residents of the country. All accounts belonging to foreigners in the hands of the bank shall be exempted from all attachment, confiscation, and reprisal in case of war declared against their respective countries.

"The term 'foreigners,' as introduced into the charter, probably meant all persons who were not subjects of the Crown of Spain, and such persons were excluded from holding any position in the management of the bank unless they became naturalized. Under such construction all Americans would be foreigners. It would be impossible for them to become naturalized within the meaning of that term—that is, become citizens of Spain by virtue of any law now existing. The anomalous condition would therefore exist of there being a bank in an American country, under American sovereignty, from the management of which all Americans were excluded. It is not clear that Filipinos could take part in the management of the bank. They are no longer Spanish subjects, nor can they be naturalized by any law yet enacted. This whole article is anomalous and needs careful revision.

"Article 20 makes it the duty of the bank to loan to the treasury of the archipelago, without interest, $500,000 when its capital is not over $1,500,000, and one-third of its capital when it exceeds that amount, for periods not exceeding six months of each year; and also compels the bank to loan further sums, at rates of interest to be agreed upon—practically 1½ per cent less than the current discount to the public—with the proviso that such interest shall not exceed 5 per cent per annum. This privilege has never been exercised by the insular government, nor did the article apparently contemplate the loan to a different sovereignty than that of Spain. It is not clear that this article, without further legislation, is effective.

"Article 23, fixing the capital at $1,500,000, in shares of $200 each, apparently provides for an increase of capital to the amount of $3,000,000 when authorized by the stockholders in general meeting. Inasmuch as article 15 is claimed to authorize the issuance of paper to the amount of three times the paid-up capital, article 23 becomes important. It is quite manifest that the bank ought not to be allowed, at its own discretion, to increase its capital when such increase carries with it an increase in the amount of paper money set afloat, and when the government might deem such increased amount of paper money to be highly dangerous.

"Article 26 provides for the retention of 1,000 shares, which shall be nontransferable, until the corporation holding them shall seek to dispose of them and His Majesty's Government shall so order; and also, in order that the shares may become subject to an attachment, an order from competent authority must be issued. It is probable that these shares belong to some religious corporation. If so, it would not be in accordance with the theory of our government that the property should be inalienable, nor would it be a proper thing to be obliged to resort to the authorities of the Spanish Government to alienate them, nor should they be exempt from attachments any more than any other private property. This article needs revision.

"Article 30 provides that, after payment of expenses, a reserve fund of 10 per cent shall be set aside for the 'direccion,' and 5 per cent for the 'junta de gobierno,' the remaining 85 per cent being divided among the stockholders pro rata. This article is not specially objectionable, if the stockholders desire to

have it enforced, except in so far as the constitution of the 'junta de gobierno' and of the 'direccion' are perhaps objectionable, as hereinafter stated.

"Under title 4 the following provision appears, probably as article 33, though not numbered in my copy: 'The high management and superior régime of the bank shall be vested in the protector, the governor-general, who may temporarily delegate a person of his trust to act in his behalf as such protector and in such part as he may deem proper, provided such deputy is a member of the council of administration or is vested with a like authority.'

"This article seems to make the governor-general the protector of the bank. He was a Spanish officer, appointed by the Crown of Spain. Such was the intent and meaning of the charter when granted. Whether the chief executive of the islands under American sovereignty could exercise such powers it is unnecessary now to determine, although the matter ought to be definitely settled, both as to whether he can exercise those powers and as to whether he ought to. Further legislation by the Commission would perhaps be required to intrust the civil governor with those powers. It is not known that the power has ever been exercised by the civil governor either to act as protector or to appoint a deputy to perform such portions of his functions as he might deem proper.

"Under article 35 the powers of the protector are defined: 'First. To appoint the directors, the secretary, and one of the syndics, to be selected by him from the ternary (consisting of three persons) lists, as proposed by the stockholders in general meeting.'

"Under this provision the stockholders select three persons for directors and from them the protector appoints those who are to act.

"'Second. To appoint of his choice the other syndic, omitting the requisite of a ternary.'

"This paragraph apparently authorizes the protector to appoint one syndic irrespective of the wishes of the stockholders.

"'Third. To determine the issues of stock.'

"It will be seen that this authority is large and great. It would also seem to be apparent that there could be no increase above the $1,500,000 stock now issued without the consent of the protector. It would seem, therefore, that until the civil governor assumes the duties of protector, by legislation of the Commission or otherwise, no authority could grant the right to increase the stock of the bank above its present issue.

"'Fourth. To approve the rates of interest fixed by the bank on discounts and loans.'

"This provision probably gives the protector power to veto rates of interest fixed, and perhaps to establish other rates.

"'Fifth. To suspend or detach from their respective positions all directors or members of the Junta de Gobierno should there be sufficient cause to justify such suspension.'

"This power is a very important one.

"'Sixth. To resolve gubernatively all differences and doubts which may arise on matters relating to the interior management or the observance of the present statutes and regulations of the bank.

"'Seventh. To order the revision of the statutes or the regulations of the bank when he may think so proper, or at the request of the stockholders in general meeting.'

"This power is one of very great importance.

"'Eighth. To exercise all the powers which the law confers upon him as a representative of His Majesty's Government over all public institutions which are protected and franchised.'

"It will be seen, therefore, that the bank was intended by its charter to be in a sense a government institution, and that the theory of its charter contemplated that it should be under the immediate control and largely the absolute protection of the protector or governor-general. None of these powers have ever been exercised by the civil governor, and it is not clear that it should be the policy of the government to assume such large responsibilities for the conduct and management of a bank. It is probable that it might be more in line with American theory and institutions that such legislation should be enacted as would make the bank a self-governing institution, but subject to suitable laws for expansion and regulation, such as may be deemed necessary for safeguarding the stockholders, depositors, and note holders.

"Under article 36 the deputy protector is intrusted with large powers, such as calling meetings of stockholders, calling meetings of the Junta de Gobierno, pre-

siding over general meetings; and, fourth, 'To order the suspension of all resolutions passed by the stockholders in general meeting or by the Gobierno at the request of any of the syndics when they conflict with the statutes and regulations.'

"'Fifth. To supervise and manage all the departments of the bank and to submit for approval to the protector any changes and additions they may wish to make or remarks to offer in the interests of the institution.

"'Sixth. To assist in person in the count of "cash" and the preparation of the "balance" sheet, which must be done every month, and certifying in the proper book over his signature to the correctness thereof.

"'Seventh. To answer all extraordinary reports required by the protector upon the bank's affairs after examining into the books, documents, and papers of the institution.'

"Inasmuch as there has not been since the complete establishment of American sovereignty in the islands any exercise of the powers of protector by the civil governor, or any appointment of a deputy protector, nor appointment of syndics by the protector, it is not apparent how the bank's affairs have been lawfully conducted, and it is not seen how, under the terms of the charter, the bank could have gone on legally in the conduct of its business. It would seem that its procedure must be subject to very grave doubts as to its legality and that steps ought to be taken to put the bank into such a situation that there can be no question as to the legality of the acts of its officers. The situation of bank officers who are conducting the business illegally and not in accordance with the provisions of the charter might prove to be a very unhappy one. These provisions seem greatly to need revision.

"Article 41 makes it the duty of the general stockholders' meeting of the bank, among other things: 'Third. To submit to the protector, through the hands of the bank's direction, ternary lists (containing three names) to fill the positions of directors, secretary, and one of the syndics.'

"This course could not have been followed since American occupancy, there being no protector or deputy protector acting.

"Article 45 likewise provides for the appointment of a second syndic by the protector, and article 46 provides that that syndic shall remain in office four years.

"Article 48 provides that the councilors and syndics shall be entitled to a fee for attendance at all sessions, and states that the fee is already provided for in article 29. Article 29 makes no provision in regard to this matter and relates to an entirely different subject. It is possible that there is a mistake in the translation.

"Under article 50 the authority of the syndics is defined. Their powers are important, and among others is the following: 'Fourth. To prevent thereupon the issuance of bank paper to a greater amount than that authorized by these statutes.'

"It would seem that without the lawful appointment of a syndic by the protector there could be no further issue of bank paper.

"Article 55 requires the Junta de Gobierno to submit, through the direction of the bank, a list of qualified persons from which the protector may appoint parties to fill the vacancies temporarily occurring. This article would seem not to be of efficiency unless there were a protector duly authorized by law to act.

"Title X, under the head of General Rules, reads: 'Unless by virtue of a judicial order, the bank is not permitted to give out any statement of the deposit of current account of any given person.'

"Perhaps this rule is not objectionable, but the law upon this subject should be general and applicable to all banks in the interest of justice.

"In view of the foregoing extracts from the charter of the bank a serious question likewise arises as to whether, under all the circumstances, the bank has any legal status under American sovereignty, and as to whether its provisions are not so interwoven with the Spanish sovereignty that there is no method of lawfully executing the provisions of the charter under a different sovereignty unless new legislaton shall intervene. Under the American definition, a charter constitutes a contract between the state and the corporation chartered. Many of the provisions of the charter of the Spanish-Filipino Bank are in the nature of contracts of such a character that a stranger to those contracts can not be made a party to them without a revision of the charter itself. For instance, the provision that the bank shall loan one-third of its capital six months of the year to the government without interest, and other portions of its capital to the government at a low rate of interest, was a compact to make

those loans to a known government with which it was dealing, not with a third party who was a stranger to the whole contract. Suppose the insurrectionary Filipino government had succeeded in establishing itself. The principles of the international law which the bank invokes would have preserved its charter rights under the new government, but it would be a somewhat strained construction of law that would, under the charter, require the bank to make the loans referred to to the insurrectionary Filipino government when that government might have been totally insolvent. It never contracted to make such advances to the American Government, to the Filipino government, or to any other government except the Spanish Government. But those provisions for loans are the considerations in part which the bank, as one contracting party, made to the Spanish Government, the other contracting party, for its privilege of existence, for its alleged monopoly in the issuance of paper money, and for the special protection which the government threw around it through the Protector and Syndic. Through every portion of the charter runs the current of an intimate contract made with the Crown of Spain, whereby duties and rights appertain to each, which are mutually interdependent. It is a serious question as to whether, under these circumstances, the duties and obligations which the Spanish Crown had assumed could be divested from it and transferred to the American Government. The law officers of the United States have uniformly refused to recognize the obligation of the United States or of the insular government to pay to the Manila Railway Company (Limited) a bonus in the form of a guaranty of earnings which the Government of Spain had made to that railroad company in its charter, upon the ground that the contract was with the Government of Spain, and that neither by principles of international law nor by the treaty of Paris did the United States assume any of the obligations incurred by the Crown of Spain.

"A full discussion of this subject may be found in Magoon's Reports, page 177, So far as the Spanish Government was bound by the terms of the franchise in question, its obligations to the bank apparently remained unimpaired by the treaty of cession, the United States having paid to Spain $20,000,000, largely in view of the assumption of any debts or obligations of the Spanish Government in relation to the ceded territory. This appears from the protocols of the treaty. Probably a correct view of the law on this subject is stated in Hall on International Law, pages 101 and 102, in discussing the correspondence between the United States and England with reference to the authority exercised by England over the Mosquito Shore, and to a treaty between Great Britain and Mexico, wherein the distinguished author says:

"'Mr. Buchanan's general statement was accurate, but the very fact that Mexico succeeded to all the territorial rights of Spain, and consequently to full sovereignty within the territory of the republic, shows that it could not be burdened by limitations on sovereignty to which Spain had chosen to consent. It possessed all the rights appertaining to an independent state, disencumbered from personal contracts entered into by the state from which it had severed itself.'

"Upon the principle here stated, the obligations which the Spanish Government had assumed to the Spanish-Filipino Bank were personal obligations which remained binding upon the two contracting parties, and which the Government of the United States never assumed by the treaty of cession. It would also seem that all the rights of full sovereignty were secured by the United States by the treaty of cession without being burdened with limitations on that sovereignty to which Spain has chosen to consent, except so far as the treaty protects vested property rights. So far as those property rights rested in contracts with the Crown of Spain, and where there were mutual contracts to be fulfilled, and where the Government of the United States had strenuously refused in the negotiations to assume any of the obligations of Spain, the situation is entirely different from that which exists where the Government of Spain had granted privileges and rights to parties who now, under the new sovereignty, seek protection of such vested rights.

"It is not the purpose of this indorsement to enter into a discussion of this question, and these suggestions are made only for the purpose of showing the great necessity for a change in the conditions now surrounding the Spanish-Filipino Bank and for the purpose of calling to the attention of the Commission the serious question as to whether the bank, under the special circumstances, has any legal status that is capable of vindication in the courts.

"In the correspondence above referred to, which occurred near the close of the year 1901, the bank officials stated, in substance, that while they claimed

that their privilege of note issue was an exclusive one, yet they did not consider monopolies of that character to be desirable, nor did they expect that the American Government would submit to having its paper-money circulation in the islands limited in the manner provided by their charter, because it was not sufficiently elastic to meet the probable increase of the demands of commerce, and because such a privilege ought not to be controlled exclusively by one private institution; yet they insisted that the privilege was one that appertained to the bank by competent authority, and one that had been protected in the amplest manner by the treaty of Paris, whereby the Philippine Islands were ceded to the United States, and that the United States Government should abolish the exclusive rights which the bank claimed, either by an agreement with that bank or by expropriation of the exclusive privilege and paying just compensation therefore; and proposed to surrender the bank's exclusive privilege, receiving in compensation therefor an exemption from all taxation during the whole period covered by its charter, the exemption to apply to all of its circulation, and to its stock, deposits, and assets of every kind; this being upon the basis that the bank should continue to issue its paper currency only up to the amount of its paid-up capital, but that the right should not be exclusive.

"In my opinion there is a hardship imposed upon the bank by not being more certain as to what its legal status is. Its request, contained in the within letter, that there should be an authentic determination of its status is not entitled as a right to any reply or determination. The bank has been allowed to do business and none of its chartered rights, so far as lawfully exercised and in harmony with existing laws and protected by the obligations imposed by the treaty of Paris, have as yet been interfered with. It has no just cause for complaint by reason of any action of the government. The demand for such an extensive exemption from all taxation was deemed by the Commission to be inordinate and unreasonable, and one that could not be entertained. It is for the interests of the bank and of the government that the status of so important an institution should be clearly known, and that it should not continue or attempt to continue doing business upon an unlawful basis. Some of the provisions of the charter above stated are of such a character that it is impossible for the bank to proceed without grave doubts as to the legality of its procedure; it needs legislation for its own protection and for the protection of its note holders, depositors, and stockholders. In my opinion the interests of the government and of the bank in this respect are alike, and the charter ought to be amended in such manner as to safeguard the public, the officers of the bank, and the rights of the government itself. Such amendments of the charter doubtless ought to be made with the concurrence of the stockholders of the bank, so that no legal questions as to the amendments might subsequently arise. The amendments ought to provide, on the one hand, for such changes as will secure the certain legality of the acts of the officers in the management of the bank, and sufficient protection to safeguard the interests of all, and for a restriction of the amount of paper currency which it might issue to the amount of its paid-up capital, with or without security, as may be determined, and provisions should also be made that all the paper money issued should constitute a prior charge upon all the assets of the bank. On the other hand, the exclusive privilege of the bank, if it has it, ought to be eliminated and done away with forever, so that at the proper time a comprehensive banking system may be established, such as will provide for the indispensable needs of commerce by authorizing a sufficient supply of paper currency."

After consideration by the Commission, on motion, it was

Resolved, That a copy of the foregoing indorsement by the sercetary of finance and justice be transmitted to the Spanish-Filipino Bank, and that the said institution be requested to appoint a committee to confer with the secretary of finance and justice, and with such other members of the Commission, if any, as may be designated to act with him in regard to modifications of the charter of the bank, so that a scheme may be devised that shall be just to the government, to the bank, and to the public at large.

No reply to this communication has been received from the bank and no further recommendation is now made upon this subject.

It should, however, be remarked that by section 111 of Act No. 1189, entitled "An act to provide revenue for the support of the insular, provincial, and municipal governments by internal taxation," a tax of 1 per cent per month was imposed upon all circulating notes issued

by any bank in the Philippine Islands in excess of the amount of its paid-up capital, it being deemed dangerous to the public that paper circulating as money should be issued by a bank to a greater extent than the full amount of its paid-up capital, no security by way of government bonds or otherwise being provided by the terms of the charter of the Spanish-Filipino Bank for circulating notes issued.

THE CUSTOMS SERVICE AND THE TARIFF.

Mr. Morgan W. Shuster, the efficient collector of customs for the Philippine Islands, still holds that position. During his absence in the United States on leave for about seven months or more the duties of his office were performed to the satisfaction of the general public and of the government by the deputy collector, Mr. H. B. McCoy.

NEW LEGISLATION AFFECTING THE CUSTOMS SERVICE.

New legislation affecting the duties of the collector of customs and the administration of the bureau of customs during the past year has not been of great importance.

Act No. 1025, passed December 16, 1903, authorized the recognition of licenses issued by the Spanish Government to masters, mates, patrons, and engineers of seagoing vessels in the Philippine coastwise trade.

Act No. 1026, enacted December 16, 1903, reduced the annual tonnage tax upon cascoes and other vessels not decked over and not propelled by their own steam, sail, or similar motive power from 2 pesos to 1 peso Philippine currency per gross ton.

Act No. 1066, passed February 26, 1904, exempted steam vessels of less than 100 tons burden and sailing vessels of less than 150 tons from certain requirements as to the carrying of licensed officers.

Act No. 1149, passed May 10, 1904, authorized the civil governor to declare all wharves, landing places, or streets or lands which are necessary for customs purposes in any port of entry to be under the jurisdiction of the collector of customs of the port, subject to the ordinary general police powers of the municipality interested.

On May 19, 1904, by Act No. 1160, authority was given for the clearing of foreign vessels for the port of Isabela de Basilan, under proper restrictions.

The act of Congress approved April 15, 1904, entitled "An act to regulate the shipping and trade between the ports of the United States and ports or places in the Philippine Archipelago, between ports or places in the Philippine Archipelago, and for other purposes," prohibits, after July 1, 1906, the transportation of merchandise (except supplies for the Army or Navy) and passengers between ports of the United States and ports or places in the Philippine Archipelago, direct or by the way of a foreign port, in any other vessel than a vessel of the United States, but provides that the act shall not apply to transportation of merchandise or passengers between the ports or places in the Philippine Archipelago, the government of the Philippine Islands being authorized to adopt and enforce from time to time regulations governing the transportation of merchandise and passengers between ports or places in the Philippine Archipelago until Congress shall have authorized the registry as vessels of the

United States of vessels owned in the Philippine Archipelago. The same act further provides for the levying of tonnage taxes upon foreign vessels coming into the United States from the Philippine Archipelago as though coming from foreign countries. The Secretary of Commerce and Labor is authorized to issue regulations for the enforcement of the act, provided that such of the navigation laws of the United States as are in force in the Philippine Archipelago in regard to vessels coming into the Philippine Islands from the mainland territory and other insular possessions of the United States should continue to be administered by the proper officials of the government of the Philippine Islands. This act is undoubtedly of very great importance to the interests of the islands. Those provisions that authorize the regulation of the interisland commerce by the government of the Philippine Islands are sufficiently elastic to enable the local authorities to meet the conditions as they from time to time arise, and must be considered as entirely favorable to local interests. Those provisions of the act which prohibit the carrying of passengers or freight from the United States to the Philippines, or the reverse, after July 1, 1906, in any except American bottoms will probably increase materially the cost of passenger and freight transportation to and from the islands and the United States after July 1, 1906. These provisions doubtless will operate for the benefit of the shipping of the United States, but it is feared that the increased prosperity to the American shipping companies will be at the expense of the Philippine Islands by increasing the cost of all commodities imported from the United States and increasing the charge made upon exports of the Philippine Islands to the United States, so that competition in the United States by products exported from the islands will be more difficult by reason of the enhanced cost of transportation.

NEW FACILITIES.

The facilities for transacting business in connection with the customs service at the port of Manila have been materially improved during the year and of course will be greatly improved when the harbor works now under process of construction are completed. Large appropriations have also been made for the harbors of Iloilo and Cebu, which improvements, when completed, will greatly facilitate the customs service at those important points. The complaints that were formerly made as to the expense and delay experienced in the landing of cargoes at the port of Manila have almost entirely ceased. The system of landing by the running check has been continued with most satisfactory results.

In the last report from this office it was stated that appropriation had been made for the purchase of the " arrastre " plant for the purpose of receiving imported goods at the customs wharves, from the lorchas, cascoes, or lighters in which the same had been brought from the steamers to the customs wharves, and transporting the same by tramways or other facilities to the proper customs warehouses. This operation had been performed before that time by a private firm. The result of the purchase and operation by the government has been most satisfactory, owing doubtless in part to the efficient management thereof by Mr. Clifford D. Ham, deputy surveyor of customs, who has had charge of the operation of the plant.

The public has been given a service much superior to any they have ever before had, while the charges for the service have been materially reduced and have resulted in a saving of at least 108,600 pesos per year to the importers. This saving will be materially larger during the coming year, inasmuch as on July 1, 1904, the then existing rate of 1 peso and 50 centavos per ton for warehouse deliveries on all merchandise was reduced to 1 peso and 25 centavos, a decrease of 16 per cent. Nevertheless the charges have been sufficient to pay all the operating expenses and to reimburse the insular treasurer for the entire cost of the plant. The reimbursement, it will be noticed, has been made in less than one year from the date of the purchase. The result has been in every way satisfactory to the government financially and to the exporting and importing public.

EMPLOYEES.

It is worthy of note that a large percentage of the employees in the customs service at Manila have been Filipinos, whose services have been on the whole very satisfactory. The collector of customs states that in the combined collection and disbursement of nearly 50,000,000 pesos by customs officers during the past three years, not 1 cent has been lost through absconding or defaulting officers, that there have been but two cases of misappropriation of public funds, one of a minor character, and in each instance the offender was promptly detected, prosecuted, and sentenced, and restitution secured of the misappropriated funds.

During the year there have been employed 219 Americans and 218 Filipinos belonging to the classified civil service, and 173 Filipinos belonging to the unclassified service, the total employees for the port of Manila during the year being 219 Americans and 391 Filipinos.

COST OF COLLECTION.

The cost of collecting customs dues has been kept within what are believed to be reasonable limits, considering the difficulties of the situation, although further economies are considered to be practicable. The cost of collecting $1 during the fiscal year 1904 has been $0.0426, as against a cost of $0.0381 for the same amount during the fiscal year 1903, the increased cost coming mainly from the necessity of maintaining sustantially the same force and receiving materially smaller customs duties, as hereinafter stated. The cost of collecting $1 in the port of San Francisco, on the same basis as is adopted for computation in this port, is 6 cents; in Baltimore, $0.052; in Hawaii, $0.089, and in Porto Rico, $0.067.

RECEIPTS AND EXPENDITURES.

The total expenditure for the bureau of customs for the fiscal year 1904 was $563,463.79, including the purchase of the " arrastre " plant, permanent repairs, rental and supplies, and salaries and wages. The expenditure for the fiscal year 1905 will be less, the falling off of the revenues requiring a reduction of expenditures.

The total net receipts from the bureau of customs for the fiscal year 1903 were $9,013,778.82, and for the fiscal year 1904, $7,924,096.30,

showing a reduction of $1,089,682.52 net customs receipts, after deducting duties paid by the government on imports for its own use and all refundable duties. One cause of this great reduction in the receipts, so far as exports are concerned, is the small copra crop, the especially dry season last year having seriously affected the production. So far as imports are concerned the diminution of the purchasing power of the people, resulting from war, pestilence, and death of animals, has had an important effect, the reserve funds in the hands of the people having been largely consumed in purchasing necessaries of life during prior years of hardship. The difficulties incident to a change of currency also have been no small factor in retarding business.

The diminution in customs receipts did not commence to show greatly until about the 1st of October, 1903, and appears in a more marked degree from a comparison of the total net receipts for the twelve months beginning with the 1st of October, 1903, with the total net receipts for the corresponding twelve months beginning with the 1st of October, 1902, the total net receipts during the earlier period being $9,019,829.72, and the total net receipts during the later one being $7,620.632.63, showing a diminution during the twelve months beginning with October 1, 1903, of $1,399,197.09 as compared with the like period of the preceding year, or a reduction of 15½ per cent.

Included in the statement of customs receipts for the fiscal year 1904 are $107,338.13, money of the United States, received on importations by the Government, by virtue of Act No. 875, entitled "An act providing for the collection of duties on goods, wares, and merchandise imported into the islands for use of the insular, provincial, or municipal governments," which sum is in no sense income.

REFUNDABLE DUTIES.

The effect of that portion of the act of Congress approved March 8, 1902, entitled "An act temporarily to provide revenue for the Philippine Islands, and for other purposes," which provides for the refund of all export duties imposed in the Philippine Islands upon articles exported therefrom into and consumed in the United States, still continues to be most disadvantageous to the islands. Since its enactment down to the close of the fiscal year 1904, $1,060,460.20, money of the United States, has been collected in the islands as export duties, which are refundable because the dutiable goods were imported into and consumed in the United States.

The effect of this provision of law is to enable manufacturers of articles made from hemp in the United States to compete on more favorable terms than like manufacturers in other parts of the world, the export duties collected not being refunded to exporters whose merchandise is consumed in other parts of the world. Certain industries in the United States are thereby stimulated at the expense of the Philippine treasury. It is not believed that such was the intention of Congress in the enactment aforesaid, but such is undoubtedly the result. Nor is this great loss counterbalanced by the provision of the same act of Congress that customs duties collected in the United States on imports from the Philippine Islands should be returned to the insular treasury. The amount so returned or to be returned, down to the close of the fiscal year 1904 is only $721,884.80,

leaving a balance against the insular treasury of $338,575.40 by reason of the legislation aforesaid.

It ought also in this connection to be remarked that this discrimination in favor of the United States on export duties has been regarded by foreign nations as a violation of the "open door" policy in the Orient, and as such has been called to the attention of the State Department at Washington by the representatives of several of the large commercial powers.

RICE IMPORTATIONS.

The importation of rice still continues to reach great dimensions. The amount and value of rice imported into the islands during the fiscal years 1899 to 1904, inclusive, are as follows:

Rice imported into the Philippine Islands by fiscal years—Value and duty represented in United States currency—Government free entries not included.

[Values are invoice values in country from whence imported.]

Year.	Quantity.	Value.	Duty.
	Pounds.		
1899	128,383,130	$1,938,932	$374,607
1900	244,673,707	3,186,198	622,542
1901	422,642,506	5,490,958	1,128,694
1902	477,051,302	6,578,481	1,174,058
1903	663,185,639	10,061,323	1,535,593
1904	727,124,332	11,548,814	1,650,720
Total	2,633,060,616	38,804,706	6,526,214

It thus appears that since and including the year 1899, $38,804,706, money of the United States, has been sent out of the islands for the purchase of rice, and that during the fiscal year 1904 a larger sum than ever before was sent out for that purpose. This latter fact, in a sense, tends to show that the people have had money to purchase rice, but, on the other hand, it shows a tremendous drain upon the resources of the islands for the purchase of a commodity which ought to be produced here in a sufficient amount to supply all the demands of the inhabitants, as was true in former years. If there should be as large an importation during the present year as during the last, it would be a very marked indication that the people were able not only to consume the immense quantity of rice that will be raised this year, but likewise to purchase largely from abroad.

This drainage of the resources of the country, however, is undesirable, and it is believed will not be permanent. It will be observed that while the importation of rice for the fiscal year 1904 took out of the islands $11,548,814, the exportation of hemp during the same year brought into the islands $21,794,760, money of the United States, or $10,245,946 more than enough to pay for all the rice imported. The balance of trade was in favor of the islands for the fiscal year 1903, but against them for the fiscal year 1904, the imports for the latter year amounting to $33,221,250 in value and the exports to $30,226,127, leaving a net adverse balance of trade amounting to $2,995,123, imports and exports of currency not being included. The drain upon the islands caused by this excess of imports over exports,

however, is not as serious as it might appear at first blush, because very large importations of merchandise are sold by merchants to the officers and men of the United States Army and Navy in the Philippine Islands, and are paid for by funds remitted from the United States, and therefore payment for such imports does not come from the body of the Philippine people. In these statements of exports and imports nothing is included for supplies and material imported for or exported by the Army or Navy of the United States. Such importations and exportations do not enter into these statistics. With the great renewal of agriculture now apparent, the prospective large crops of rice and hemp, and the higher present price for sugar, it is believed that for the fiscal year 1905 the balance of trade will again be in favor of the islands.

In the value of imports the United States rises for the fiscal year 1904 from fourth to second place, the French East Indies, as indicated, taking the first place on account of the extensive importations of rice therefrom. England held the second place in 1902 and 1903, and third place in 1904. The United States still continues to take the lead in the value of exports received from the islands.

It is believed that the amount of rice imported during the fiscal year 1905 will show a great diminution, in view of the fact that the resumption of rice culture all over the islands is making very great strides. Rinderpest, which killed many of the animals necessary for cultivation, has been stayed in its course, and the importation of animals by the government and the processes of nature are rapidly making it possible for the agriculturists to resume their former occupations. The prospects for the crop of rice for the current year are remarkably good.

The details of all imports and exports by countries and months will be found in the annual report of the collector of customs for the Philippine Islands, more particularly in the Appendix A attached to his report, which is hereto annexed and marked "Exhibit 7."

DINGLEY TARIFF.

The customs duties imposed in the United States upon exports of the Philippine Islands are still 75 per cent of the Dingley tariff, which, in the case of sugar and tobacco products, is practically prohibitive. It is unnecessary to repeat the arguments which have been so often used to show the injustice of this treatment of the islands, and it is hoped and believed that the coming session of Congress will furnish material relief in this respect; anything, however, less than a reduction to 25 per cent of the Dingley tariff would furnish little relief to our people.

CHINESE REGISTRATION.

The registration of Chinese, in pursuance of section 4 of the act of Congress approved April 29, 1904, and act 702 of the Philippine Commission, was intrusted to the collector of customs for the Philippine Archipelago, and was carried through under his supervision. The total number of certificates issued was 49,659, approximately 60 per cent of which were issued in the Manila registration district.

These figures do not represent the number of Chinese in the islands, but only such as deemed themselves to be within the provisions of the law requiring registration. The expenses of registration were $33,828.62 and the receipts from fees $25,220, making a net cost of $8,608.62.

INTERNAL REVENUE PRIOR TO THE ENACTMENT OF THE NEW LAW.

The duties of the acting collector of internal revenue prior to the 1st day of August, 1904, have been of minor importance. Aside from his special duties as city assessor and collector for the city of Manila, his jurisdiction was limited to unorganized provinces, and soon after the closing of the last fiscal year that portion of the island of Mindanao which had not been organized and the Jolo archipelago were organized under the Moro provincial government act, and the administration of that territory for the purposes of internal revenue passed under the control of the government of that province. The details of the work of the acting collector of internal revenues are found in his special report, which is hereto annexed and marked "Exhibit 8," covering the period from September, 1903, to August 1, 1904.

THE NEW INTERNAL-REVENUE LAW.

It was stated in the last report from this office to the Commission that a new internal-revenue law had been prepared by Commissioner Ide and was in readiness for submission to the Commission, but that the Commission had not then had time to consider it. The new draft was printed and distributed among the business men of the islands and came up for public discussion early in April, 1904. Great objection to the law as drafted was manifested in the public discussions and in many of the newspapers published in Manila. Protests against its enactment were received from many parts of the islands.

The Commission discontinued public discussions in the middle of April and adjourned to Baguio and notified all parties in interest that they might file written arguments with the Commission until the 10th of May. Great numbers of written arguments were received, prepared by chambers of commerce, business men, merchants, and corporations, and by able counsel employed by them. These arguments continued to be received until the 1st of June and were all carefully read and considered in the daily sessions that were held for that purpose. The proposed law was then taken up section by section. The machinery providing for the collection of the tax was simplified and the rate of taxation proposed was reduced in nearly every case. The original draft had been upon the basis of presenting for the consideration of the Commission all persons, objects, and occupations that were subject to internal-revenue taxation in other countries, so that those that were least desirable might be eliminated, but leaving available for the Commission a complete working scheme for such as should be deemed suited for existing conditions. An income tax was not thought desirable, nor was a succession tax at this time considered useful. The tax on corporations, which is a most useful system of raising revenues in many States of the United States, was

not deemed suitable for a new country where capital is greatly needed for internal development and where new capital would be substantially all in the form of money paid into corporations. It was thought to be more desirable to encourage the introduction of capital than to raise such revenues as might be secured from a tax upon a corporation, purely as a corporation, for its franchise and right of existence. Corporation property is taxed in the same manner as property of individuals. The principal sources of revenue decided upon were certain license taxes, a tax on distilled spirits, fermented liquors, manufactured tobacco and snuff, cigars and cigarettes, matches, banks and bankers, stamp taxes on specified objects, a poll or cedula personal tax, tax on insurance companies, forestry products, valid perfected mining concessions granted prior to April 11, 1899, and on certain kinds of business, manufacture, and occupation. It was estimated that when the law was in full operation it would produce from 5,000,000 to 6,000,000 pesos annually, or somewhat less than was secured under the Spanish régime from the poll or cedula personal tax alone. The cedula tax, under the former régime, was exceedingly burdensome, particularly upon poor people, 5 pesos being the minimum. Under the internal-revenue law, as adopted, the tax was made 1 peso per year, the same rate that was in force before the passage of the new law, and applies only to male inhabitants over 18 and under 60 years of age. Members of the non-Christian tribes, unless otherwise provided by law, soldiers and sailors of the United States Army and Navy, civilian employees of the military branch of the United States Government in the Philippine Islands, consular and diplomatic representatives and officials of foreign powers in the Philippine Islands, paupers, insane persons, imbeciles, and persons serving a sentence of more than one year in a public prison are exempt from this tax.

The proposed tax on forestry products did not change the rate that had been previously established by the Commission.

The tax on perfected mining concessions granted prior to April 11, 1899, was not expected to realize any substantial revenue, but afforded a means of eliminating concessions that were not utilized but stood largely in the way of the location and development of new claims.

The draft as perfected by the Commission at Baguio was immediately printed and generally distributed, and public sessions were held until the 2d day of July, when the law was finally enacted. The public discussions indicated that the objections to the law had been largely removed by modifications that had been made, resulting from the prior public discussions and from the written arguments which had been submitted. The arguments presented at the public discussion were all practically of the same character, and were devoted to the details of the law and to further consideration of the rates of taxes proposed.

Further concessions in the interest of those affected by the proposed taxation were made as a result of the public discussions. The law as finally enacted, though distasteful to those affected by it, was, on the whole, as satisfactory, probably, as any reasonable scheme of internal revenue taxation that could have been devised would be. The act was numbered 1189, and was entitled "An act to provide revenue for the support of the insular, provincial, and municipal governments, by

internal taxation." It provided for a bureau of internal revenue, appertaining to the department of finance and justice, under the superintendence of a collector of internal revenue, whose duty it was to prepare and distribute all necessary regulations, directions, and instructions, and to provide for needed forms, instruments, and implements for the purposes of the act, and to distribute adhesive stamps for use as stamp taxes.

Provision was made for the employment of such inspectors, revenue agents, internal revenue storekeepers, and internal revenue gaugers as might be required. Every provincial treasurer and his authorized deputies were authorized to act within their own provinces as collectors of internal revenue, subject to the general supervision of the collector of internal revenue for the Philippine Islands, and adequate penalties were provided for violations of law or for neglect of duty on the part of the internal revenue officials.

All taxes to be paid upon the manufacture or sale of distilled spirits, rectified or manufactured liquor, imitations of wine, fermented liquors, manufactured tobacco and snuff, cigars, cigarettes, and matches, and upon the execution of bonds, debentures, certificates of stock and indebtedness, or other documents, instruments, or papers, certificates, receipts, contracts, insurance bonds, tickets, and other written instruments of every kind which are subject to tax, and upon all acts, pursuits, and trades subject to taxation, aside from poll taxes, are required to be paid by the affixture of internal revenue stamps.

A wide departure, however, from the method employed in the United States in the use of internal revenue stamps in connection with articles subject to taxation was made. The affixing of stamps to each package of cigarettes, each box of cigars, each box of matches, and each bottle or other receptacle of liquors was considered to be unduly burdensome and subject to serious objection on the ground of the liability to reuse of stamps by washing, whereby the revenue would be subject to great frauds and loss. Instead of that a system was adopted that had been found to be more useful in practice in Porto Rico, under its recently adopted internal-reveune law, whereby the taxes were to be paid upon the removal of any quantity of a manufactured article from its manufactory by affixing a stamp of the required denomination to the invoice of all goods removed at any one time, one part of which stamp should remain upon the stub of an invoice book and the other part upon the invoice of the merchandise removed, so that every stamp was, in fact, canceled or destroyed when the invoice was removed from its stub and the goods taken from the manufactory for the purpose of sale. This system has been found in Porto Rico and some other countries to be entirely feasible. It results in far less fraud than any other, and much greater convenience to the government and the public.

Goods removed from manufactories for the purpose of export are not subject to the tax, and provisions were made for the proper identification of such goods.

Provisions for the payment of license taxes are analogous to those in use in the United States.

The collector of internal revenue was authorized to enforce such regulations as might be prescribed by the secretary of finance and justice, to refund taxes erroneously received or penalties imposed

without authority, or taxes that appear to be unjustly assessed, or collections that are excessive in amount.

Authority was given for the compromise of civil and other cases arising under the provisions of the act, and for the imposition of fines administratively, but with the right of appeal to the courts.

The license taxes were made payable on the 1st of January of each year, or on the commencing of any trade or business on which a tax was imposed. Authority was given for payment quarterly instead of annually if desired. License taxes imposed are as follows:

	Pesos.
On each retail liquor dealer	48
On each retail vino dealer	8
On each wholesale liquor dealer	200
On each retail dealer in fermented liquors	40
On each dealer in manufactured tobacco	8
On each manufacturer of tobacco	20
On each manufacturer of cigars or cigarettes	20

On each peddler of manufactured tobacco or distilled, manufactured, or fermented liquors, from 16 to 80 pesos, according to the character of the business.

It will be observed that these license taxes are very low, mainly much lower than similar taxes in the United States.

The tax on distilled spirits was based upon each liter of proof spirits and amounted to 20 centavos per liter, with an additional tax of 10 centavos if the spirits were used in the manufacture of artificial liquors by the addition of other ingredients, but on distilled spirits containing amyl or other higher alcohols (fusel oil), aldehyde, or methyl alcohol (wood alcohol) in the proportion of 4 or more parts in 1,000, which may be removed from the distillery purely for manufacturing or industrial purposes, and not intended as beverages, the tax was made 10 centavos per liter of proof spirits unless the same were rectified so as to be fit for human consumption, in which case the tax was made 20 centavos per proof liter.

The tax upon beer, ale, porter, and other fermented liquors was made 4 centavos per liter.

The tax upon snuff manufactured of tobacco was made 32 centavos per kilogram.

On all chewing and smoking tobacco, fine-cut Cavendish, plug or twist, cut or granulated, of every description, the tax was 48 centavos per kilogram.

On cigars, 2 pesos on each 1,000 where the manufacturer's wholesale price was 20 pesos per 1,000 or less; 4 pesos when the price was 50 pesos per 1,000 or more than 20 pesos; 6 pesos where the manufacturer's price exceeds 50 pesos. On cigarettes weighing not more than 2 kilograms per 1,000, 67 centavos per 1,000; on cigarettes weighing more than 2 kilos per 1,000, 2 pesos per 1,000.

On matches, 40 centavos on each gross of boxes containing not more than 120 sticks to the box; on each gross of boxes containing over 120 sticks to the box, a proportional additional tax. The same tax was imposed upon matches imported from other countries for sale and consumption in the Philippine Islands. Imported matches are likewise subject to a customs duty, but matches can be manufactured in Japan and brought to the Philippine Islands at a materially less cost than they can be manufactured here. It was considered that the

customs duties and the imposition of an internal-revenue tax upon the imported article would leave the domestic product and the imported article substantially upon the same plane as at present, and that neither could drive the other out of the market and the public could get the benefit of the competition and the government secure adequate revenue.

There was imposed on banks and bankers one-eighteenth of 1 per cent each month on the average amount of deposits when the deposit was subject to payment by check or draft, and one twenty-fourth of 1 per cent upon capital employed in the islands by banks or bankers; but savings banks, provident institutions having no capital stock and which do no other business than to receive deposits to be invested for the sole benefit of the parties making such deposits, are exempt from taxation. A tax of one-twelfth of 1 per cent a month was imposed upon the average amount of circulation issued by any bank, association, corporation, company, or person engaged in the business of banking, including as circulation all notes and other obligations used as money, and an additional tax of 1 per cent per month upon the average amount of such circulation issued beyond the amount of paid-in capital of such bank or corporation. The heavy tax imposed upon bank notes issued as money in excess of paid-up capital would undoubtedly be very burdensome to any bank that should attempt to issue paper exceeding in amount its paid-up capital. In fact, such taxes might be prohibitive to the issuance of such money, unless rates of interest should be abnormally and unusually high, but it was considered that a special privilege of that kind ought not to be enjoyed without the payment of a liberal tax, and that it was very undesirable that any bank should be issuing bank notes as money in excess of its paid-up capital.

The Spanish-Filipino is the only bank at present affected by the taxation last referred to. It claims the right under its charter to issue bank notes to three times the amount of its paid-up capital, as stated earlier in this report.

Small stamp taxes are required on specified objects, such as bonds, debentures, stock certificates, transfers of shares, checks, drafts, bills of exchange, insurance policies, receipts for sums exceeding 30 pesos, warehouse receipts, bills of lading, tickets, licenses, mortgages, deeds, charter parties, etc.

A tax of 1 per cent was imposed on the total premiums received by insurance companies on business done in the islands, and one-third of 1 per cent quarterly upon sales by manufacturers and others, except such as are made by agriculturists of their own products, by exporters, manufacturers, and venders of alcoholic and fermented liquors, tobacco products, matches, or stores belonging to the insular government or the Government of the United States, and by small dealers generally.

Moderate annual license taxes are likewise required for pawnbrokers, real-estate brokers, customs brokers, stockbrokers, theaters, cockpits, circuses, billiard rooms, lawyers, photographers, veterinarians, race tracks, etc.

The law abolishes practically all the multifarious and minute exactions required under the Spanish régimé and all internal-revenue taxation imposed by the military government of the United States in

the Philippine Islands or by the insular government. Thus hundreds of petty taxes are completely done away with and the whole process of collection greatly simplified. Substantially 75 per cent of all stamp license taxes imposed on distilled and fermented liquors, tobacco, snuff, cigars, cigarettes, matches, banks, bankers, insurance companies, forestry products, on valid and perfected mining concessions, business, manufactures, and occupations accrues to the insular treasury for general governmental purposes, 10 per cent to the provincial governments, and 15 per cent to the municipal governments; but of the 15 per cent set apart for the municipal governments, one-third must be utilized solely for the maintenance of free public primary schools. The taxes on theaters, museums, circuses, concert halls, pawnbrokers, cockpits, and billiard rooms accrue wholly to the municipality wherein the same are assessed and collected.

The proceeds of the poll or cedula personal tax accrue one half to the province and the other half to the municipality wherein the same is collected.

It is believed that these provisions will materially strengthen the financial position of the provinces and municipalities and make it more feasible to maintain free public primary schools in all the municipalities and render more certain the payment of teachers and the cost of building schoolhouses and other expenses appertaining to the maintenance of public schools.

None of the tax provisions are operative before the 1st of January, 1905, except those on insurance companies, banks, manufacturers of matches, cigars, cigarettes, tobacco, snuff, fermented liquors, distilled and rectified spirits. The revenue from the taxes now in force will almost entirely accrue from the manufacture of tobacco, cigars, cigarettes, fermented and distilled liquors, and matches, all of which are articles of optional use and of such character that the consumer contributes as much or as little as he chooses toward the revenue, according to his desire for the articles consumed by him. If those articles are sold in the market at the prices which have heretofore prevailed, plus the amount of the internal-revenue tax, the consumer can still get three or four times as much for his money as can the consumer of like articles in the United States or Europe.

The tax on native liquor, in the form of anisado, ginebra, and vino, as ordinarily consumed in the islands, is less than 1 centavo or one-half cent a glass. On the great mass of cigars consumed in the islands the tax is at the rate of one-half cent for 5 cigars, and on cigarettes at the rate of one-half cent on each 15 cigarettes. The number of machine-made cigarettes manufactured and sold in the city of Manila during the month of August, the first month of the operation of the law, was 106,233,420. After the old stock of liquors and cigars, which were produced in excessive amounts during the two months before the law went into effect, is consumed it is believed that business in all those important industries will resume its normal course. It is apparent from the budget hereinafter stated that it would have been impossible for the insular government to have maintained itself during the coming year without the additional revenue accruing from this new and important legislation. It is hoped that the results will ultimately be so satisfactory as to enable

the government to reduce the rates of customs duties or to abolish the land tax in whole or in part.

In the preparation of the original draft of the internal-revenue law, and also in the perfection of the law as finally enacted, the services of Mr. John S. Hord have been of great value. Upon the taking effect of the law Mr. Hord was appointed collector of internal revenue and is now acting in that capacity. He has had extensive experience in the enactment and enforcement of the new internal-revenue system now in force in the island of Porto Rico as collector of internal revenue for that island, and was of much service in the institution of the new system there.

The results of the internal-revenue law in the city of Manila for the month of September, 1904, are now available and show that during that month there was collected in the city of Manila the sum of ₱183,124.12, an increase of over ₱77,000 over the month of August, or nearly 75 per cent. The output of tax-paid articles from the Manila manufactories during the two months is shown in the following table:

Output of tax-paid articles from Manila manufactories in 1904.

Articles.	August.	September.	Increase.
Distilled spirits, proof liters	44,248	61,838	17,590
Fermented liquors, gauge liters	196,885	214,824	17,939
Manufactured tobacco, kilograms	4,995	13,495	8,500
Cigars	1,944,754	3,195,305	1,150,551
Cigarettes	108,709,032	199,480,581	90,771,549
Matches, gross of boxes:			
Domestic	8,750	18,000	9,250
Imported	1,116	9,150	8,034

The report of the collector of internal revenue is hereto attached and marked "Exhibit 9."

THE TREASURY AND THE AUDITOR'S OFFICE.

No change has been made during the year in the administration of these two bureaus, in both of which efficiency has prevailed. During a considerable portion of the year the auditor, Mr. A. L. Lawshe, has been absent on a well-earned leave and the duties of the office have been performed by the deputy auditor, Mr. William W. Barre.

The formal report of the acting auditor has not yet been completed for the fiscal year 1904. When completed it will be forwarded as an annex to this report and marked "Exhibit 10."

The enormous difficulties that have confronted the auditor heretofore, owing to the fluctuating currency and the necessity of keeping accounts in often varying ratios, have been largely terminated by the general introduction of the new currency system.

The several amounts in the treasury at the end of the fiscal years 1901, 1902, 1903, and 1904 were as follows, stated in money of the United States, local currency being reduced to United States currency at the ratio existing on each of the dates:

June 30, 1901	$6,222,912.78
June 30, 1902	5,995,006.49½
June 30, 1903	10,633,693.13
June 30, 1904	16,495,561.59

The several sums available for appropriation at the close of the fiscal years referred to are as follows, local currency being reduced on the basis above stated:

June 30, 1901	$3,919,420.00
June 30, 1902	3,999,426.47
June 30, 1903	6,849,321.28
June 30, 1904	10,547,606.28

But of the sums stated as available for appropriation on the 30th day of June, 1904, $10,817,906.04 appertained to the Congressional relief fund, the gold-standard fund, and the friar-land fund, so that of general funds nothing was available on the 30th day of June, 1904, and there was an actual deficit of $270,299.76. The real sums available for appropriation from general funds may be stated in round numbers as follows:

At the end of the fiscal year 1901	$3,900,000.00
At the end of the fiscal year 1902	4,000,000.00
At the end of the fiscal year 1903	2,173,000.00
At the end of the fiscal year 1904, a deficit of	270,299.76

The surplus of substantially $4,000,000 that existed June 30, 1902, has, in the two succeeding years, been all exhausted and a deficit of $270,000 substituted therefor. This condition of the treasury is most unsatisfactory. It resulted from excessive appropriations during the two last preceding years and from a diminution in the customs receipts. It is believed that it ought to be the policy of the government to maintain a reasonable surplus to meet special emergencies. It is expected that at the next session of Congress authority will be given to the insular government to issue bonds to a limited amount for the purpose of paying for permanent improvements. Such legislation is indispensable for the security of the insular treasury. It is an almost unheard of thing for a young government to engage in extensive permanent improvements that will last for generations and attempt to pay for them entirely out of current revenues. Such a course cripples the whole government in its general administration and ought not longer to be continued.

If the large permanent improvements like that of the port of Manila and the construction of the Benguet road and the improvement of the harbors of Iloilo and Cebu and other important works had been paid for from a bond issue the deficit above stated would not have existed and the insular government would not be obliged to look forward to the coming fiscal year with anxiety. The insular treasury should be reimbursed out of the proceeds of the bonds referred to for some of the money expended during the last two years for these large and permanent improvements, so that the extreme economy that has become necessary in the educational and other bureaus may no longer be required, and the government may more completely and satisfactorily perform the high duties which it has assumed of fitting the Filipinos for self-government.

The total receipts and disbursements of the insular government during the fiscal year ending June 30, 1904, excluding refundable collections and disbursements, all receipts and disbursements relating to the gold-standard fund, and those on account of the Congressional relief appropriation and the friar land bonds, but including in dis-

bursements interest paid on friar land bonds, stated in United States currency, were as follows:

RECEIPTS.

Customs revenues, including Moro Province	$8,685,014.76
Postal receipts	133,513.74
Board of health	10,416.54
Bureau of public lands	17,157.82
Bureau of government laboratories	21,284.24
Bureau of agriculture	4,518.43½
Philippine civil hospital	16,930.27½
Civil sanitarium, Benguet	3,511.01
Mining bureau	11.41
Signal service	58,461.97½
Bureau of prisons	65,786.55
Bureau of justice	99.00
Insular cold-storage and ice plant	307,544.68
Bureau of insular treasurer	20,511.93½
Notarial and judicial fees	75,718.60
Bureau of patents, copyrights, and trade-marks	6,364.18
Bureau of public printing	59,343.47½
Official Gazette	10,290.21
Interest on deposits	95,175.115
Spanish seized funds covered into treasury	142,795.70
Unassigned service and miscellaneous items	9,195.48½
Cable concessions	30,416.94½
Total insular revenues	9,774,066.08

The item of Spanish seized funds is an extraordinary revenue, and should be deducted from the sum above stated to show the real revenue of the government, as follows:

Total insular revenues	$9,774,066.08
Less Spanish seized funds	142,795.70
Total net revenues	9,631,270.38

In addition to the revenue above stated, refundable customs, internal revenue, and forestry dues were collected amounting to $798,401.79.

The entire revenues for the city of Manila amounted to $1,954,620.09, which, added to the above balance of insular revenues, makes the total net revenue of the insular government and the city of Manila $11,585,890.47.

DISBURSEMENTS.

The total disbursements for the insular service for the fiscal year 1904, including items disbursed in that year on account of prior fiscal years, were as follows:

The executive	$683,803.60
Department of the interior	1,042,594.31
Department of commerce and police	3,985,549.79
Department of finance and justice	1,592,345.25½
Department of public instruction	2,016,660.45½
Unassigned service	3,064,511.69½
Grand total	12,385,465.10½

The total disbursements for the city of Manila during the fiscal year 1904 on account of that year and prior years were $2,685,595.41½,

making a grand total of $15,071,060.52 disbursements for the insular government and the city of Manila for the fiscal year 1904.

Included in the insular disbursements were the following items that are in the character of permanent improvements and are in no sense a part of current expenses:

Construction of the leper colony at Culion	$10,705.84
For permanent improvements for the bureau of coast guard and transportation, including purchase of boats	702,421.57
For the bureau of architecture, public works	279,518.06
Benguet road	702,132.19
Improvement of the port of Manila	1,314,452.58
Calbayog pier	13,929.79
For the purchase of land in Malate	22,435.43
Purchase of Oriente Hotel	306,818.18
Total	3,352,413.64

There were also the following extraordinary disbursements made, which will not reappear in subsequent statements:

For the census bureau	$59,663.71
For the St. Louis Exposition	525,783.04
Expenses of honorary commission to the United States	30,238.75
Expenses of the opium committee	10,400.79
Total	626,086.29

The final result, therefore, is as follows:

Total revenues of the insular government, including the city of Manila	11,585,890.47
Total disbursements for the insular government, including the city of Manila	15,071,060.52

There was an excess of expenditures over revenues during the fiscal year 1904 amounting to $3,485,170.05.

During the year, however, there were repayments to the treasury amounting to $2,274,023.66 from overappropriations during that or prior fiscal years, which sum should be deducted from the excess of expenditures over revenues above stated, leaving a total excess of expenditures over revenues during the fiscal year 1904 of $2,432,510.87.

In this statement no repayments or reimbursable items are included which are not in the nature of revenue proper—that is, none are included which accrue only from reimbursable or revolving payments, like those of the insular purchasing agent.

CONGRESSIONAL RELIEF FUND.

The details of the expenditure of this fund do not appertain to this office.

At the close of the fiscal year 1904 the amount to the credit of the Congressional relief fund in the treasury amounted to $1,232,895.99.

THE FRIAR LAND FUNDS.

The bonds, dated February 1, 1904, for the purchase of the friar lands, under the provisions of the act of Congress approved July 1, 1902, were sold on February 1, 1904, to the amount of $7,000,000 and realized a premium of $530,390, being sold at 107.577. The bonds

bear 4 per cent interest and are payable in thirty years from February 1, 1904, with the option on the part of the government to redeem them in ten years.

At the close of the fiscal year 1904 no payments had been made from these funds and the money remained on deposit with the official depositories of the insular treasury, the amount to the credit of the treasury on that date being $7,530,390.

THE INSULAR BUDGET.

It was stated in the last previous report from this office that it had become practicable to pass regular appropriation bills only twice a year, instead of four times, as formerly. The bureaus having been substantially all organized, it was deemed feasible to pass an annual appropriation bill, and such course has been adopted for the fiscal year 1905. The insular appropriation bills for the fiscal year 1905 have been enacted, both for the regular service and for permanent improvements. The same course has also been taken with reference to the city of Manila. Eight million two hundred and sixty-two thousand four hundred and seventy dollars and eighty cents have been appropriated for the regular service of the insular government for the fiscal year 1905. By other acts, passed since the 30th day of June, 1904, either for permanent improvements, deficiencies, or for special uses, the following sums have been appropriated down to the 20th of October, 1904:

By Act No. 1194: For general purposes, to be disbursed by disbursing agent of the insular government at Washington, D. C.	$25,000.00
By Act No. 1201: For continuing Philippine exhibit at the Louisiana Purchase Exposition	150,000.00
By Act No. 1203: For second quarterly interest upon friar land bonds	70,000.00
By Act No. 1227: For general purposes, to be disbursed by disbursing agent of the insular government at Washington, D. C.	25,000.00
By Act No. 1247: For the payment of the third quarterly interest upon friar land bonds	70,000.00
By Act No. 1246: Public works and permanent improvements	1,252,747.37½
By Act No. 1248: Deficiency appropriation bill, fiscal year 1904	67,955.77
Total	9,923,173.94½

For the city of Manila for the fiscal year 1905 there has been appropriated out of the insular treasury:

By Act No. 1213: For sundry expenses of the city of Manila during the fiscal year 1904	$6,368.76½
By Act No. 1216: For general purposes of the city	2,025,000.00
By Act No. 1222: For permanent improvements	265,000.00
Total	2,296,368.76½

This sum, added to the total appropriations for the insular government as above stated, makes a total of appropriations for the fiscal year of $12,219,542.71 for the insular government and the city of Manila.

It is believed that further appropriations for the city of Manila will not be necessary to any appreciable extent during the fiscal year. Doubtless some deficiency appropriations may have to be made for the general insular service. Appropriations that have already been

made for the improvement of the port of Manila and for the construction of the Benguet road are expected to be sufficient to carry on those works until the 1st of January, 1905. It is probable that there must also be appropriated during the fiscal year $100,000 additional for the completion of the work on the Benguet road, and $754,000 for the fulfillment of the contract for the improvement of the port of Manila, and an appropriation for interest on friar land bonds, $140,000.

The appropriations necessary for the fiscal year may therefore be summarized as follows:

Already appropriated: For the insular service for permanent improvements	$9,923,173.94½
To be appropriated:	
For the Benguet road	100,000.00
For permanent improvement of the harbor of the port of Manila	754,000.00
For interest on friar land bonds	140,000.00
Total appropriations for the insular government for the fiscal year 1905	10,917,173.94½
Total appropriations for the city of Manila for the fiscal year 1905	2,296,368.76½
Total appropriations for the insular government and for the city of Manila for the fiscal year 1905	13,213,542.71

Included in the general appropriations are disbursements for the provinces of Paragua, Zambales, Nueva Vizcaya, Benguet, and Lepanto-Bontoc, which are supported in a large part from insular revenues.

Included in the foregoing statement are the following sums that are deemed to be for permanent insular improvements:

Bureau of architecture and construction of public buildings:	
Bureau of coast guard and transportation, machine shop on Engineer Island	₱11,087.00
Bureau of government laboratories	57,929.08
Bureau of insular purchasing agent	3,500.00
Bureau of Philippines Constabulary	20,000.00
Bilibid prison	14,828.00
Civil sanitarium and cottages, Baguio, Benguet	51,680.00
Bureau of coast guard and transportation, light-house service	117,000.00
General improvements of Engineer Island	21,000.00
Construction and equipments of marine railway and machine shops on Engineer Island	185,000.00
Bureau of Philippines Constabulary, telegraph and telephone service	34,500.00
Bureau of prisons for installation of electric light and power	15,000.00
Benguet road	715,000.00
Improvement of the port of Manila	1,200,000.00
Timber wharf, harbor of Cebu	6,470.00
Purchase of land in Ermita	40,000.00
Total	2,492,994.08

In the appropriation for the city of Manila the sum of $265,000 for permanent improvements is also included.

The receipts for the insular government during the fiscal year, of course, are, to a considerable degree, matters of estimate. The internal-revenue law is yet in its experimental stage.

The total deposit of revenues for the months of July, August, and September, 1904, amounted to $2,161,611, not including deposits on account of collections in the city of Manila or from the new internal-revenue law. Assuming that the revenues for the year will be four times what they have been for the first quarter, the total insular revenues for the fiscal year would be $8,646,444, excluding internal-revenue receipts. It is estimated that, after giving to the municipalities and provinces that portion of the income which by law accrues to them from the new internal-revenue law, the insular treasury will receive during the eleven months of the fiscal year that the law will be in operation—from August 1, 1904, to June 30, 1905—$1,750,000.

The municipal board of the city of Manila estimates the revenues of the city for the year to be $1,659,750. The revenues available for appropriation therefore may be thus estimated:

Insular revenues for the year, not including internal-revenue taxes	$8,646,444.00
Proceeds of internal-revenue taxes	1,750,000.00
City of Manila	1,659,750.00
Estimated total revenues for the year	12,056,194.00

Grand summary, fiscal year 1905.

Total of estimated appropriations for the insular government and the city of Manila	$13,213,542.71
Total estimated revenues for the year, including the city of Manila	12,056,194.00
An apparent deficit of	1,157,348.71

It is difficult to determine the amount that should be deducted from this apparent deficit by reason of repayments. The repayments for the current fiscal year will be far less than in former years because the appropriations were more closely drawn and also because all available surplus under appropriations for the first half of the fiscal year 1904 was in each case deducted from the appropriations of the bureau for the second half, so that in substance the repayments for the first half of the fiscal year 1904 have already accrued to the insular treasury through the diminished appropriations made for the bureau in the last half. While the repayments stated in the auditor's report for the months of July, August, and September, 1904, are large, yet those repayments were mainly due to revolving or reimbursable appropriations, so that they do not inure as revenue to the government, but continue to perform their functions in the bureaus for which they were appropriated, such as that of the insular purchasing agent, without being treated either as income or disbursements. It is estimated that repayments that are properly to be treated as income and to be deducted from the deficit above stated will amount to $450,000 for the year. This is the estimate made by the acting auditor. Deducting this sum from the apparent deficit above shown, there would remain an actual probable deficit for the fiscal year 1905 amounting to $707,348.71. It is apparent from these figures that without the income to accrue from the internal-revenue law the government would have been in a bad financial condition. It is also apparent that the great drain upon the insular revenues caused by the large contracts for permanent improvements that have been entered upon can not continue. This drain never ought to have been made, but for

reasons unnecessary to be detailed here Congress has not yet taken the necessary steps to authorize the sale of bonds to secure money for permanent improvements.

It is strenuously urged that Congress be requested to authorize the issuance of bonds for permanent improvements of the insular government, not to exceed $10,000,000 in amount, and that the insular government be authorized, out of the proceeds of such bonds, to reimburse itself for the sums heretofore appropriated for the improvements of the ports of Manila, Cebu, and Iloilo, and for the construction of the Benguet road.

The necessity for economy has induced great reductions in appropriations for the fiscal year 1905, as compared with those for the fiscal year 1904, involving very largely the elimination of permanent improvements that had not already been begun and were not under contract, and also material reductions in the ordinary expenses of bureaus. Such reductions have, in many cases, caused the dismissal of a considerable number of employees. It is not believed, however, that the efficiency of the service has been impaired by these reductions. The total appropriations for the insular government and for the city of Manila for the fiscal year 1904 for ordinary and extraordinary expenditures and for permanent improvements, not including any appropriations for the gold-standard fund or the Congressional relief fund, amounted to ₱30,098,616.26 and 748,771.19 pesos Mexican currency. Reducing the Mexican currency to Philippine currency at the arbitrary ratio of 1 peso Philippine currency for 1 peso and 10 centavos Mexican, that item would stand ₱680,701.26, making a total of ₱30,779,317.52, or $15,389,658.76 in gold The total appropriations made and to be made for the fiscal year 1905 for ordinary and extraordinary expenditures and for permanent improvements for the insular government and for the city of Manila, as above stated, are estimated at $13,213,542.71, making a reduction in appropriations for the fiscal year 1905 of $2,176,116.05, as compared with the fiscal year 1904.

In the foregoing budget no items are included pertaining to the gold-standard fund, because all the receipts and disbursements relating to that fund enter into separate accounts and are dealt with elsewhere. Nor does this budget undertake to deal with the Congressional relief fund, because no part of it enters into the general revenues.

Nor do the friar-land bonds enter into this budget, except so far as it includes appropriations for interest which has been or will be paid upon those bonds. The proceeds of the bonds themselves and all lands that shall be acquired by virtue thereof constitute a separate trust fund.

THE BUDGET OF THE CITY OF MANILA.

The revenues for the city of Manila for the fiscal year 1905 are estimated by the municipal board, as above stated, to amount to $1,659,750. The appropriations for the city, as above stated, amount to $2,296,368.76½, including permanent improvements, the balance of the appropriations above the estimated income of the city being provided for by the payment by the insular government of 30 per cent of the expenditures of the city, as heretofore.

The statement of the budget of the city of Manila will therefore be:

Revenues	$1,659,750.00
30 per cent of expenditure to be paid by insular government	688,910.63
Aggregate income	2,348,660.63
Total appropriation	2,296,368.76½
An apparent surplus for the fiscal year of	52,291.86½

It will be observed that the estimated income for the city of Manila is less than for the fiscal year 1904. The diminution of receipts results largely from the fact that the internal-revenue collections from distillers, manufacturers of cigars and cigarettes, tobacco manufacturers, and brewers located in the city heretofore went for the benefit of the city. Hereafter the internal revenues will be apportioned throughout the various provinces, including the city of Manila, in proportion to the population; and this is only just, inasmuch as articles of this character produced in the city of Manila are consumed all over the islands and the consumers pay the revenues, and the revenues ought to be distributed generally, instead of all being concentrated for the benefit of the capital.

FINANCIAL CONDITION OF THE PROVINCES AND MUNICIPALITIES.

The following summary will show, in a general way, the financial condition of the provincial and municipal governments. Certain minor license taxes, however, are paid direct to the municipal treasuries and do not appear in this statement.

PROVINCIAL GOVERNMENTS.

The following shows the financial condition of each province for the current fiscal year:

Abra.—Balance, provincial fund, July 1, 1903, P724.16, 6,448.60 pfs. Revenues collected: Provincial, P8,563.82, 5,344.86 pfs.; municipal, P14,344.69, 12,232.80 pfs. Refund by warrant of internal revenue and forestry collections, P3,384.20. Cash balance, provincial fund, June 30, 1904, P8,640.56, 2,132.74 pfs.

Albay.—Balance, provincial fund, July 1, 1903, P6,308.92, 4,782.15 pfs. Revenues collected: Provincial, P54,982.59, 63,587.09 pfs.; municipal, P70,095.72, 112,899.18 pfs. Refunds by warrant of internal revenue and forestry collections, P4,000.16. Cash balance, provincial fund, June 30, 1904, P17,912.72, 1,383.67 pfs.

Ambos Camarines.—Balance, provincial fund, July 1, 1903, P3,714.68, 28,031.40 pfs. Revenues collected: Provincial, P39,474.98, 48,278.20 pfs.; municipal, P46,735.48, 58,740.22 pfs. Refund by warrant of internal revenue and forestry collections, P14,967.33. Cash balance, provincial fund, June 30, 1904, P2,461.46, 27,927.55 pfs.

Antique.—Balance, provincial fund, July 1, 1903, P278.30, 6,024.08 pfs. Revenues collected: Provincial, P11,453.87, 12,390.72 pfs.; municipal, P15,482.97, 22,075.23 pfs. Refunds by warrants of internal revenue and forestry collections, P513.39. Cash balance, provincial fund, June 30, 1904, P4,876.79, 1,932.18 pfs.

Bataan.—Balance, provincial fund, July 1, 1903, P317.18, 3,319.06 pfs. Revenues collected: Provincial, P16,639.86, 9,193.26 pfs.; municipal, P21,524.73, 15,616.65 pfs. Refunds by warrant of internal revenue and forestry collections, P13,835.02. Cash balance, provincial fund, June 30, 1904, P6,222,26, 178.28 pfs.

Batangas.—Balance, provincial fund, July 1, 1903, P8,366.94, 32,961.56 pfs. Revenues collected: Provincial, P59,263.21, 19,859.73 pfs.; municipal, P83,109.70, 39,998.92 pfs. Refunds by warrant of internal revenue and forestry collections, P1,699.46. Cash balance, provincial fund June 30, 1904, P24,004.52, 3,860.04 pfs.

Benguet.—Balance, provincial fund, July 1, 1903, 5,305.88 pfs. Revenues

collected: Provincial, P500.66, 473.06 pfs. Refunds by warrant of internal revenue and forestry collections, none. Cash balance, provincial fund, June 30, 1904, P3,119.98, 129.85 pfs.

Bohol.—Balance, provincial fund, July 1, 1903, P14,344.04, 11,402.89 pfs. Revenues collected: Provincial, P17,852.20, 39,896.68 pfs; municipal, P23,891.27, 59,948.70 pfs. Refund by warrant of internal revenue and forestry collections. P2,082.52. Cash balance, provincial fund, June 30, 1904, P17,656.21, 16,806.67 pfs.

Bulacan.—Balance, provincial fund, July 1, 1903, P3,452.88, 22,291.95 pfs. Revenues collected: Provincial, P92,249.96, 70,879.33 pfs.; municipal, P114,939.38 100,954.38 pfs. Refund by warrant of internal revenue and forestry collections, P6,917.52. Cash balance, provincial fund, June 30, 1904, P73,564.55, 326.85 pfs.

Cagayan.—Balance, provincial fund, July 1, 1903, P20,271.34, 43,539.54 pfs. Revenues collected: Provincial, P19,649.92, 53,106.11 pfs.; municipal, P30,805.19, 104,898.45 pfs. Refunds by warrant of internal revenue and forestry collections, P10,070.63. Cash balance, provincial fund, June 30, 1904,P15,786.81, 29,700.88 pfs.

Capiz.—Balance, provincial fund, July 1, 1903, P171.66, 3,263.24 pfs. Revenues collected: Provincial, P25,173.86, 16,318.06 pfs.; municipal, P33,511.22, 23,337.11 pfs. Refund by warrant of internal revenue and forestry collections, P1,727.53. Cash balance, provincial fund, June 30, 1904, P6,564.78, 745.56 pfs.

Cavite.—Balance, provincial fund, July 1, 1903, P13,013.48, 37,589.66 pfs. Revenues collected: Provincial, P39,140.43, 21,821.20 pfs.; municipal, P69,330.95, 57,203.29 pfs. Refunds by warrant of internal revenue and forestry collections, P1,022.42. Cash balance, provincial fund, June 30, 1904, P22,005.70.

Cebu.—Balance, provincial fund, July 1, 1903, P14,313.20, 32,908.42 pfs. Revenues collected: Provincial, P72,445.08, 90,598.45 pfs.; municipal, P103,247.09, 170,238.76 pfs. Refunds by warrant of internal revenues and forestry collections, P1,521.50. Cash balance, provincial fund, June 30, 1904, P8,453.35, 61,102.86 pfs.

Ilocos Norte.—Balance, provincial fund, July 1, 1903, P4,688.96, 35,525.27 pfs. Revenues collected: Provincial, P35,904.86, 25,375.93 pfs.; municipal, P48,995.09, 48,826.54 pfs. Refunds by warrant of internal revenue and forestry collections, P3,155.90. Cash balance, provincial fund, June 30, 1904, P5,379.24.

Ilocos Sur.—Balance, provincial fund, July 1, 1903, P1,805.16, 19,099.32 pfs. Revenues collected: Provincial, P43,119.47, 29,059.25 pfs.; municipal, P61,818.06, 58,705.02 pfs. Refunds by warrant of internal revenue and forestry collections, P1,678.25. Cash balance, provincial fund, June 30, 1904, P17,826.46, 13,058.69 pfs.

Iloilo.—Balance, provincial fund, July 1, 1903, P5,508.38, 14,090.01 pfs. Revenues collected: Provincial, P87,488.08, 73,058.65 pfs.; municipal, P105,783.40, 152,507.05 pfs. Refunds by warrant of internal revenue and forestry collections, P11,688.49. Cash balance, provincial fund, June 30, 1904, P43,525.12, 9,684.98 pfs.

Isabela.—Balance, provincial fund, July 1, 1903, P1,335.84, 8,992.54 pfs. Revenues collected: Provincial, P13,300.20, 46,204.10 pfs.; municipal, P15,736.43, 68,801.34 pfs. Refunds by warrant of internal revenue and forestry collections, P3,595.68. Cash balance, provincial fund, June 30, 1904, P4,672.04, 13,575.77 pfs.

Laguna.—Balance, provincial fund, July 1, 1903, P24.60, 20,498.02 pfs. Revenues collected: Provincial, P53,672.91, 46,090.22 pfs.; municipal, P75,524.80, 100,061.87 pfs. Refunds by warrant of internal revenue and forestry collections, P3,319.97. Cash balance, provincial fund, June 30, 1904, P39,298.01, 6,568.19 pfs.

Lepanto-Bontoc.—Balance, provincial fund, July 1, 1903, 12,410.20 pfs. Revenues collected: Provincial, P272.22, 106.78 pfs.; municipal, P4,208.30, 8,494.58 pfs. Refunds by warrant of internal revenue and forestry collections, P5.42. Cash balance, provincial fund, June 30, 1904, P9,123.48, 2,858.48 pfs.

Leyte.—Balance, provincial fund, July 1, 1903, P197.50, 42,969.07 pfs. Revenues collected: Provincial, P101,255.78, 49,987.93 pfs.; municipal, P133,082.59. 87,431.01 pfs. Refunds by warrant of internal revenue and forestry collections, P5,744.51. Cash balance, provincial fund, June 30, 1904, P24,864.40, 4,826.75 pfs.

Masbate.—Balance, provincial fund, July 1, 1903, P122.94, 4,771.72 pfs. Revenues collected: Provincial P7,625.27, 3,172.35 pfs.; municipal, P9,420.86, 4,974.39 pfs. Refunds by warrant of internal revenue and forestry collections, P15,421.17. Cash balance, provincial fund, June 30, 1904, P2,056.26, 517.29 pfs.

Mindoro.—Balance, provincial fund, July 1, 1903, P2.80, 4,791.02 pfs. Rev-

enues collected: Provincial P6,873.89, 1,895.45 pfs.; municipal, P13,167.13, 14,061.54 pfs. Refunds by warrant of internal revenue and forestry colections, P9,224.46. Cash balance, provincial fund, June 30, 1904, P12.39, 3,975.73 pfs.

Misamis.—Balance, provincial fund, July 1, 1903, P1,690.46, 9,770.52 pfs. Revenues collected: Provincial, P11,555.72, 46,151.97 pfs.; municipal, P17,373.22, 62,266.83 pfs. Refunds by warrant of internal revenue and forestry collections, P1,658.89. Cash balance, provincial fund, June 30, 1904, P7,721.84, 7,525.89 pfs.

Nueva Ecija.—Balance, provincial fund, July 1, 1903, P4,698.38, 16,183.15 pfs. Revenues collected: Provincial, P31,794.06, 12,143.51 pfs.; municipal, P32,896.91, 12,198.24 pfs. Refunds by warrant of internal revenue and forestry collections, P5,122.54. Cash balance, provincial fund, June 30, 1904, P15,188.59, 413.81 pfs.

Nueva Vizcaya.—Balance, provincial fund, July 1, 1903, 9,467.70 pfs. Revenues collected: Provincial, P368.56, 142.39 pfs.; municipal, P12,747.23, 8,188.85 pfs. Refunds by warrant of internal revenue and forestry collections, none. Cash balance, provincial fund, June 30, 1904, P2,972.98, 739.31 pfs.

Occidental Negros.—Balance, provincial fund, July 1, 1903, P1,491.72, 5,284.33 pfs. Revenues collected: Provincial, P47,189.37, 32,142.47 pfs.; municipal, P57,758.59, 55,428.16 pfs. Refunds by warrant of internal revenue and forestry collections, P12,144.69. Cash balance, provincial fund, June 30, 1904, P20,509.74, 21,649.90 pfs.

Oriental Negros.—Balance, provincial fund, July 1, 1903, P1,908, 14,676.40 pfs. Revenues collected: Provincial, P20,582.39, 35,622.69 pfs.; municipal, P23,083.35, 49,707.77 pfs. Refunds by warrant of internal revenue and forestry collections, P2,514.06. Cash balance, provincial fund, June 30, 1904, P24,914.33, 3,084.31 pfs.

Pampanga.—Balance, provincial fund, July 1, 1903, P43,780.02, 59,386.51 pfs. Revenues collected: Provincial, P59,843.21, 19,978.38 pfs.; municipal, P80,666.43, 40,427.75 pfs. Refunds by warrant of internal revenue and forestry collections, P8,574.53. Cash balance, provincial fund, June 30, 1904, P64,325.43, 7,623.61 pfs.

Pangasinan.—Balance, provincial fund, July 1, 1903, P352.52, 30,577.48 pfs. Revenues collected: Provincial, P150,493.07, 51,419.29 pfs.; municipal, P216,719.97, 100,602.92 pfs. Refunds by warrant of internal revenue and forestry collections, P5,728.82. Cash balance, provincial fund, June 30, 1904, P66,085.43, 9,295.41 pfs.

Pañagua.—Balance, provincial fund, July 1, 1903, 2,262.46 pfs. Revenues collected: Provincial, P2,473.62, 476.14 pfs.; municipal, P7,687.56, 5,773.83 pfs. Refunds by warrant of internal revenue and forestry collections, P7,442.85. Cash balance, provincial fund, June 30, 1904, P2,654.76.

Rizal.—Balance, provincial fund, July 1, 1903, P2,796.48, 1,609.64 pfs. Revenues collected: Provincial, P72,512.98, 30,510.40 pfs.; municipal, P99,826.79, 68,176.43 pfs. Refunds by warrant of internal revenue and forestry collections, P3,631.76. Cash balance, provincial fund, June 30, 1904, P32,815.04, 3,035.18 pfs.

Romblon.—Balance, provincial fund, July 1, 1903, P156.22 2,613.49 pfs. Revenues collected: Provincial, P8,782.26, 18,740.70 pfs.; municipal, P11,681.77, 24,737.71 pfs. Refunds by warrant of internal revenue and forestry collections, P1,680.30. Cash balance, provincial fund, June 30, 1904, P15,215.53, 150.08 pfs.

Samar.—Balance, provincial fund, July 1, 1903, P2,333.62, 94,209.54 pfs. Revenues collected: Provincial, P51,395.59, 28,296.69 pfs.; municipal, P57,876.39, 37,162.86 pfs. Refunds by warrant of internal revenue and forestry collections, P1,931.25. Cash balance, provincial fund, June 30, 1904, P74,464.82, 3,798.24 pfs.

Sorsogon.—Balance, provincial fund, July 1, 1903, P16,886.20, 1,359.64 pfs. Revenues collected: Provincial, P58,682.68, 37,443.49 pfs.; municipal, P82,404.51, 74,481.80 pfs. Refunds by warrant of internal revenue and forestry collections, P3,848.53. Cash balance, provincial fund, June 30, 1904, P8,583.99.

Surigao.—Balance, provincial fund, July 1, 1903, P132.98, 2,701.64 pfs. Revenues collected: Provincial, P7,835.34, 25,778.76 pfs.; municipal, P8,619.29, 27,796.84 pfs. Refunds by warrant of internal revenue and forestry collections, P1,572.58. Cash balance, provincial fund, June 30, 1904, P6,432.57, 956.49 pfs.

Tarlac.—Balance, provincial fund, July 1, 1903, P20,313.12, 27,105.25 pfs. Revenues collected: Provincial, P50,977.56, 19,103.05 pfs.; municipal, P68,001.41, 36,646.59 pfs. Refunds by warrant of internal revenue and forestry collections, P10,064.78. Cash balance, provincial fund, June 30, 1904, P42,982.64, 878.61 pfs.

Tayabas.—Balance, provincial fund, July 1, 1903, P18,330.40, 37,345.20 pfs. Revenues collected: Provincial, P56,242.36, 32,431.08 pfs.; municipal, P80,772.55, 59,414.10 pfs. Refunds by warrant of internal revenue and forestry collections, P50,056.54. Cash balance, provincial fund, June 30, 1904, P27,986.37, 12,222.75 pfs.

Union.—Balance, provincial fund, July 1, 1903 (balance due officer), 2,863.34 pfs. Revenues collected: Provincial, P27,588.60, 29,206.51 pfs.; municipal, P36,352.03, 52,437.86 pfs. Refunds by warrant of internal revenue and forestry collections, P1,813.43. Cash balance, provincial fund, June 30, 1904, P2,884.02, 10,597.26 pfs.

Zambales.—Balance, provincial fund, July 1, 1903, P1,652.82, 2,820.96 pfs. Revenues collected: Provincial, P10,656.60, 10,493.41 pfs.; municipal, P14,825.75. 20,537.74 pfs. Refunds by warrant of internal revenue and forestry collections, P11,260.05. Cash balance, provincial fund, June 30, 1904, P8,602.96, 11.50 pfs.

Moro Province.—(Organized July 15, 1903.) Revenues collected:

Districts.	Provincial.		Municipal.	
		Pfennigs.		*Pfennigs.*
Cottobato	₱10,423.32	11.32	₱5,966.98	
Davao	7,131.62	6,790.92	1,707.70	250.95
Zamboanga	10,808.55	5,193.73	12,839.80	4,469.06
Sulu	8,096.44	105.28	4,421.77	129.67
Lanao	5,403.62		2,929.66	
	41,863.55	12,101.25	27,865.91	4,849.68

Refunds by warrant of internal revenue and forestry collections, P37,656.39. Cash balance, provincial fund, June 30, 1904, P441,484.67, 464.04 pfs.

The large balance of provincial funds on hand June 30, 1904, arises mainly from the fact that the Commission appropriated P300,000 out of the Congressional relief fund for the construction of roads, etc., in the Moro province which had not been expended at the close of the fiscal year.

The balance in the provincial treasuries, as stated above, includes provincial funds only. Municipal funds on deposit with provincial treasurers and amounts due to municipalities are not taken into consideration. The report of the auditor for the fiscal year 1904 shows that the total collections in the provinces for provincial and municipal purposes were as follows:

	Value.	
		Pfs.
Total provincial revenues	₱1,517,741.20	1,168,879.59
Total municipal revenues	2,031,914.71	2,063,202.99
Total	3,549,655.91	3,232,082.58

Reducing the Mexican currency to Philippine currency at the rate of 1.10 to 1, and Philippine currency to United States at the rate of 2 to 1, there appears a grand total of provincial and municipal revenues, expressed in United States currency, amounting to $3,243,956.40.

During the fiscal year 1903 the total revenues from the same sources, reductions having been made in the same way, amounted to $2,715,105.53, showing an increase in collections during the fiscal year 1904 over the fiscal year 1903 amounting to $528,850.87.

At the close of the fiscal year 1904 there were cash balances in the hands of the provincial treasurers amounting to $740,398.85½, money of the United States, reductions of currency being made on the basis above stated. At the close of the fiscal year 1903 the cash balance of provincial funds in the hands of provincial treasurers amounted to $446,547.87, in money of the United States, showing an increase of cash on hand amounting to $293,850.78½. It will be observed that

the provinces and municipalities, on the whole, were in better condition during the fiscal year 1904 than during the fiscal year 1903.

The following data show sums received by the various provinces not accruing from direct taxes collected within the provinces:

Advances from insular funds to provinces where the provincial treasurer has lost funds	$7,834.25
Forestry refunds	141,138.76
Loans to provinces from Congressional relief funds and insular funds	100,942.50
Appropriations to provinces from Congressional relief funds	175,000.00
Appropriations for provincial purposes to provinces not organized under the general provincial-government act	108,588.27½
Payments to provinces as reimbursements for payments made by them for the insular government, such as payment of rewards	2,414,17½
Total	535,922.96

HENRY C. IDE,
Secretary of Finance and Justice.

To the PHILIPPINE COMMISSION.

THIRD ANNUAL REPORT

OF THE

SECRETARY OF PUBLIC INSTRUCTION

TO THE

PHILIPPINE COMMISSION

FOR THE

YEAR ENDING OCTOBER 15, 1904.

REPORT DEPARTMENT OF PUBLIC INSTRUCTION.

DEPARTMENT OF PUBLIC INSTRUCTION,
Manila, P. I., October 15, 1904.

The secretary of public instruction begs leave to submit to the honorable the Philippine Commission the third annual report of the work accomplished during the year ending October 15, 1904, unless otherwise stated, by those bureaus of the insular government under the executive control of the department of public instruction.

BUREAU OF EDUCATION.

ORGANIZATION.

Since the filing of the second annual report there has been no change in the plan of organization of the Bureau of Education except along the lines of development and perfection. A general superintendent in charge of the bureau, 32 actual and 4 ex officio division superintendents supervising the school work of 36 school divisions, and a force of American and native teachers discharging the duties of instructors in the various municipalities and barrios make up for the school year 1904–5, as for that of 1903–4, the Philippine educational organization. Thirty-eight provincial high schools are now in operation in 35 of the provinces, and 3 technical, 12 intermediate, and 2,233 primary schools have been permanently established in 629 of the 660 municipalities. Owing to lack of American teachers, want of municipal funds, and local conditions, 31 of the total number of municipalities are without any facilities for public instruction worthy of the name. Municipalities which have no public schools and the provinces in which such municipalities are located are as follows:

Albay.—Bagamanoc, Calolbon, Caromaran, Jovellar, Pandan, Payo.
Ambos Camarines.—Capalonga, Gainga, Lupi, Siruma.
Capiz.—Buruanga.
Isabela.—Santo Tomas.
Misamis.—Jiminez.
Samar.—Almagro, Oquendo, Oras, Santo Nino.
Sorsogon.—Bonsul, Castilla, Irosin, Matnog, Pilar, Santa Magdalena.
Surigao.—Bislig, La Paz, Lianga, Nonoc, Sapao, Talacogon, Veruela.
Tayabas.—Baler.

Six of the 31 municipalities just mentioned, viz, Santo Tomas, in the province of Isabela, and La Paz, Liango, Sapao, Talacogon, and Bislig, in the province of Surigao, will open schools during the current month. As soon as the American teachers now under appointment in the United States report for duty, schools will be established at Baler, in the province of Tayabas, and in those municipalities of Albay, Sorsogon, and Ambos Camarines which are at

present unprovided with facilities for public instruction. American teachers will be assigned to Almagro, Oquendo, Oras, and Santo Nino, in the province of Samar, as soon as the existing pulajan activity in the vicinity of those municipalities abates and permits the people to return to their usual avocations and pursuits. There is no present expectation of establishing schools at Buruanga, Capiz, or Jiminez, in the province of Misamis, or at Nonoc or Veruela, in the province of Surigao.

THE GENERAL SUPERINTENDENT.

During the past year the passing of the teaching force to the civil-service list, the adjustment of leave due to teachers retiring from the service or entitled to visit the United States, the preparation of additional courses of study to meet the advance of the pupils, the comparison of efficiency reports for the purpose of making promotions, the filling of vacancies among the American teachers, the selection of insular native teachers, the choosing of students for education in the United States, the development of a system of technical and industrial instruction in provincial high schools and the furnishing of the necessary plant and facilities therefor, the establishment of a system of intermediate instruction, the preparation of plans for standard school buildings, and, finally, the keeping in touch with each school division and with every school in it, have increased the routine work of the general superintendent's office 525 per cent over that of the previous year.

This enormous increase of work necessitated some increase in the office force, and this was accomplished without increased expense to the government by the substitution of six Filipino for two American clerks. The work, however, is still too heavy for the number of men employed, as is evidenced by the fact that all employees are obliged to work overtime, some of them as much as sixty hours a month.

Since September, 1903, the general superintendent, notwithstanding the addition to his routine work, has found time to visit the schools of 26 provinces, and the benefit resulting has been so marked that it seems imperative that he should be relieved of as much office work as possible in order that more time may be left to him for the performance of the important duty of school inspection. The long distances to be traveled in order to make such a round of visits, coupled with the difficulty of obtaining anything resembling proper transportation or living accommodations, imposed serious hardships on the general superintendent, and he is deserving of high commendation for the energy displayed, especially when it is considered that the termination of a tour of inspection meant the return to a mass of accumulated office work, the disposition of which required days and weeks of extra and extraordinary labor.

The office force of the general superintendent, as authorized by the appropriation bill for the fiscal year 1904–5, is composed of 21 Americans and 8 Filipinos, assigned to divisions as follows: Assistant's division, assistant to the general superintendent and 2 stenographers; record division, 1 record clerk and 6 clerks; statistical division, 2 clerks and 1 stenographer; disbursing officer's division, 1 disbursing officer and 4 clerks; property division, 1 property clerk, 1 stenog-

rapher, and 4 clerks; special division, 1 architectural draftsman and assistant, 1 special order clerk and assistant, and 1 stenographer to the general superintendent.

DIVISION SUPERINTENDENTS.

In the month of December, 1903, the school division of Misamis was virtually suppressed by the withdrawal of its division superintendent and American teachers on account of the lack of interest shown by the provincial officials and people in the public schools. This drastic measure called the attention of both officials and people to the fact that education was not to be forced upon those unwilling to receive it, and so wounded provincial pride that there was a sudden and notable revival of interest in everything pertaining to public instruction. The honorable the civil governor, the general superintendent, and the secretary of public instruction were besieged with petitions, letters, and telegrams asking for the reopening of the schools, but to all the answer was returned that the insular government would incur no further expense for education in Misamis until the province had furnished some tangible evidence that its lukewarmness and indifference had been replaced by an active interest in schools and a willingness to cooperate with the bureau of education in educational matters. With praiseworthy energy the province set to work to establish schools at its own expense, and at the beginning of the current school year the interest in schools was so manifest and the school attendance so greatly increased that the province of Misamis was rehabilitated as a school division.

Inclusive of the Moro Province, there are now 36 school divisions, in charge of 4 ex officio, 4 acting, and 28 actual division superintendents. In the provinces of Benguet, Lepanto-Bontoc, Mindoro, and Paragua, the governor, in addition to his duties as such, performs those of division superintendent. All the other school divisions are in charge of actual or acting division superintendents, who devote their entire time to the schools within their jurisdiction. Division superintendents supervise the school work of their divisions, select municipal teachers and fix their salaries, nominate the Filipino teachers for insular appointment, pass on the efficiency of American teachers, recommend promotions, distribute supplies, account for school property, represent the bureau of education in provincial boards and municipal councils, encourage the construction of school buildings, maintain friendly relations with the people, and, all in all, perform a variety of important duties demanding judgment, tact, energy, courage, physical endurance, and a high order of executive ability. While the success of the school in each municipality, and therefore that of the schools of the province, depends largely on the individuality, the personality, the influence, and the industry of the teacher, credit can not and ought not to be withheld from the men who plan and supervise the work and hesitate at no sacrifice to keep the educational machine in motion.

Under Act No. 477 the salaries were fixed for the various school divisions according to their importance, and division superintendents received the salaries prescribed for the divisions to which they were assigned. At first this arrangement did not work disadvantageously, but as vacancies occurred the making of promotions for merit occa-

sioned so many transfers and such a disturbance of the entire supervisory personnel as to cause detriment to the service. In the appropriation bill for the current fiscal year salaries were detached from divisions, and the salaries of division superintendents receiving $1,500 a year increased to $1,600. This bill provides for 1 division superintendent, at $3,000 per annum; 3 division superintendents, at $2,500 per annum; 6 division superintendents, at $2,250 per annum; 5 division superintendents, at $2,000 per annum; 8 division superintendents, at $1,800 per annum; 8 division superintendents, at $1,600 per annum.

The salary of the superintendent of schools of the Moro Province has been fixed by the civil governor at $4,000 per annum, in accordance with the act of organization, No. 787, and was not affected by the legislation just mentioned.

THE TEACHING FORCE.

The American teaching force at the opening of the school year 1902–3 was 926. At the beginning of the school year 1903–4 this number had fallen to 723, and by the time the Second Annual Report was written, in October, 1903, only 691 American teachers were available for duty. At first the bureau of education felt that it could get along with this reduced number of skilled instructors by not seeking to enlarge the field of operations and by confining its efforts to the perfection and development of schools already established. With the return of tranquillity to nearly all the provinces and the abatement of cholera and smallpox, interest in educational matters became so intense and the demands for more schools so insistent that the bureau saw itself obliged to abandon its conservative policy and to increase the number of American teachers to 812, with which number the school year closed in March, 1904.

The expiration of the contract period, the completion of three years of service, and the accruing of leave to visit the United States left less than 600 American teachers ready for duty when the schools opened about the middle of June of the present year. By the 15th of September, however, 723 regular and 49 temporary appointees were on duty, which number will be increased before the end of October by the return of 48 now on leave and the arrival of 36 new appointees. In the appropriation bill for the present fiscal year provision is made for 863 American teachers. The salaries of this force are graded as follows:

	Superintendent of Insular Normal School	$3,000
	Superintendent of school of arts and trades	2,400
3	teachers, at $2,000	6,000
8	teachers, at $1,800, including superintendent of nautical school	14,400
10	teachers, at $1,600	16,000
50	teachers, at $1,500	75,000
80	teachers, at $1,400	112,000
60	teachers, at $1,300	78,000
350	teachers, at $1,200	420,000
50	teachers, at $1,100	55,000
137	teachers, at $1,000	137,000
113	teachers, at $900	101,700
863		1,020,500

The average annual salary of American teachers is $1,182.50, or $98.54 per month.

The division of the teaching force into classes according to salary has put an end to indiscriminate raises of salary, and made possible a system of promotions which obliged the recognition of conspicuous merit. Whether an increase of compensation should be conceded to a teacher no longer depends on his individual record, but on his right to promotion after a careful comparison of his service with that of every other teacher in the bureau. As a consequence the pressure for raises of salary has been removed, and the danger of paying varying salaries to teachers rendering the same identical kind of efficient service has been reduced to a minimum. Teachers usually enter the service at $900 or $1,000 a year and receive promotion to the higher grades as vacancies occur and comparative merit may justify.

Excluding the technical schools, the work of the American teacher in the Philippines may be divided into two great classes, that of teaching in the provincial high schools and that of supervising and directing the primary work in the various municipalities. Stationed at the provincial capital or some other important town of the province and surrounded, as he usually is, by a small American community composed of teachers and other persons in the Government service, the lot of the high school teacher may be considered as reasonably comfortable and agreeable. The conditions under which teachers supervising primary instruction perform their duties are not so attractive. They are practically isolated from those of their own race in municipalities or, better said, townships, which cover many square miles of territory and include within their boundaries a multitude of barrios or hamlets, oftentimes far removed from the town center or poblacion. If municipal finances permit, the supervising teacher must organize a school in each barrio or hamlet, and that means that school accommodations must be secured, teachers provided, and supplies furnished. Then he must get the pupils for the school, and that he can do only when he has overcome local prejudice and gained the good will, the confidence, and the friendship of the people. And when all this is done, the real, trying, and strenuous life of the teacher has just commenced. In storm and in sunshine, in good weather and in bad, on foot or on horseback, in carromata or in banca, by land or by water, he must frequently visit all the schools within his jurisdiction and keep in intimate touch with the work confided to his care. It is needless to say that for such work women are unfitted and that service of such a character can only be discharged by men, and by men of strong constitution, stout hearts, unusual courage, firm resolution, infinite tact, and inexhaustible patience.

Yet, with all its hardships and its trials, all its difficulties and its tribulations, the life of the supervising teacher is not without its compensations. His tact, his patience, but, above all, his sturdy sense of justice and fair play, bring to him in time the warm friendship of those with whom he is thrown in daily contact, and their genuine regard consoles him to some extent for the loss of social intercourse with his own people. Almost every waking moment has its duty. The time passes quickly and he hardly notices its flitting until the long vacation arrives and gives him a chance for a change of scene and the opportunity to visit other points of the archipelago or oriental countries within convenient distance of the Philippines.

The American teaching force has now its body of seasoned veterans, who have lost the deadly feeling of homesickness, who have become accustomed to life in the Tropics, who understand the customs of the people, and who have cultivated a real, true, and abiding interest in local hopes and aspirations. The recruit is not longer surrounded by an atmosphere of discontent and unhappiness, but in the strength of his fellows of longer experience he finds encouragement and esprit de corps, which quickly remove his unreasonable fears and reduce to proper proportions the difficulties and troubles which he is expected to meet and overcome. The dissatisfied and the discontented have taken their departure and left to the service a corps of healthy-minded men and women, who are not daunted by the difficulties of their task, and rather pride themselves on their ability to bring about a successful result where failure might have been expected.

On September 1, 1903, the teaching service was brought under civil-service rules, and those teachers who were in the employ of the government on that date were listed as civil-service employees with the right to draw the salaries then received by them without the necessity of passing a civil-service examination. Teachers so "blanketed" into the classified service, however, are not entitled to promotion or advance in salary until they have passed the examination required by regulations. Five hours per day and five days a week is the minimum of service required of teachers during the school year of forty weeks. Two weeks of vacation are allowed at Christmas, and ten weeks during the heated term in the months of April, May, and June.

Although the long vacation gave to teachers a yearly period of rest double that allowed to other employees, it could not be accumulated, and was not of sufficient duration to enable the teacher to visit the United States without incurring an expense entirely disproportionate to the benefits received. As it was manifest that teachers ought to be given an opportunity to visit the home land for the purpose of preserving their health and renewing their strength, Act No. 1040, which took effect January 1, 1904, gave the character of leave to the long vacation and permitted teachers to visit their homes in the United States once in every three years on full pay during that period and half pay for sixty days additional. Teachers returning to duty after the enjoyment of leave for three years' service are entitled at the end of two years' additional service to the repayment of the traveling expenses incurred by them for the trip from their homes in the United States to Manila. Teachers appointed under Act No. 80, who have rendered continuous, faithful, and satisfactory service for three years, still enjoy the privilege on resigning of receiving half pay for thirty days and their traveling expenses from Manila to San Francisco. Those appointed since the passage of Act No. 1040 are not entitled to receive half pay or traveling expenses on acceptance of resignation. At this point it may not be inappropriate to remark that American teachers in the Philippines receive, on the average, 90 per cent more pay and enjoy more vacation twice over than teachers in the United States or anywhere else in the world.

Division superintendents are entitled to the same leave as other employees of the Government drawing the same salaries. Those receiving between $1,600 and $1,800 are entitled to 30 days accrued

leave and 28 days vacation leave. Those receiving $1,800 a year and over are entitled to 35 days accrued leave and 28 days vacation leave. The 28 days vacation leave must be enjoyed during the calendar year, but at the end of three years' service may be added to the leave accrued, which, in the case of a division superintendent who has used none of his accrued leave and none of his vacation leave for the last year of service, would give from 118 to 133 days' leave on full pay, besides 60 days on half pay. Absences of teachers from duty are charged to their pay accounts, unless such absences are occasioned by illness, in which case the absences may be made up by service during vacation. All absences of division superintendents are charged to the vacation leave of 28 days, and when that period is consumed absences must be deducted from accrued leave.

Prior to the passage of Act No. 1040, teachers—as were all the other employees of the government—were entitled to draw full pay for a period of 60 days while absent on account of illness. So many abuses crept in under this privilege, and so great was the burden of extra duty imposed upon healthy teachers and other employees as the result of its operation, that the Commission was compelled to take away the privilege of drawing pay while sick. Employees other than teachers were compensated for the withdrawal of sick-leave privilege by the allowance of an annual vacation leave which could be consumed by reason of absence on account of illness or enjoyed by relief from duty, if the employee retained his health. The fact that this annual vacation leave was not extended to teachers worked them no injustice, inasmuch as the Christmas holidays and long vacation enjoyed by them covered a period of not less than 84 days—21 days more leave from duty than that allowed to the most favored of the other employees of the government.

FILIPINO TEACHERS.

The force of 900 American teachers with which the work of educating the Filipino began some three years ago was, of course, wholly insufficient to properly instruct the 100,000 or more children who were almost immediately enrolled in the schools. The resources of the government, however, did not permit the employment of many more American instructors, and it was evident from the very beginning that if the exigent demand for more help was to be met it would have to be supplied by the schools themselves. True, there were some two thousand and odd teachers in the schools on the termination of Spanish rule in the islands, but none of these teachers had any knowledge of English and many of them little knowledge of Spanish. Most of them had passed the stage when the acquisition of new methods was an easy matter, and as an entirety they were unfit to carry out a system of instruction which obliged not only the teaching of English, but teaching in English, and was otherwise radically different from that to which they were accustomed. The bureau of education, therefore, turned for assistance to the students themselves, and bent all its energies to the creation of a body of student teachers sufficient in number to give to all pupils in attendance the benefit of some instruction in the limited curriculum at first prescribed. The brightest young men and young women in each

school were called to the aid of the American teacher, organized into a special class, and given a course of extra instruction daily after school hours.

In a few months these special students had sufficiently advanced to aid the American principal in the teaching of less advanced pupils. Of course they received frequent assistance in their work from the skilled American, and in the beginning whatever teaching was done by them was under his immediate supervision and control. At first the shyness and timidity of the student assistant made his efforts at instruction halting and unsatisfactory, but as he gained more confidence in himself and acquired a larger English vocabulary he became more certain and direct in his methods, and the teaching assistance rendered by him was real and substantial.

The daily instruction of the native teacher is supplemented each year by from five to eight weeks in normal-institute training, which serves to perfect him in the knowledge of subjects taught and methods of teaching. After three years of this kind of training it has ceased to be necessary for the American teacher to supervise practically every movement and action of his assistant. The student teacher has become the municipal teacher, can be trusted to maintain discipline, and may be safely left to himself for a large portion of the time while engaged in the work of instruction.

English has now become the language of the primary school, and from the time the student enters the school he hears and speaks no other tongue.

On September 15, 1904, the corps of student teachers had furnished a force of native municipal teachers consisting of 2,138 men and 1,057 women. Had the attendance remained what it was in October of last year this number of teachers, added to the American force, would have been reasonably sufficient for the needs of the service, but the 200,000 students enrolled when the second annual report was rendered have increased to about 264,000, and the bureau of education is still obliged to depend on the aid of the student teacher or aspirante in order that the work of instruction may be carried on with satisfactory results. The following table, compiled on August 1 of this year, shows the number of Filipino teachers, male and female, employed in each province, the monthly and average salaries received, and the totals expended for salaries.

Province.	Filipino teachers.			Average salary.			Amount expended for salaries.		
	Male.	Female.	Total.	Male.	Female.	Mean.	Male.	Female.	Total.
Manila	105	62	167	₱72.67	₱70.16	₱71.99	₱91,324.20	₱52,542.80	₱143,867
Albay	30	24	54	29.17	28.12	28.17	10,301.20	8,296.80	18,598
Sorsogon	16	9	25	29.37	30.55	29.80	6,358.04	1,581.96	8,940
Camarines	45	35	80	22.67	20.43	21.70	13,441.80	6,390.20	20,832
Batangas	68	31	99	22.53	20.10	21.77	18,384.48	7,478.50	25,863
Bohol	76	53	129	8.78	8.02	8.46	8,007.36	5,100.64	13,108
Bulacan	77	43	120	24.66	22.91	24.03	22,785.84	11,817.16	34,603
Cagayan	54	40	94	18.31	14.75	16.85	11,860.88	7,141.12	19,002
Isabela	19	10	29	21.05	14.40	18.76	3,799.40	1,728.60	5,528
Capiz	37	7	44	19.62	22.14	20.02	7,511.24	1,859.76	9,371
Cavite	55	29	84	22.76	20.58	22.01	15,024.16	7,161.84	22,186
Cebu	115	74	189	11.21	11.78	11.43	15,469.80	10,460.20	25,930
Ilocos Norte	71	29	100	11.74	12.36	11.91	10,000.48	4,305.52	14,306
Ilocos Sur	108	61	169	14.13	14.18	14.15	18,312.48	10,383.52	22,696
Abra	6	9	15	13.00	10.89	11.73	936.00	1,175.00	2,111
Iloilo	105	61	166	17.41	14.75	16.42	17,936.60	14,772.40	32,709
Laguna	108	54	162	23.06	23.41	23.20	29,885.76	15,217.24	29,885

Province.	Filipino teachers.			Average salary.			Amount expended for salaries.		
	Male.	Female.	Total.	Male.	Female.	Mean.	Male.	Female.	Total.
Antique	26	15	41	₱11.50	₱10.18	₱11.24	₱3,588.00	₱1,942.00	₱5,530
Union	34	12	46	16.33	18.25	16.98	6,744.24	2,627.76	9,372
Leyte	63	33	96	21.30	18.36	20.29	16,102.80	7,271.20	23,374
Masbate	20	9	29	13.00	17.22	14.31	3,120.00	1,770.00	4,890
Samar	23	14	37	15.35	15.71	15.49	4,236.60	2,639.40	6,876
Misamis	39	78	117	20.00	20.00	20.00	9,360.00	18,720.00	28,080
Nueva Ecija	53	9	62	18.78	15.00	18.17	12,064.08	1,499.92	13,564
Neuva Vizcaya	17	13	30	12.29	10.69	11.60	2,507.16	1,674.84	4,182
Negros Occidental	81	25	106	18.22	17.88	18.14	17,709.84	5,364.16	23,074
Negros Oriental	89	41	130	11.07	8.26	10.19	11,822.76	4,073.24	15,896
Pampanga	80	30	110	24.93	23.63	24.57	23,932.80	8,499.20	32,432
Bataan	13	3	16	25.00	25.00	25.00	3,900.00	900.00	4,800
Pangasinan	110	33	143	17.72	18.92	18.00	23,390.40	6,497.60	30,888
Rizal	61	46	107	28.03	23.59	26.13	20,521.56	13,029.44	33,551
Romblon	19	10	29	16.66	15,80	16.37	3,798.48	1,898.52	5,697
Surigao	36	23	59	14.00	9.00	12.00	6,048.00	2,449.00	8,496
Tarlac	46	5	51	19.15	16.60	18.90	10,571.00	996.00	11,567
Tayabas	64	41	105	26.17	25.73	26.00	20,098.56	12,661.44	32,760
Zambales	39	8	47	9.92	11.37	10.17	4,642.06	1,092.94	5,735
Mindoro	29	10	39	16.04	17.50	16.41	5,980.00	2,100.00	8,680
Paragua	4	4	8	7.50	7.75	7.62	360.00	372.00	732
Total	2,080	1,054	3,134	20.76	20.99	20.61	511,838.06	265,490.94	777,329

This table does not include the student teachers or aspirantes, who are rendering valuable teaching service without pay or for a nominal wage. The increased attendance, the expectation of its further increase, and the fact that no inconsiderable number of teachers find more remunerative employment in other branches of the service create a constantly increasing demand for aspirantes from whom the native teaching force may be recruited as attendance increases and the number of native teachers diminishes.

The whole teaching force was constituted on September 15, 1904, as follows: 772 American teachers, at an average salary of $1,182.50; 284 insular native teachers, at an average salary of $300; 3,195 municipal teachers, at an average salary of $120; apprentice teachers serving without pay or for a nominal compensation; pupil monitors, without pay.

PRIMARY SCHOOLS.

The primary course covers a period of only three years, and it can well be imagined that the curriculum is confined to essentials and designed to give the student only such information as may be absolutely required to properly meet the exigencies of a workaday life should necessity oblige him to terminate his studies and begin an early struggle for existence.

Even if the conditions of life in the Philippines were not such as to require that the very young should contribute their labor to the support of the family, other considerations would force the shortening of the period of primary instruction and the limitation of the course of studies almost to the indispensable. It is estimated that the children of school age number not less than 1,200,000, the overwhelming majority of whom must receive instruction between the ages of 6 and 14 or not at all. The finances of the government will be strained to the breaking point to furnish at any one time supplies, school accommodations, and teachers for one-third of that number. If, then, two-

thirds of the children of school age are not to be left wholly illiterate, it is evident that the time for elementary instruction must be so reduced that all may receive some instruction before passing the age limit. Moreover, owing to the very limited number of American teachers, the burden of imparting primary instruction must fall on the native teacher, who has his limitations and can not be expected at this stage of the proceedings to properly cover a very wide range of educational subjects.

In view of all this the period of primary instruction has been fixed at three years, which will be devoted to the reading, writing, and speaking of English, and to the study of elementary arithmetic, the elements of geography, music, and drawing, character and physical training. Tool and gardening work for the boys and sewing and housekeeping for the girls are features of the primary course. The older boys, whose circumstances preclude the continuance of their studies beyond the primary course, will be given instruction in local government and Philippine history. It is not expected that the plan of primary instruction will equip students for a professional career or that it will fit them even for entrance to a high school course, but it is expected that the course of elementary instruction imparted, short and meager as it may be, according to American standards, will in the course of ten years practically eliminate illiteracy among the rising generation, and will give to those who can not afford to spend more than three years in school a knowledge of essentials, and a moral, physical, and mental training sufficient to equip them for the modest demands of a modest life.

INTERMEDIATE SCHOOLS.

For those students who have completed the primary course and who can afford to spend more time in school an intermediate course of instruction has been provided. This course, which covers a period of three years, is designed to complete elementary instruction, to fit the student to struggle advantageously with the practical problems of life, and to prepare him for entrance to the secondary schools should he find it possible to continue his studies for a longer period than six years. The first year of this course is devoted to the elements of grammar and composition, selected reading, the fundamentals of integers and fractions, world geography, with special attention to peoples and products of different countries, the study of familiar plants of the Philippines, agriculture for the boys, and housekeeping and plain sewing for the girls.

During the second year the study of language, grammar, and arithmetic is continued. An intermediate language book is introduced and readings from Philippine history commenced. Attention is given to decimals and the metric system, and the course in geography is completed by the study of volcanoes, earthquakes, monsoons, typhoons, coral formation, wet and dry seasons, the physical features of land and water, and by special instruction in the physiography and meteorology of the Philippines. Science studies are confined to lessons on animal life in Malaysia and to a course for boys in elementary agriculture, with special emphasis on the cultivation of economic Philippine plants. The girls are trained in housekeeping and special attention is given to the cooking and serving of meals.

In the third year of the intermediate course the study of arithmetic and the elements of grammar is completed. The reading of epic tales and stories from history is made a feature and special attention is given to commercial operations. Instruction will be given in physiology, anatomy, and hygiene, and some study will be made of epidemic and tropical diseases. Boys will receive training twice a week in carpentry and ironwork, and useful information in housekeeping and care of the sick will be given to the girls for the same period. Instruction in music and drawing, for which the native peoples have considerable aptitude, will receive attention throughout the course.

Finally, the classes will be organized into municipal councils, provincial boards, and legislative assemblies, and will make themselves acquainted with the municipal and provincial codes, the instructions of President McKinley, the acts of Congress affecting the archipelago, and the existing form of government in the islands. Auxiliary to this political instruction, papers will be read on the government of the United States, American politics, parliamentary law, and the government of colonies by European states.

The Filipinos are a sentimental, almost a poetical, but scarcely a practical people. They will freely sacrifice life itself for an abstraction, and at the same time turn aside from the prosaic work of commonplace preparation which would make the sacrifice unnecessary and give form and substance to the abstraction. Their temperament predisposes them to dwell too much on their expectations of the future and too little on the live, exigent problems of the present. Great emphasis is therefore laid on the severely practical by the bureau of education and but little attention is paid to classical studies. While this will be a distinct shock to many American educators, it is, after all, the only wise course to pursue if lack of initiative and a too pronounced tendency to idealize are to be corrected.

SECONDARY SCHOOLS.

Provision was made by Act No. 372 for the establishment of provincial high schools in the various provinces. The salaries of teachers, the expense of supplies, and to some extent that of equipment, are paid by the insular government, and will continue to be paid until such time as the provinces are in financial condition to assume the burden.

From the necessities of the case these schools have hitherto been engaged principally in the work of intermediate instruction. During the present school year, however, intermediate instruction will be remanded as speedily as possible to the central municipal schools, and the provincial high schools will be left to devote themselves exclusively to the purpose for which they were organized. They are the centers of the provincial educational system, and as time passes they will perform all the functions not only of high schools, but also of training schools and colleges for the provinces. Thirty-eight provincial high schools are now completely organized in 35 of the provinces. These schools are supplied with American instructors in the proportion of about 1 teacher for every 50 pupils. It has already been remarked that the policy of the bureau of education was to confine the primary and intermediate courses of study to the

bare essentials of elementary education. The secondary course of instruction is more ambitious and aims to fit the student for entrance to standard American colleges or the undergraduate university courses and to give him at the same time sufficient training to follow with advantage to himself some useful calling or vocation adapted to the economic conditions of his province should he choose to discontinue his studies. The secondary course covers a period of four years, and includes a course in literature, history, and the sciences, a course in teaching, a course in commerce, a course in geography, and a course in the arts and crafts. On matriculating in the provincial school each student must elect the course which he will pursue, and once selected he will not be at liberty to change it except by special permission of the division superintendent. The course in literature, history, and the sciences covers a period of four years, which will be devoted to the study of English literature, history, the elements of algebra and geometry, and an optional course in Latin, Spanish, or French. The course in teaching covers a period of only two years, during which, in addition to instruction in literature, history, and the sciences, instruction will be imparted in the theory and practice of teaching. The course of commerce covers a period of four years, and in addition to the instruction in literature, history, and the sciences, includes the study of bookkeeping, mercantile arithmetic, commercial geography, Spanish, French, or some other modern language, and commercial law. In the second year of the course of commerce the pupil may elect to take up the study of stenography or telegraphy. The course in agriculture will embrace three years of literature, history, and the arts and sciences, with special attention to botany, anatomy and physiology of animals, physiography, and meteorology, and four years of theoretical and practical agriculture. Two years will be devoted to the course in arts and crafts, and, in addition to practical wood and metal working, instruction will be given in English, mathematics, and mechanical drawing. The Philippine Normal School and the Philippine School of Arts and Trades furnish to those taking the teaching course and the course in arts and crafts an opportunity for further and more advanced study.

PHILIPPINE NORMAL SCHOOL.

The Philippine Normal School is located in the city of Manila, and occupies an assembly hall, 14 class rooms, and 2 laboratories in the exposition grounds. During the last school year a dormitory for girls residing in the provinces was established at 168 Calle Nueva, Ermita. At the beginning of the present school year the demands for accommodations in the dormitory had so increased that an additional building had to be rented in order to furnish quarters for the full number of young women desiring to pursue their studies at the normal school. Both these buildings will be vacated about the 1st of November, 1904, and the occupants transferred to a new building especially erected for the use of the domintory.

The normal school was organized under the provisions of Act No. 74 for the purpose of furnishing trained and skilled native teachers to the insular public schools. Five hundred and twenty-seven students are now enrolled, 360 of whom are boys and 167 girls, with an

average attendance of 451, 304 of whom are boys and 147 girls. The course of study at the normal school covers a period of four years and embraces the following subjects: English, arithmetic, geography, drawing, music, United States history, Philippine history, nature study, physiology and hygiene, algebra, general history, botany, physics, and professional training as a teacher.

THE PHILIPPINE SCHOOL OF ARTS AND TRADES.

The Philippine School of Arts and Trades was organized in 1901, and began its work of instruction under adverse circumstances. It started practically without any adequate equipment for industrial work, and was handicapped at the very beginning by what might be called a caste prejudice to manual labor. Students had to be coaxed to enter the school, and once they had entered considerable difficulty was experienced in retaining them. With the furnishing of a sufficient number of trade teachers and the supplying of an adequate equipment for practical instruction in trade work new life was given to the school, and instead of offering inducements to students to enter the superintendent has been compelled to refuse admission to 75 applicants on account of lack of space. The school is located in one of the old Spanish buildings situated on the exposition grounds, and has accommodations reasonably sufficient for 150 pupils. By conducting day and night classes, however, instruction is given to 270 pupils. The course of study covers a period of four years, and includes instruction in elementary English, geography, history, arithmetic, simple bookkeeping, algebra, complete plane geometry, and, at the option of the student, a course in architecture, blacksmithing, carpentry and cabinetmaking, mechanics, plumbing, steam engineering, stenography and typewriting, or telegraphy. The following table will show the relative preferences of the students in September, 1903, and September, 1904, for some of the branches taught in the school:

Day classes.

	September.		Increase.	Decrease
	1903.	1904.		
English branches	110	150	40	
Drawing	67	120	53	
Metal work	11	44	33	
Wood work	51	70	19	
Telegraphy	37	30		7

In addition to the students in attendance on the day classes there are 120 students in attendance on the night classes, whose preferences for the several branches taught may be shown by the following returns for the month of September, 1904:

English branches	32
Drawing	30
Metal working	17
Telegraphy	41
Total for evening classes	120

In September, owing to the illness of the teacher in charge, there was no wood-working class. That widespread interest is taken in this school is shown by the number of provinces which furnish pupils to it. The distribution of pupils by provinces is as follows:

Albay	4	Leyte	1
Ambos Camarines	1	Manila	72
Bataan	1	Nueva Ecija	1
Batangas	3	Pampanga	4
Bulacan	12	Pangasinan	4
Cagayan	1	Rizal	10
Cavite	2	Samar	1
Ilocos Norte	6	Sorsogon	1
Ilocos Sur	3	Tayabas	6
Isabela	1	Zambales	6
La Laguna	5		
La Union	5	Total	150

The average attendance of this school during the school year 1903–4 was 92 per cent. In June, 1904, it was 93 per cent; July, 1904, 93.2 per cent; August, 1904, 95.5 per cent; and in September, 1904, 96.1 per cent.

All students are required to take English and mathematics. Those students who elect the course in wood or iron working are obliged to take architectural and mechanical drawing. Excepting 6 students, who have elected to take a course in drawing and the mechanical branches, all students are obliged to take the machine-shop practice.

The school has furnished 1 telegrapher to the Manila Observatory and 6 sergeants, 9 corporals, 10 first-class privates, and 13 second-class privates to the Philippine Constabulary for service as telegraphers. It has also furnished 3 teachers of drawing to the Manila schools, 1 assistant teacher of drawing to the trade school, 1 draftsman to the coast and geodetic survey, and 1 draftsman to an architect engaged in private business in Manila.

Three lathes, 2 of which are engine lathes, 1 shaper, 1 milling machine, 1 upright drill, 1 sensitive drill, 1 cutter and reamer grinder, 1 twist-drill grinder, 1 wet-tool grinder, and a good assortment of hand tools for those taking the course in mechanics have been added to the iron-working equipment. One surface planing machine, 1 circular sawing machine, 1 band sawing machine, 1 pattern-maker's lathe, 6 wood-turning lathes, with necessary chisels and gouges, 1 power grindstone, and an assortment of bench tools and wood-carving tools, sufficient for a class of 24, have been added to the equipment of the wood-working department. Power for the various machines is furnished by two kerosene engines, respectively, of 6 and 8 horsepower.

The city of Manila has recently appropriated the sum of 50,000 pesos, or $25,000 United States currency, for the erection of a building for the use of the Trade School. The building will be located in the Santa Cruz district, near the center of the Filipino population and on the line of the new electric railway. The site has an area of 7,787.50 square meters and will give ample room for future development and growth.

THE PHILIPPINE NAUTICAL SCHOOL.

The Philippine Nautical School was established in 1839 by the board of commerce, and, as its name implies, its purpose is to give

theoretical and practical instruction in navigation. The original home of the institution was destroyed by the earthquake of 1863, and since that time the school has suffered three changes of location. Its present location is at No. 97 Calle Santa Elena, district of Binondo, in the city of Manila. With the change of sovereignty the school passed to American hands, and Lieutenant-Commander Coltman, Lieutenant Cooper, Lieutenant Townley, and Lieutenant-Commander Knapp, of the United States Navy, were successively placed in charge. Under the administration of Lieutenant-Commander Knapp English textbooks and American methods of instruction were introduced, and the school reached a very high degree of excellence. When Commander Knapp was relieved from duty in the Orient by the Navy Department, Lieutenant-Commander Glennon was detailed for duty as superintendent of the school and rendered excellent service until November 1, 1902, when he was relieved from duty. Since his relief the bureau of education has been unable to secure the services of a naval officer as superintendent. From 1903 until the end of the last school year the assistant superintendent was in charge of the school and carried on the work of theoretical instruction along the lines prescribed by his predecessors. At the beginning of the present school year Mr. C. L. Jenkins was placed in charge of the school.

The school is well equipped with nautical instruments, and has a good telescope, tellurians, celestial and terrestrial globes, maps, charts, and other supplies. It is poorly housed, however, and as soon as insular finances permit a vessel of sufficient size should be secured as a home for the school and for the purpose of giving the students practical instruction in seamanship. The course prescribed is four years, and is as follows:

First year: Arithmetic, algebra, plane geometry, geography, English, and seamanship.

Second year: Algebra, plane and solid geometry, plane trigonometry, physics, geography, drawing, English, and seamanship.

Third year: Spherical trigonometry, physics, electricity and magnetism, physiology and hygiene, astronomy, navigation and nautical astronomy, seamanship, and English.

Fourth year: Chemistry, Philippine and United States history, navigation and nautical astronomy, English, and seamanship.

To secure the proper physical development of the pupils, setting-up exercises, infantry and seamanship drills, fencing and singlestick are prescribed, and boxing, football, and baseball encouraged. The students display great proficiency in mathematics, and evince a very commendable interest in their chosen specialty. The school enrollment is 121 and the average attendance 115, or 95 per cent of the enrollment.

SCHOOLS IN THE MORO PROVINCE.

Public instruction in the Moro Province presented problems so radically and essentially different from those of other parts of the archipelago that the province was left almost educationally independent by the act providing for its organization and government. The act provides for the appointment of a superintendent of schools and confers upon him, not only all the powers of a division superintendent, but also many of those exercised by the general superintendent under the

plan of organization prescribed for other provinces. It is the duty of the superintendent of the Moro Province to establish schools in the various municipalities, rancherias, and townships of the province whenever practicable; to define school districts and provide for them principal teachers; to appoint native teachers; to fix the salaries of American and native teachers; to prescribe a curriculum for primary, industrial, and secondary schools; to select school sites and supervise the construction of school buildings thereon, and to exercise general supervision over school work in the province. He is only dependent on the bureau of education to the extent that American teachers must be appointed by the general superintendent, and that he must make a report of his administration to the last-named official in January and July of each year. In a word, the superintendent of schools for the Moro Province was given a free hand, and such a course was necessary in view of the social conditions in his jurisdiction and the character of the people with whom he had to deal. The population is made up of Christians, Mohammedans, and pagans, and none of them is particularly predisposed in favor of the public schools. The parochial school, under the able and beneficent management of the Jesuit order, attracts and holds the Christian; the Moro regards the public school with suspicion and hesitates whether to accept or reject it; the pagan is satisfied with the geography of his haunts and his own crude methods of addition, subtraction, and division. What schools should be established, how they should be conducted, and what class of information should be imparted by them has therefore been left to the judgment of the local authority best fitted to solve the problems presented by local conditions. Notwithstanding the difficulties of the situation, 52 schools are now in operation in the Moro Province, 10 of which were established during the last school year. Fifteen American and 54 native teachers are now on duty in the various schools and are making just such progress as might be expected under all the circumstances. Nine of the native teachers are Mohammedans. Within the past few months a secondary school has been established at Zamboanga. For some time to come the principal aim of this school will be the creation of a sufficient number of native teachers to supply the requirements of the province. The total enrollment of the 52 schools is 2,114, of which number 1,289 are boys and 825 are girls. One thousand seven hundred and sixty-four of the students enrolled are Christians, 240 are Mohammedans, and 110 pagan Bagobos. The whole cost of public instruction is borne by the province. For the nine months ending July 1, 1904, the legislative council appropriated P85,230.85 for educational purposes. Of this sum only P46,898.17 was expended, leaving a balance of P38,341.68 unexpended.

PAGAN SCHOOLS.

The lack of interest shown in schools by the pagan tribes of the Moro Province does not exist among the pagan tribes of Luzon. The schools established for Igorrotes at Cervantes and Alilem, in Lepanto-Bontoc, and at Baguio, Benguet, it is true, have met with only a fair degree of success, but that better results were not obtained is rather due to want of teachers and school accommodations than to want of interest among the Igorrotes.

The schools established among the pagan Tinguianes of Abra promise to be as successful as any of those established among Christian Filipinos. The Tinguianes are a gentle, kindly disposed, and industrious people. They dislike the Christian Ilocanos, who are their neighbors, but seldom, if ever, manifest their aversion by violence. They own large numbers of cattle and horses, and many of them are better off in worldly goods than the Ilocanos, who are disposed to regard them as their inferiors. Noting the establishment of schools in the bordering province of Ilocos Sur, they desired that similar advantages should be extended to them. Their petitions were disregarded at first, and they then had recourse to Mr. Commissioner Worcester, who had always taken a kindly interest in their affairs. Through his influence and representations, the bureau of education was induced to send American teachers to some of the Tinguian villages, and the results achieved have fully justified the experiment. There are at present 16 insular and 25 municipal teachers employed among the Tinguianes, and in September of this year the number of students enrolled was about 2,500. Some of the rancherias to which it was impossible to assign insular teachers have engaged native teachers on their own account and pay salaries in rice and chickens.

STUDENTS SENT TO THE UNITED STATES.

There are now in the United States 100 students who are receiving an education in various schools and colleges at the expense of the insular government. For special and detailed information as to these students, the course of studies which they are pursuing, and the progress made by them reference is made to the report of Mr. William Alexander Sutherland, who is in charge of such students, which report is annexed hereto, marked "Exhibit B," and made a part hereof.

For the fiscal year 1905 the Commission, by resolution dated February 26, 1904, authorized the sending of 40 additional Filipino students to the United States for a four years' course of instruction at the expense of the insular government. In accordance with the provisions of Act No. 854, an examination of candidates for appointment was duly held in the month of April. At this examination only 10 succeeded in passing. The 10 so passing received their appointments in accordance with law, and were sent to the United States in charge of Mr. and Mrs. Swindell in the month of August. A second examination of candidates was held in September, and 24 of the candidates received the required percentage and will be sent to the United States as soon as they report at Manila and pass the necessary medical examination.

The following table shows the number of primary, intermediate, provincial, and technical schools, the number of schoolhouses, the number of American, insular, native, and municipal teachers in each province, and the population, school population, school enrollment, and school attendance of each province:

Division.	Number of schools.							Number of teachers.					Population.	School population.	Enrollment.[a]	Attendance.[a]
	Day.					Night.	Total.	Number of school houses.	Native.			Total.				
	Primary.	Intermediate.	Provincial.	Technical.	Total.				American.	Insular.	Municipal.					
Albay and Sorsogon	50		2		52	9	61	21	31	7	79	117	360,821	72,164	7,000	6,300
Camarines	60	1	2		63	7	70	18	26	10	80	116	239,405	47,881	6,680	5,450
Batangas	61	3	1		65	12	77	[b] 93	23	7	99	129	257,715	51,543	6,543	5,470
Benguet	3				3		3	6								
Bohol	148		1		149	7	156	127	23	13	129	165	269,223	53,844	23,000	13,000
Bulacan	94	1	1		96	15	111	23	25	9	120	154	223,742	44,748	11,657	8,262
Cagayan and Isabela	77		1		78	3	81	23	22	5	123	150	232,670	46,533	4,629	3,455
Capiz	67		1		68	5	73	41	19	10	44	73	231,721	46,144	8,167	5,974
Cavite	56		1		57	11	68	33	23	9	29	61	134,779	26,955	7,578	5,429
Cebu	155		1		156	14	170	[b] 88	32	16	189	237	653,727	130,745	16,272	9,330
Ilocos Norte	83		1		84	10	94	[b] 90	24	15	100	139	178,995	35,779	12,108	10,215
Ilocos Sur and Abra	181	1	2		184	14	197	[b] 151	30	14	169	213	239,091	47,818	16,000	11,000
Iloilo and Antique	73		2		75	14	89	87	52	17	207	276	544,481	88,896	18,090	12,142
Laguna	84		1		85	10	95	53	25	10	162	197	148,606	29,721	11,874	8,742
Leyte	71		1		72	8	80	62	28	8	96	132	388,922	77,784	9,600	7,692
Leponto-Bontoc	7				7	1	8	3	4			4				
Manila	36		3	3	42	208	247	4	96	4	167	267	219,928	43,985	6,773	5,672
Masbate	29		1		30	5	35	24	8	8	29	45	43,675	8,725	2,200	1,800
Mindoro	28				28	1	29	38	6	5	39	50	39,582	7,916	2,114	2,200
Misamis	66		1		67	2	69		3	2	117	122	138,329	27,666	611	427
Moro	48		1		49		49		15		56	71	41,149	8,229	2,114	1,582
Occidental Negros	69		1		70	13	83	48	38	11	106	155	308,272	61,654	12,009	8,243
Oriental Negros	70		1		71	7	78	58	18	10	130	158	201,494	40,298	9,283	8,131
Nueva Ecija	43		1		44	10	54	22	15	7	62	84	134,147	26,829	4,317	3,093
Nueva Vizcaya	15		1		16	3	19	19	7	4	30	41	62,541	12,508	2,279	1,956
Pampanga and Bataan	85		2		87	14	101	49	29	10	126	165	270,543	54,107	9,197	7,400
Pangasinan	99	1	1		101	14	165	41	29	14	143	186	397,902	75,580	12,197	9,100
Paragua	9				9		9	7	4		8	12	35,696	7,139	857	446
Rizal	58	1	1		60	11	71	14	21	8	107	136	150,923	30,184	7,594	5,634
Romblon	20		1		21	4	25	18	10	3	29	42	52,848	10,569	2,800	2,500
Samar	49		1		50	3	53	34	18	4	37	59	266,237	53,247	21,169	[c] 3,261
Surigao	54		1		55	3	58	65	13	5	59	77	115,112	23,022	2,431	1,756
Tarlac	32	1	1		34	8	42	29	16	7	57	74	135,707	27,021	3,600	3,300
Tayabas	75	3	1		79	6	85	44	28	18	105	151	204,739	40,947	10,000	8,500
Union	49		1		50	4	54	34	17	10	46	73	137,839	27,567	5,911	4,433
Zambales	29				29	4	33	17	9	8	47	64	104,549	20,923	2,760	2,259
Total	2,233	12	38	3	2,286	460	2,743	1,452	787	288	3,190	4,265	7,163,499	1,432,704	263,558	183,146

[a] Enrollment and attendance are of August 1, 1904. [b] Includes recently built barrio schools. [c] Small attendance due to recent military operations.

SCHOOL BUILDINGS.

The question of furnishing proper and permanent accommodations for school children continues to demand the serious attention of the bureau of education. During the Spanish régime little if any consideration was given to public instruction in the barrios removed from the municipal center, and as a consequence the erection of barrio school buildings was never attempted. The construction of school buildings was almost wholly confined to the municipal centers, and of those not much more than half were provided with school accommodations owned by the municipality. At the time of American occupation 374 of the 734 municipalities were provided with school buildings. These buildings, 534 in number, were located on the plazas of the various municipalities, and were built in most cases of wood and stone. Many of the municipalities were provided with two school buildings, one for boys and one for girls. The structures were not of modern type, and besides being poorly lighted were seldom of a size sufficient to accommodate a fraction of the school population residing in the immediate vicinity, to say nothing of the school children who lived in the barrios. Many of these schoolhouses were damaged during the course of the war, some of them destroyed, and others rendered unfit for use by decay. Nearly all of the damaged buildings have been repaired, and substantially all those destroyed or decayed have been restored sufficiently to permit of their use by the bureau of education.

Between the date of change of sovereignty and December, 1903, 369 new school buildings were built, 40 of which were of "strong materials." Between January and July of this year 395 additional schoolhouses were in course of construction or had been actually completed, most of them having hard-wood frames, nipa or grass roofs, and bamboo walls and floors. This class of construction was adopted because it was within the capacity of ordinary native labor, comparatively inexpensive, and allowed the gradual substitution of permanent roofs, floors, and walls as financial conditions permitted. About 205 additional school buildings have been contracted for, but work upon them has not been commenced as yet. To aid in the building of school structures, rice purchased out of the Congressional relief fund was issued to the provinces of Capiz, Ilocos Norte, Batangas, Rizal, Laguna, Cebu, and Zambales. With the rice so issued Ilocos Norte has completed or has under contract 77 barrio schools; Batangas, 70 barrio schools, and Cebu, 40 municipal and barrio schools. The walls of the recently constructed Cebu school buildings are of lime plaster laid on a framework of bamboo, and in so much they differ from the plan of construction adopted in other provinces.

The following statement will show the number of schoolhouses owned by municipalities and actually completed or in course of construction:

Serviceable schoolhouses of Spanish construction	534
Built under American rule prior to December 31, 1903	369
Already built or in course of construction since January 1, 1904	395
Total	1,298

The buildings erected since American occupation and those which are in the course of erection are located principally in the barrios where it was practically impossible to secure school accommodations in any other way. In municipal centers the schools are usually housed in rented buildings, or in private residences loaned for the purpose. A few convents are occupied by schools, but in no case is such occupancy permitted against the objections of the church authorities, and positive instructions have been given to vacate any such buildings whenever objection is made to their further use by the bureau of education.

Busy as have been the municipalities with the work of school construction during the past year, their activity has not excelled that of the provinces of which they are constituent parts. Most of the provincial schools are located at present in rented buildings or in provincial or municipal buildings loaned for the purpose. Since the first of the year a steady effort has been made by provincial boards to secure adequate sites for their high schools and to gather together sufficient funds to construct thereon the necessary buildings. Sites from 6 to 8 acres in area have been secured by Albay, Batangas, Ilocos Sur, Occidental Negros, Oriental Negros, Romblon, and Sorsogon, and the sum of P163,021.23 is now available for the erection of suitable buildings, distributed as follows:

Albay	P35,000.00
Batangas	50,000.00
Ilocos Sur	20,000.00
Occidental Negros	20,000.00
Oriental Negros	20,000.00
Romblon	8,000.00
Sorsogon	10,021.23

Bataan, Bohol, Bulacan, Camarines, Leyte, Masbate, Nueva Ecija, Nueva Vizcaya, Pampanga, Pangasinan, Surigao, Tayabas, Union, and Zambales have secured the offer of sites, but have not as yet made a selection. These provinces have not sufficient money on hand to begin the work of building, but if the Commission sets apart $200,000 of the Congressional relief fund for school construction, as has been proposed, these provinces and others without proper provincial high school accommodations will be enabled to obtain them, in all probability, before the end of the next school year.

Cagayan, Capiz, Cavite, Ilocos Norte, Mindoró, and Tarlac are already provided with high school buildings, which are either owned by the province or the municipality in which the school is located.

Antique, Cebu, Paragua, Rizal, Samar, Iloilo, and Isabela have neither sites nor money sufficient to erect high school structures, and it is expected that for some time to come they will be compelled to rent accommodations. Should the grant of $200,000 from the Congressional relief fund be made, however, it is possible that their proportion of it will enable them to secure their own school quarters.

The Moro Province and Manila are in sound financial condition, and steps have already been taken for the erection of modern secondary schools.

COST OF PUBLIC INSTRUCTION.

The cost of public instruction to the insular government from July 1, 1901, to July 1, 1904, was as follows:

Fiscal year 1901	$233,411
Fiscal year 1902	1,194,381
Fiscal year 1903	1,400,563
Fiscal year 1904	1,244,096
Total	4,072,451

The maximum amount expended was in the year 1903 and the minimum amount in 1901. The small amount expended in 1901 was due to the fact that the number of American teachers on duty in that year was not large. During the last school year the cost of public instruction was $155,467 less than that incurred during the year which immediately preceded it. This reduction in expense was due wholly to the fact that the bureau of education managed to struggle along with a less number of American teachers. In 1902 the outlay for schools represented 15.6 per cent of the total expenditures. In 1903 it was 13.2 per cent and in 1904 11.1 per cent.

The total amount expended by municipalities for schools is P1,004,448.12, or $502,224.06 gold, which, added to the insular expense of $1,244,096 gold, gives a total expense of $1,746,320.06 gold for public instruction during the last fiscal year.

Of the total amount paid out for schools since 1901 nearly $3,200,000 has been expended for salaries and a little less than $900,000 for supplies. About two-thirds of the municipal school funds are required to pay native teachers' salaries, and the balance is expended on buildings and necessary school furniture.

Taking 7,000,000 as the Christian population of the islands, the total insular and municipal expense for schools for the last three years has not averaged more than 25 cents gold per capita per year. On the basis of an average enrollment of 215,000 during the year 1904, the cost per student was about $8.12 gold. If the present enrollment of about 264,000 continues until the end of the year and the entire appropriation is expended, the cost per student will be about $6.60 gold, and should the enrollment reach 300,000, as it now bids fair to do, the cost per student will be correspondingly diminished.

Cuba, in the fiscal year 1902, with a total population of about 1,600,000, a school enrollment of 160,000, and a force of nearly 3,500 teachers, expended, exclusive of repair and construction of schoolhouses, $2,644,556.77 for public instruction, or $1.66 per capita of population, or $16.65 per student.

Porto Rico, with a population of 950,000, a school enrollment of 70,216, and a teaching force of 1,220, expended in the fiscal year 1903 $801,912, or a little over 84 cents per capita of population, and about $11.42 per student. Whether the expenses for Porto Rico include construction of school buildings and repairs can not be stated.

Japan, with a population of 50,000,000, about seven times that of the Philippines, expended in 1901 $21,292,097 in schools, or about 40 cents per capita.

In the United States the cost of public instruction varies from about 80 cents per capita of population to about $6 per capita, the

average in the Northern States being about $3.50 per each inhabitant. California, with less than 1,500,000 inhabitants, expends $9,133,136 on public instruction, or more than $6 per capita. The city of San Francisco, with less than 350,000 inhabitants, expends $1,382,956 on education, or about $4 per capita.

These statistics are not cited for the purpose of showing that the government should expend more money on schools. The government is now expending for education all the money which its revenues will permit. They are cited, however, for the purpose of demonstrating to the Filipino people that if they expect to reach the same plane of educational progress as other peoples more money must be forthcoming, and that a total government income which does not much more than equal that spent by California on schools will hardly suffice to gratify immediately all their desires for material and intellectual advancement.

To educate the 1,200,000 young men and young women of the Philippines properly at least $5,000,000 gold will be required to pay salaries alone every year, and that without adding one American teacher or increasing the supervising force by a single man. The following is a reasonable estimate of the cost of furnishing instruction to 1,200,000 Filipino children and of furnishing them with the necessary school material, viz:

General superintendent and office force	$41,486.66
31 division superintendents	61,200.00
29 clerks to division superintendents	21,060.00
861 supervising, technical, and normal school-teachers (American)	824,171.34
294 native insular teachers	94,800.00
12,000 native municipal teachers, at $240 per year	2,880,000.00
Supplies, at $1 (gold) per student	1,200,000.00
Incidentals	25,000.00
Total	5,147,718.00

The appropriation for the fiscal year 1905 is as follows:

Salary of general superintendent and office force	$41,486.66
Salary of 31 division superintendents	61,200.00
Salary of 29 clerks to division superintendents	21,060.00
Salary of 861 American teachers	824,171.34
Salary of 300 night school-teachers	52,650.00
Salary of 294 insular native teachers	94,800.00
Salary of 32 native teachers for Abra	2,592.00
Other employees	2,040.00
Transportation	12,300.00
School supplies	85,200.00
Contingent expenses	11,325.00
Total	[a] 1,208,725.00

In addition to this sum at least $502,224.06 gold will be appropriated by the various municipalities for the payment of native teachers, the purchase of furniture, and the renting and repairing of schoolhouses.

For further and specific information as to the work of the bureau of education and the results accomplished by the various schools established in the archipelago, reference is made to the very complete report of the general superintendent of education, which is hereto annexed, marked "Exhibit A," and made a part hereof.

[a] Or P2,417,450 Philippine currency.

BUREAU OF ARCHITECTURE AND CONSTRUCTION OF PUBLIC BUILDINGS.

The office personnel of the bureau of architecture and construction of public buildings for the year beginning July 1, 1903, and ending June 30, 1904, was 1 chief of bureau; 1 master builder; 1 superintendent of construction, class 6; 1 electrical engineer, class 6; 1 disbursing officer, class 6; 1 clerk, class 7; 1 draftsman, class 7; 2 draftsmen, class 8; 1 mechanical engineer, class 8; 2 clerks, class 8; 1 clerk, class 9; 2 stenographers, class 9; 1 storekeeper, class 9; 2 junior draftsmen, class F; 2 junior draftsmen, class G; 1 clerk, class I; 1 employee, at $210, and 1 employee, at $150.

During the year the bureau constructed a new crematory for the board of health; renovated the Cuartel Fortin and prepared it for use by the bureau of posts; completed the new stable, wagon sheds, and men's quarters for the insular purchasing agent; constructed a coal shed for the insular purchasing agent at Romblon; finished the municipal building for the city of Manila; installed a telephone system for the bureau of customs and immigration; remodeled the old customs building; repaired and refitted the immigrant quarantine station on Engineer Island; erected a 2-story building for use of the customs house at Balabac, Balabac Island; added kitchen extensions to the cottages at Baguio; constructed servants' quarters and a new office building at the same place; installed sanitary toilet rooms and lavatories in the ayuntamiento; cloth-lined and repainted the halls of the second floor and the offices of the commissioners in the same building; built a stable 30 by 102 feet for the bureau of agriculture at Singalong; erected a cottage for the superintendent of the government rice farm at Murcia, and constructed nipa buildings to shelter farm implements and horses used on the farm; rebuilt the old stone quadrangle on Engineer Island as a storehouse for the bureau of coast guard and transportation; erected a machine shop 80 by 160 feet and a warehouse 80 by 92 feet for the same bureau, and extended to two tanks on the island, each of 10,000 gallons capacity, the water supply of the city of Manila.

The badly decayed floor at Malacañan Palace has been removed and a new floor constructed, well raised above the ground for ventilation, the space below being filled in sufficiently to give drainage for surface water. Malacañan Palace has been repainted and rewired for electric incandescent lighting.

A vault, having 480 square feet of floor space and provided with a time lock, Bessemer steel lining on floors, walls, and ceilings, and surrounded with a grillage of steel beams and concrete, has been constructed for the insular treasury bureau, and the cash room of the same bureau enlarged and cashier's and teller's windows of modern design installed.

Additional stable room, sufficient to accommodate 18 horses, has been provided for the insular cold-storage and ice plant. A 2-story shed for the storage of ammonia and the furnishing of space for small workshops for the ice plant, with a corridor connecting with the main building, has been built on the river front.

The southerly entrance to the Intendencia Building and the patio corridor adjoining the offices of the United States Coast and Geo-

detic Survey have been floored over and inclosed to give additional office space to that bureau. A workshop, 60 by 600 feet, with a steel corridor connecting with the main building, is now in course of construction at Bilibid Prison.

The Oriente Building has been completely remodeled for offices, and the bodega has been fitted up for the constabulary for use as a supply warehouse. The Oriente Building proper is now occupied by the following bureaus: Constabulary, internal revenue, forestry, agriculture, ethnological survey, civil-service board, Official Gazette, American Circulating Library, Philippine museum, and the court of customs appeals.

The building for the bureau of government laboratories has been practically completed and the machinery equipment installed. The smokestack, however, has not yet been put in place, and the machinery will not be ready for operation before the 1st of next December. The building was turned over to the bureau of government laboratories for occupancy in the month of September.

The contract for the construction of the foundations of this building was let in December, 1902, and the contractor completed the work on May 20, 1903. Bids for the construction of the building on the foundations were received on November 12 and December 12, 1902, as follows:

California Lumber Company:	
First bid	$88,560
Second bid	83,500
M. Gotauco:	
First bid	98,500
Second bid	78,500
Smith & Jones:	
First bid	108,740
Second bid	96,000
D. W. Cadwallader & Co.:	
First bid	122,000
Second bid	86,000

These bids were rejected in view of the fact that the architect estimated that the building should not cost more than $62,347, exclusive of material worth $33,450 to be furnished by the government to the contractors. The architect has been directed to furnish this office a statement in detail of the entire cost of the building. Such statement has not as yet been furnished by the architect, and can not, therefore, be included in this report. The architect, however, has stated that the cost of the superstructure will not greatly exceed the amount of his estimate, excluding additions to the building authorized after the estimates were furnished, the cost of cesspool and septic tank, extra wages paid to laborers after July 1, 1903, due to paying the same in Philippine instead of Mexican currency, insurance, and customs duties which were imposed by the Commission subsequent to the making of the estimate.

Progress on the building was slow, due in a measure to the want of skilled labor and to the delay in the delivery of building material ordered from the United States, some of the material not being received until ten months after the order was placed.

The following comparative statement of materials used during the

fiscal year 1903 and the fiscal year 1904 will give some idea of the increased amount of work performed by the Bureau:

Description of item.		1903.	1904.
Property invoiced to the bureau by the insular purchasing agent on vouchers		382	329
Representing the value of Philippine currency		$166,500.86	$374,530.26
Cement expended on the various jobs	barrels	3,189	4,629
Window glass	panes	2,164	7,595
Corrugated iron	sheets	1,302	4,615
Flat galvanized iron	do	667	4,372
Locks of various descriptions and sizes		445	690
Oregon pine and California redwood	feet B. M.	635,940	1,079,438
Nails	pounds	18,172.5	48,660
	gallons	748	1,007.5
Paint	pounds	14,341	23,321
Cast-iron pipe	linear feet	4,365	6,890
Galvanized-iron pipe	do	4,265	32,949
Wood screws	dozen	1,577	2,644
Solder	pounds	878	1,966.5
Turpentine	gallons	62	500.75
Varnish	do	65	245

There was actually expended on public works during the fiscal year 1903–4 P630,065.56, and incurred but unpaid on the same account P138,387.83. The sums appropriated, expended, or incurred on account of public works and construction and repair of public buildings are shown in detail by the following table, the amounts of which are expressed in Philippine currency:

Public works.

Building.	Appropriated.	Disbursed	Outstanding.	Balance.
Audiencia	₱4,000.00	₱1,767.73		₱2,232.27
Ayuntamiento	23,700.00	16,811.57	₱350.00	6,538.43
Board of health, San Lazaro:				
Wm'n department	4,400.00	566.69		3,833.31
Electric wiring	1,700.00	922.06		777.94
Leper department	500.00			500.00
Roads, etc	3,000.00	588.90		2,411.10
Bureau of agriculture:				
Piping, etc	2,200.00	1,848.00		352.00
Storage building, etc	4,000.00	3,921.24		78.76
General repairs	400.00			400.00
College, Occidental Negros	50,000.00			50,000.00
Bureau of education, exposition buildings	4,600.00	107.45		4,492.55
Bureau of government laboratories:				
Serum institute	8,000.00	5,266.60		2,733.40
Calle Iris	2,300.00	1,686.59		613.41
Calle Alix	2,000.00	1,264.41		735.59
New laboratory building	82,892.00	71,137.99	1,300.00	10,454.01
New laboratory equipment	100,000.00	46,254.74		53,745.26
New laboratory fixtures	22,000.00	1,566.64	2,016.80	18,416.56
New laboratory fillg	1,300.00	1,300.00		
Serum laboratory	2,000.00	934.21		1,065.79
Bureau of insular cold storage and ice plant, painting, etc	4,900.00	3,171.76		1,728.24
Bureau of insular treasury, vault, etc	36,628.00	29,667.89	3,600.00	3,360.11
Bureau of public printing, roof, etc	8,600.00	1,016.50		7,583.50
Civil Hospital	8,000.00	5,146.70		2,853.30
Santa Potenciana	7,400.00	2,798.16		4,601.84
Building supplies	140,000.00	104,433.61		35,566.39
Board of health, San Lazaro:				
Stable	1,300.00			1,300.00
Sep. tanks	12,000.00	5,711.97	2,985.00	3,303.03
Wards, etc	50,000.00			50,000.00
Cholera hospital	56,000.00	53,514.78		2,485.22
Plumbing	3,000.00			3,000.00
Crematory	3,000.00	2,374.35		625.65
Ventilators	1,530.00	794.50		735.50
Coast guard and transportation:				
Warehouse	68,000.00	1,883.64	63,984.00	2,132.36
Repairs	1,000.00			1,000.00
Watchman's building	600.00			600.00
Machine shop	15,700.00	15,279.48		420.52
Water and electric mns	10,000.00	5,059.59	200.00	4,740.41
Office	400.00	48.53		351.47

Public works—Continued.

Building.	Appropriated.	Disbursed.	Outstanding.	Balance.
Bureau of customs:				
Iron fence	₱26,000.00			₱26,000.00
Sidewalks	6,000.00	₱3,597.39		2,402.61
Signal mast	3,000.00			3,000.00
Painting	3,000.00	2,992.90		7.10
Main building	14,024.00	11,421.36		2,602.64
Standpipes	3,000.00			3,000.00
Electric lights, etc	12,100.00	7,286.73	₱1,587.48	3,225.79
General alterations and repairs	12,000.00	10,855.22		1,144.78
Bureau of insular cold storage and ice plant:				
Storage shed	10,000.00	7,159.21		2,840.79
Stables	6,000.00	2,755.55		3,244.45
Insular purchasing agent:				
Stables, etc	116,700.00	74,813.24	38,519.55	3,367.21
Coal sheds	28,000.00			28,000.00
Bureau of prison:				
Workshop	38,000.00	8,210.51	22,400.00	7,389.49
Warehouse, etc	17,600.00	9,531.06		8,068.94
Bureau of public printing, warehouse, etc	77,000.00			77,000.00
Bureau of architecture:				
Roof	3,600.00	2,275.95		1,324.05
Shelving, etc	600.00	144.88		455.12
Buildings at Baguio	35,112.00	18,010.39		17,101.61
Intendencia roof	8,000.00			8,000.00
Oriente building	60,293.00	60,016.02		276.98
General alterations and repairs	22,000.00	18,185.41		3,814.59
Customs-house at Balabac	2,000.00	1,340.19		659.81
Insular purchasing agent:				
Sidewalks	700.00			700.00
Filling	1,700.00		1,445.00	255.00
Cuartel Fortin:				
Post-office	20,244.00	3,026.21		17,217.79
Supply store	13,000.00	1,597.06		11,402.94
Electric connections	400.00			400.00
Total	1,287,123.00	630,065.56	138,387.83	518,669.61

Of the amount actually expended P218,243.55 was paid for work performed by contract, P186,873.11 for work done by the bureau, and P224,948.90 for supplies furnished by the insular purchasing agent. The total amount actually expended by the bureau for all purposes was P691,439.20, to which must be added obligations incurred but not paid, amounting to P138,387.83. The following table will show in detail the total expenses of the bureau for all purposes:

	Appropriated.	Disbursed.	Outstanding.	General fund.	Balance.
Salaries and wages	₱55,000.00	₱54,612.17		₱387.83	
Contingent expenses	6,572.00	5,766.91		805.09	
Transportation	3,000.00	994.56		2,005.44	
Public works	1,287,123.00	630,065.56	₱138,387.83		₱518,669.61
Total	1,351,695.00	691,439.20	138,387.83	3,198.36	518,669.61

The architectural work of this bureau has been on the whole highly satisfactory, and the same may be said of most of the construction work, especially of the construction work on the laboratory building. The patent roofing material used on the cottages at Baguio was not fitted to stand the strain of a tropical climate and should not have been employed by the bureau for construction purposes until proper experiment had demonstrated its usefulness as roofing.

For details of the work completed and the work now in progress by the bureau of architecture and construction of public buildings, reference is made to the report of the insular architect annexed hereto and marked "Exhibit C."

THE BUREAU OF PUBLIC PRINTING.

VALUE OF PRODUCT AND COST OF PRODUCTION.

From July 1, 1903, to June 30, 1904, the total product of the bureau of public printing was $283,913.84, and the total expense for salaries, wages, printing paper, supplies, and miscellaneous amounted to $195,435.92, or an excess of the value of the product over the cost of production amounting to $88,477.92. The purchase-price value of the equipment in the fiscal year 1903 was $141,506.63. Deducting from this sum $14,458.88 for articles condemned and dropped and 10 per cent for reasonable wear and tear gives the sum of $127,047.75, which represents the reasonable value of the equipment at the beginning of the fiscal year 1904. Adding to this $41,321.38, the value of the equipment purchased in 1904, we have the sum of $168,369.13, representing the gross value of the equipment for the year 1904. Deducting $16,836.91, 10 per cent of the gross value for wear and tear during the year 1904, and $12,000, rental value of the premises occupied, from $88,477.92, the excess of value of product over cost of production, we have $59,641.01 as the net excess of value of product over cost of production for the last fiscal year. The net excess for the fiscal year 1903 was $24,236.64. The prices fixed for the product are according to Ramaly's schedule of prices.

Printing and binding work was executed during the year as follows:

Civil governor:		
Executive bureau	$44,405.50	
Philippine civil-service board	7,207.45	
Bureau of the insular purchasing agent	3,410.45	
Office of the improvement of the port of Manila	135.90	
Exposition board	10,096.65	
Total		$65,255.95
Department of the Interior:		
Office of the secretary board of health for the Philippine Islands	9,328.45	
Quarantine service	970.00	
Forestry bureau	5,548.60	
Mining bureau	1,270.85	
Philippine weather bureau	4,133.30	
Bureau of public lands	184.00	
Bureau of agriculture	1,697.50	
Ethnological survey for the Philippine Islands	359.60	
Bureau of government laboratories	5,880.80	
Philippine civil hospital	379.95	
Civil sanitarium, Benguet	45.10	
Total		29,798.15
Department of Commerce and Police:		
Bureau of posts	12,963.17	
Signal service	695.30	
Bureau of Philippines Constabulary	10,337.85	
Bureau of prisons	1,421.90	
Bureau of coast guard and transportation	6,866.65	
Bureau of coast and geodetic survey	1,069.95	
Bureau of engineering	1,337.80	
Office of Benguet improvements	2,967.05	
Calbayog pier construction	16.30	
Total		37,675.97

Department of Finance and Justice:		
Office of the secretary	$178.55	
Bureau of the treasurer of the Philippine Islands	8,532.55	
Bureau of the auditor of the Philippine Islands	4,408.05	
Bureau of customs and immigration	24,245.70	
Arrastre division, customs service	477.80	
Bureau of internal revenue	928.45	
Bureau of insular cold storage and ice plant	1,818.55	
Bureau of Justice—		
Supreme court	568.35	
Court of customs appeals	18.35	
Court of land registration	1,023.70	
Office of the attorney-general	5,790.25	
Total		$47,990.30
Department of Public Instruction:		
Bureau of education	7,559.40	
Bureau of public printing	4,626.50	
Bureau of archives	170.60	
Bureau of architecture and construction of public buildings	628.55	
American circulating library of Manila	34.50	
The Official Gazette	17,098.51	
Philippine census bureau	132.50	
Bureau of patents, copyrights, and trade-marks	63.45	
Philippine museum	43.15	
Total for department of public instruction		30,357.16
Total for city of Manila		12,947.40
Total for provincial governments		51,163.18
Outside work (others than the government)		5,248.50
Obsolete forms destroyed		115.05
Grand total		280,551.66

The following table will show the value of printing and binding furnished during the fiscal year 1903 and the fiscal year 1904:

	1903.	1904.		1903.	1904.
July	$4,769.57	$15,215.50	February	$18,172.80	$25,030.35
August	11,619.55	17,585.15	March	23,981.30	27,593.85
September	10,023.74	15,491.40	April	18,420.50	28,823.62
October	13,799.12	16,956.70	May	24,394.70	22,656.59
November	23,348.71	29,214.95	June	28,577.30	37,920.60
December	22,374.65	23,211.35			
January	20,335.60	20,851.60	Grand total	219,817.54	280,551.66

MATTERS OF GENERAL INTEREST.

Since the passage of Act No. 807, on July 27, 1903, the bureaus and offices of the insular government are not required to pay cash for their printing, but a report of the printing done for the various bureaus is submitted at the end of the year to the secretary of public instruction and to the insular auditor.

Owing to the diminution of customs receipts and the necessity for practicing the most rigid economy, the erection of a steel frame warehouse adjoining the present printing plant, for which appropriation was made by Act No. 831, was abandoned, arrangements having been made to secure storage for supplies and paper in one of the bodegas of the custom-house. In view of the fact that increased space was

required by the composing room and the bindery, the electrotyping and stereotyping foundry has been removed from the second to the first floor.

INSTRUCTION OF NATIVE CRAFTSMEN AND APPRENTICES.

In addition to the public printing performed by the bureau, the work of instructing native craftsmen and apprentices in the various branches and specialties of the printing trade has been continued along the same lines as those initiated during the fiscal year 1903.

In the composing room 8 of the 10 linotype machines are now operated by natives, and, while the product is not as great as that of an expert American operator, it has been sufficient, in conjunction with two machines operated by Americans, to meet the demands for machine composition. In this room all make-up and imposition work is done by junior craftsmen, under the guidance and instruction of an American. The preparation of all job copy, all job work, the distribution of all job and body type, the care of electrotype plates, the running of the dumping bank are all performed by native craftsmen and apprentices. The instruction of apprentices in the composing room covers a period of three years, one year being devoted to straight and tabular composition, one year to job composition, and one year to making-up and imposition.

During the fiscal year 1903, 23 Americans, 15 junior craftsmen, 5 apprentices, and 4 helpers were employed in the composing room. At the beginning of the fiscal year 1904 there were employed in the same division 11 Americans, 34 junior craftsmen, 10 apprentices, and 6 helpers, while on September 1, 1904, there were only 7 Americans employed in this division of the bureau.

The bureau of public printing has the only electrotyping and stereotyping plant in the islands, and prior to its introduction there was no opportunity whatever for natives of the islands to acquire any information or knowledge of electrotyping or stereotyping. Two apprentices were assigned to this division in April, 1903. Since that time 6 more have been assigned. All of the apprentices have shown considerable aptitude in molding, building, and battery and casting work, and are at present performing all such work under supervision. One of the apprentices, who began work in this division in April, 1903, is at present able to finish skillfully all ordinary work, and is especially proficient in making corrections in plates. But little stereotyping work was done by the bureau during the last year and, as a consequence, the opportunity for practical instruction in this specialty was limited.

Of all the allied trades which go to make up the printing bureau, none appeals more strongly to the Filipino than the binding trade, and, as a result of this strong liking for the business, the product of their labor more favorably compares with that of American craftsmen than in any other branch of the printing business. They are anxious to became acquainted with modern methods and display very satisfactory skill in operating the automatic folding machine, book-sewing machines, automatic paper-cutting machines, wire-stitching machines, and ruling machines. In the bindery native employees are classified as craftsmen, junior craftsmen, apprentices, and helpers. Junior

craftsmen are advanced to the grade of craftsmen when they have sufficiently demonstrated their ability as binders. Apprentices begin their education as binders at the foot of the ladder, and from the handling of paper they are advanced gradually to finishing in a workmanlike and skillful manner blank and printed books of all kinds. In the bindery there are 15 apprentices, 3 of whom are detailed on ruling machines, 2 on finishing, 8 on blank and printed forwarding, and 2 on quarter-bound work.

Six apprentices are employed in preparing, exposing, and developing plates in the photo-engraving room. They coat, strip, print, etch, route, bevel, and block. The apprentices, of course, have little or no knowledge of chemicals or formulas, and considerable study and experience will be required of them before they have a complete knowledge of photo-engraving.

Five native craftsmen are capable of operating cylinder presses as against one who had that ability one year ago. They execute in a satisfactory manner ordinary book and job work from type or plates. Progress has also been made by native craftsmen in working the platen presses. Fourteen apprentices are on duty in the press room. Their instruction begins with feeding the press and ends with the complete knowledge of its operation on all classes of work.

Three apprentices are assigned to the power plant and machine shop, 2 of whom have been instructed in electrical work with such machinist's work as properly belongs to that trade, while the third has been assigned chiefly to machinist's work. The progress of all has been satisfactory. Two junior craftsmen manage with skill the lathe and shaper and do many odd jobs of repair work.

There are employed in the bureau of public printing 59 apprentices, assigned as follows: Composing room, 13; bindery, 15; electrotyping and stereotyping room, 8; photo-engraving room, 6; press room, 14; machine shop, 3. The chief of the bureau insists that apprentices shall attend the night schools, and his enforcement of this rule has been one of the most important factors in giving to the bureau of public printing the nucleus of a strong force of native workmen well acquainted with English and able to render substantial service to the government.

Large as is the quantity of printing turned out by the bureau, the work is carefully done and its quality is fully up to the standards of the best printing establishments at home.

The public printer has been conscientious, zealous, and earnest in the discharge of his duties, and his administration of the bureau has been highly satisfactory and commendable. The American workmen at present employed in the bureau are careful, painstaking, and efficient in the performance of their duties as craftsmen and, at the same time, conscientiously discharge their duties as instructors of Filipino junior craftsmen and apprentices.

For further and detailed information regarding the bureau of public printing, reference is made to the report of the acting public printer hereto attached and marked "Exhibit D."

THE BUREAU OF ARCHIVES.

After the fall of Manila, the various offices of the Spanish Government were thrown into the greatest confusion, and official documents

of the greatest importance, pertaining to all the departments of the Spanish Government, became so mixed and mingled together that it became absolutely necessary to establish some bureau to bring order out of the chaos occasioned. As a consequence, the bureau of archives was organized and the work of orderly arrangement of documents belonging to the general government, provincial and municipal governments, the council of administration, auditor of state, postmaster and treasurer-general, the government of Manila, direct and indirect imposts, court of accounts, and the post-office was confided to its care. The orderly disposition of these documents required great labor by itself. In addition there were and will continue to be constant demands on the office for the examination of old records, making copies of official papers, and the issuance of certificates and reports on records affecting the title to government property and property claimed by the government. The transfer of the notarial protocols of the islands to this bureau, the making of inventories for 322 volumes of protocols not provided by the provinces of Cebu, Mindoro, Iloilo, Ilocos Sur, Nueva Vizcaya, Negros Occidental, and Negros Oriental, the registration of copyrights and trade-marks, the registration of brands and marks of large cattle, the filing of patents granted in the United States, and the reclassification of old Spanish documents which was occasioned by the transfer of the bureau from the Intendencia Building to the Ayuntamiento have further increased the burden of labor over that imposed on the bureau at the time of its formation. It is to the credit of this bureau, however, that it has asked no substantial increase in personnel and that the employees have worked extra hours every working day in order to meet the demands of the service.

During the year a chronological index of the royal cedulas from 1660 to 1696 was made. On account of the old orthography of these cedulas, so different from that now in use by Spaniards, and the fading of the ink, this was a work of considerable magnitude and required special knowledge, accuracy, and care.

From July 1, 1903, to June 30, 1904, 517 copies of public documents were issued and fees amounting to P898.50 collected therefor. Fees for searches and certificates issued thereon amounted to P831.80. Sixty-nine copies of documents requested by various heads of departments and bureaus were also furnished, but without charge. Two hundred and fifty-one trade-marks and 72 copies of patents registered in the United States were filed with the bureau and fees amounting P12,694 collected therefor. In addition 12 copyright certificates, 4 certified copies of trade-mark registration, 5 trade-mark certificates, and 6 certificates of assignments of patents registered in the United States were issued, and fees for the service amounting to P34.36 collected. The total collections of the bureau for the fiscal year were P14,458.74. The total expenses for the same period were P22,614.31.

Since the removal of the bureau of archives to the Ayuntamiento, great difficulty has been experienced in preserving the records from the ravages of the anay or white ant. These little insects come through the cement wall, throw out their bridges so as to escape obnoxious preventives, and unless a daily examination is made destruction of important records is likely to occur. Due to the precautions taken by the chief of the bureau and the employees, no important record has been seriously injured by these insects save and except

the protocól of Marcos Gonzáles for the year 1740. This document, while badly injured, can be recopied and this work is now being done by the bureau.

The work of this important bureau has been very satisfactorily performed, and great credit is due to its chief and the office force for the efficient service rendered.

For detals as to the work accomplished by the bureau of archives, reference is made to the report of the acting chief, marked "Exhibit E," attached hereto and made a part hereof.

THE AMERICAN CIRCULATING LIBRARY.

The American circulating library was founded in 1900 by Mrs. Charles R. Greenleaf. The original purpose of the library was to furnish the soldiers and sailors of the United States forces with entertaining and useful reading matter. As the expense of maintaining the library was a little in excess of its resources, the library was turned over to the insular government and is now maintained as a government bureau for the benefit of the general public. The library was originally located on Calle Rosario, but on May 25 of this year it was assigned to more commodious and comfortable quarters in the Oriente Building, and supplied with new book stacks and furniture made by the forestry bureau. The number of books on hand on June 30, 1904, was 21,575, most of which were donated to the library through the efforts of Mrs. Nelly Young Egbert, the present librarian, who has so ably administered the affairs of the library since its organization. Since the transfer of the library to its new quarters two complete bound sets of the Oceania, a Manila periodical which began publication in 1877 and continued under that name until May, 1899, when it became El Progreso, were secured. Two complete sets of El Progreso have also been received, and its successor, the Adelanto, will furnish copies of its file from time to time. Bound volumes of the Manila Gazette from 1878 have also been obtained, as well as a complete set of the Manila Freedom and an incomplete set of the Manila Times. The present quarters of the library furnish room for at least 10,000 additional volumes. When this number is secured it is hoped that a suitable library building will be provided by the city of Manila.

The library is supported by admission fees, fines, donations, and appropriations made by the insular government. The fund realized by fees, fines, and donations amounted on July 31, 1904, to P4,486.79, which fund is deposited with the insular treasurer. During the fiscal year 1903–4 the insular government appropriated P7,440 for salaries, wages, and contingent expenses, and out of this sum there has been expended P7,423.86, leaving an unexpended balance of P16.24 on June 30, 1904.

The amounts appropriated by the insular government are not available for the purchase of books. Books are purchased out of the special fund resulting from fees, fines, and donations, and during the year the sum of P1,006.30 was expended for this purpose.

In September of last year Capt. Leon S. Roudiez, of the United States Army, was ordered to the United States, and was compelled to resign his position as trustee and disbursing officer of the library.

Capt. George P. Ahern, also of the Army, was appointed to succeed him. Captain Ahern continued discharging his duties as trustee and disbursing officer until August, 1904, when he was relieved from further duty in order to permit him to enjoy a period of leave in the United States. Mr. George Sellner was appointed to succeed Captain Ahern as trustee, and Mr. Louis M. Lang, acting disbursing officer of the executive bureau, succeeded Captain Ahern as disbursing officer of the library.

For further information as to matters pertaining to the library, attention is called to the report of Capt. George P. Ahern, trustee and disbursing officer of the library from September 30, 1903, to August, 1904, which report is hereto attached, marked " Exhibit F."

THE OFFICIAL GAZETTE.

The publication of the Gazette was authorized by Act No. 453, passed September 2, 1902. The Gazette is published weekly, in two parts, issued separately, one part being in English and the other in Spanish. It contains the legislative acts of the insular government, all the resolutions of the Commission of a public nature, all executive orders, decisions of the supreme court and the court of customs appeals, and such other official matters as may be designated by the secretary of public instruction. Notices of civil-service examinations, appointments, resignations and removal of officers of the government, and an official roster are also published. Until within the last few months monthly statistical reports were published, but as the statistics were furnished in complete form in the annual reports of the bureau chiefs the publication of the monthly statistics was considered useless and discontinued. Seven hundred copies of the English part and 2,000 copies of the Spanish part of the Gazette are published each week by the bureau of public printing. Copies of the Gazette are sent to the President of the United States and each member of his Cabinet, the Civil Service Commission at Washington, the commanding general of the army in the Philippines, the commanding general of each department in the islands, the judge-advocate of the division, the admiral on this station, the commandant of the naval station at Cavite, the civil governor, the members of the Philippine Commission, judges of the courts, justices of the peace, the heads of bureaus and offices of the insular government, such other officers of the Philippine government as may be designated by the civil governor or the secretary of a department, provincial and municipal governments, voluntary subscribers, and exchanges. Provincial and municipal governments and voluntary subscribers pay the usual subscription, and all others receive the Gazette free of charge.

On June 30, 1904, there were 964 free-list subscribers and 972 paid subscriptions. Six hundred and thirty-eight of those on the free list are justices of the peace. Seven hundred and twenty-one of the paid subscriptions come from provincial and municipal governments and 251 from private subscribers.

The Gazette is exchanged with the Straits Budget, Singapore; the Englishman, Calcutta, India; the Capital, Calcutta, India; the Indian Municipal Journal and Sanitary Record, Bombay, India;

the Queensland Gazette, Brisbane, Australia; the Assam Gazette; the Burma Gazette; the Chamber of Commerce Journal, England; the Monthly Bulletin of American Republics; the Harvard Law Review; the Calcutta Gazettte; the Central Provinces Gazette, Nagpur, India, and the Bombay Gazette.

Many of these exchanges contain articles of great value to the student of problems in the Philippines, and such articles are properly indexed for ready reference.

The total expense to the government of publishing the Gazette during the last fiscal year was P42,323.21, and the total receipts from all sources were P20,580.42. The Gazette could be made to more than pay for itself by the publication in it of all legal notices and governmental advertising, and it is thought that either this course should be pursued or the further publication of the paper should be suspended. As the matter stands, the government incurs the expense of maintaining the Gazette, and, at the same time, pays for the publication in the daily papers of the same identical matter which the official paper is required by law to publish. In the beginning, when the daily papers had no wide or extended circulation in the provinces and when it was absolutely necessary that the widest publicity should be given to the acts of the Commission and the orders and proclamations of the Executive, this double expense was justified. It would seem, however, that the time has about arrived when one of the methods now employed to give official information to the people should be suppressed in the interest of economy. As the government has its own printing plant, it is believed that all governmental advertising and announcements could be published more economically in the official paper now established, but, if the Commission considers such a course unwise and an invasion of a field which properly belongs to private enterprise, it is recommended that on the termination of the present fiscal year further publication of the Gazette be discontinued.

The editor of the Gazette and the acting editor, during the former's absence, have displayed commendable energy in keeping the paper abreast of its work, and their constant and persistent efforts to increase the number of paid subscriptions are worthy of praise.

For further information as to the Gazette, reference is made to the report of the acting editor, which is hereto annexed and marked "Exhibit G."

Respectfully submitted.

JAMES F. SMITH,
Secretary of Public Instruction.

The PHILIPPINES COMMISSION.

OPERATIONS

UNDER THE

CONGRESSIONAL RELIEF FUND.

OPERATIONS UNDER THE CONGRESSIONAL RELIEF FUND.

MANILA, P. I., *November 1, 1904.*

SIR: Pursuant to the requirements of the act of the Congress of the United States approved March 3, 1903, which, among other things, appropriated $3,000,000 for the relief of distress in the Philippine Islands, I have the honor to make the following report, showing the expenditures which have been made from this appropriation and the purposes for which made since December 1, 1903.

At that time the report made by the civil governor showed an unallotted balance of P3,309,000. There has since been allotted by the Philippine Commission the sum of P2,703,771.47, and from these allotments and the balance of appropriated moneys undrawn on December 1, 1903, which amounted to P1,378,837.58, net withdrawals have been made of P2,952,748.48, from which should be deducted net repayments of P11,804.20, under Act No. 786, thus leaving a balance to the credit of the allotments of P1,141,664.77. There was in the treasury on October 1, 1904, to the credit of the Congressional relief fund a balance unallotted of P609,228.53, and a balance of the original fund, allotted and unallotted, amounting to P1,750,893.30.

The expenditures thus made have been pursuant to various acts of the Commission, and have been made for the purposes contemplated by the act of Congress, to wit: The construction of roads, the building of schoolhouses and other public works, the purchase of rice, carabaos, Chinese bullocks, etc., and combating diseases which threatened the inhabitants of the islands, their draft animals, and their crops.

A statement of the various acts and resolutions of the Commission under which all these expenditures have been made is given in the accompanying special report of the auditor for the Philippine Islands, which is hereto appended.

I have the honor to be, very respectfully,

LUKE E. WRIGHT,
Civil Governor.

The SECRETARY OF WAR, *Washington, D. C.*

THE GOVERNMENT OF THE PHILIPPINE ISLANDS,
OFFICE OF THE AUDITOR,
Manila, P. I., October 1, 1904.

SIR: I have the honor to submit herewith a special report covering the operations under the Congressional relief fund since December 1, 1903, the date of my last report:

It will be remembered that the original appropriation by Congress for relief of distress in the Philippine Islands was in the sum of $3,000,000 U. S. currency,

entered upon the books of the auditing bureau as P6,000,000. From the appropriation made by Act No. 738 for the purchase of draft cattle a balance remained undrawn of P196,239.02. The withdrawals under this act were as follows:

December 21, warrant No. 4296	P18,660.19
January 15, warrant No. 4375	11,316.75
February 15, warrant No. 4517	18,045.18
February 19, warrant No. 4560	10,000.00
February 26, warrant No. 4616	20,000.00
May 9, warrant No. 4896	25,000.00
May 27, warrant No. 4983	10,000.00
June 15, warrant No. 5049	20,000.00
June 29, warrant No. 5115	40,000.00
July 30, warrant No. 5265	30,000.00

The total repayments to this appropriation amounted to P22,121.91, making the net withdrawals therefrom P180,900.21 and leaving a balance to the credit of the subappropriation of P15,338.81.

In accordance with the provisions of Act No. 750, reimbursement was made to the insular purchasing agent January 1, 1904, in the sum of P1,471.47 for food supplies, etc., furnished the people of Maraquina on account of losses by fire April 26, 1903, this amount being a part of settlement warrant No. 2302.

As stated in the previous report, the full appropriation of P500,000 made out of the Congressional relief fund by Act No. 786 for the purchase and distribution of rice was withdrawn. Repayment of P13,917.81, the proceeds of rice sales, have since been made to this appropriation, P2,113.61 of which was returned to the province of Oriental Negros (the same having been erroneously covered into the insular treasury), being withdrawn May 9 as part of settlement warrant No. 2889, making the net repayment P11,804.20 and the actual net withdrawals under this act to date P488,198.23.

From the appropriation made by Act No. 795 for contingent expenses of government laboratories a balance remained undrawn of P1,853.87, from which payment was made to the insular purchasing agent on December 11 in the sum of P354.20, this amount being a part of settlement warrant No. 2124.

From the appropriation made by Act No. 797 for expenditure under direction of the civil governor a balance remained undrawn of P233,744.69. On December 21, by warrant No. 4295, the sum of P20,000 was withdrawn, pursuant to the following resolution of the Commission, dated September 7, 1903:

"*Resolved*, That the civil governor be authorized to place at the disposal of the committee on the purchase and sale of carabaos the sum of ten thousand dollars in money of the United States, to be expended out of the appropriation of five hundred thousand dollars made by Act Numbered Seven hundred and ninety-seven out of the Congressional relief fund and made available for expenditure by the civil governor upon authorization by the Commission, said sum to be expended as may seem wise to the committee in the construction of shelters, corrals, and other means for the custody, care, and support, pending their sale, of carabaos owned by the insular government."

On December 23, by part of warrant No. 4300, the sum of P1,000 was withdrawn pursuant to the following resolution of the Commission, dated September 19, 1903:

"*On motion, resolved*, That the civil governor is hereby authorized to expend from the funds appropriated in Act Numbered Seven hundred and ninety-seven the sum of two thousand five hundred dollars United States currency, or so much thereof as may be necessary, in payment of a daily allowance of five Philippine pesos to each agricultural member of a locust board in lieu of his traveling expenses while engaged in the work of the board away from his usual place of residence, by virtue of his appointment as such member pursuant to Act Numbered Eight hundred and seventeen, the services of such members being required to relieve distress in the Philippine Islands."

On January 23, by warrant No. 4406, the sum of P1,000 was withdrawn pursuant to the following resolution, dated January 20:

"*Resolved*, That the acting civil governor be, and is hereby, authorized to expend from the appropriation made by Act Numbered Seven hundred and ninety-seven from the Congressional relief fund the sum of one thousand Philippine pesos to meet all necessary expenses incident to the immunization, herding, and care of government carabaos sent to Occidental Negros; and it was

"*Further resolved*, That these funds be withdrawn upon requisition in favor of the disbursing officer of the insular purchasing agent, in accordance

with section two of Act Numbered Seven hundred and ninety-seven, and transfer of the same directed to the treasurer of the province of Negros Occidental, who is authorized to expend such moneys for the purposes above set forth upon vouchers to be approved by the provincial board of that province."

Withdrawals were also made by accountable warrants as follows:

December 23, part of warrant No. 4300	P10,000
February 23, part of warrant No. 4584	10,000
March 21, part of warrant No. 4715	10,000

and by settlement warrants in favor of the insular purchasing agent for supplies furnished, as follows:

April 13, part of warrant No. 2735	P73.21
May 9, part of warrant No. 2890	312.03
May 27, part of warrant No. 3000	180.51
June 9, part of warrant No. 3042	225.48
June 27, part of warrant No. 3140	693.88
August 17, part of warrant No. 3399	75.40

The above amounts were withdrawn pursuant to the following resolution of the Commission, dated July 27, 1903:

"Whereas the employment of additional veterinarians and inoculators by the board of health for the Philippine Islands for the purpose of combating the spread of disease among the draft cattle in the islands is considered by the Commission to be a proper charge against the three million dollar relief fund voted by the Congress of the United States: Now, therefore, be it

"*Resolved*, That the civil governor is hereby authorized to expend from the fund of five hundred thousand dollars appropriated from the three million dollar Congressional relief fund by Act Numbered Seven hundred and ninety-seven, and made available for expenditure under the direction of the civil governor upon authorization by the Commission, the sum of twenty-nine thousand one hundred and forty dollars United States currency for the payment of the following expenses:

"'Salaries and wages, board of health for the Philippine Islands, nineteen hundred and four: One supervisor of inoculating veterinarians and of inoculators, at eighteen hundred dollars per annum; nine veterinarians, class seven; twenty inoculators, Class A; seventeen thousand one hundred dollars.

"'For the payment of services and expenses of interpreters in provinces to aid inoculators, etc., one thousand dollars.

"'Transportation, board of health for the Philippine Islands, nineteen hundred and four: For the actual and necessary traveling expenses, including subsistence of the veterinarians and inoculators while on duty in the provinces, eleven thousand and forty dollars.'"

A charge of P155 was also entered against the appropriation under Act No. 797 for credit of the appropriation under Act No. 1046, the amount having been previously withdrawn from the latter act in error, as determined by settlement of the expense account.

Under these resolutions a total sum of P53,715.51 has been withdrawn from the treasury, and repayments have been made amounting to P9,305.51, leaving net withdrawals in the sum of P44,410, and a balance to the credit of the subappropriation on the books of the auditor of P189,334.69.

The following resolutions of the Commission were passed on the dates indicated, the expenditures authorized thereunder being made proper charges against the Congressional relief fund:

On motion, the following resolution was passed July 28, 1903:

"*Resolved*, That the civil governor be, and is hereby, authorized to set aside the sum of seven thousand five hundred dollars from the fund of five hundred thousand dollars, appropriated from the three-million-dollar Congressional relief fund by Act Numbered Seven hundred and ninety-seven, and made available for expenditure under the direction of the civil governor upon authorization by the Commission, said seven thousand five hundred dollars to be used for the purchase of cattle, and for the necessary feed to maintain the cattle, to be used in the manufacture of rinderpestic serum with which to immunize cattle and protect them from the spread of the rinderpest."

On motion of the president the following resolution was passed October 2, 1903:

"*Resolved*, That for the purpose of using the rice in the suppression of the locust pest, in the construction and repair of roads and bridges and

other public works, and for the sale of rice in order to prevent excessive prices in parts of the archipelago where such prices are reported, the civil governor be, and is hereby, authorized to purchase two shiploads of rice, one from Messrs. Castle Brothers, Wolf and Son, Saigon white rice number two, at six pesos and two centavos, Philippine currency, per picul, duty paid, said shipload containing between twenty-eight thousand and thirty-two thousand piculs, and the second shipload from Messrs. Halliday, Wise and Company, Rangoon white rice number two, at six dollars and nineteen cents, Mexican currency, per picul, duty paid, said shipload containing between twenty-eight thousand and thirty-two thousand piculs, and that the civil governor is further authorized to distribute the rice bought in the various provinces in accordance with the methods now provided for by law for the purposes above recited.

"*Be it further resolved*, That the civil governor is hereby authorized to expend from moneys appropriated from the Congressional relief fund by Act Numbered Seven hundred and ninety-seven a sufficient sum to meet the expenditures authorized herein; these resolutions being adopted in accordance with section two of said Act Numbered Seven hundred and ninety-seven."

The following resolution was passed December 18, 1903:

"*Resolved*, That although the insular government is not legally bound to reimburse the firm of Keylock and Pratt for export duties paid on carabaos consigned to the insular government, yet, in view of the fact that such duties were imposed by the Chinese Government after the contract with Keylock and Pratt had been entered into, and in view of the great necessity for the animals in these islands and the advisability of assisting in the removal of any obstacle to their importation, coupled with the expressed intention of the Chinese Government to donate the amount of extra duties collected to the insular government as a relief fund and the probability that not more than one thousand animals can be had from China, it is the sense of the Commission that these duties should be borne by the insular government; and the civil governor is hereby authorized to direct the local purchasing agent to reimburse the firm of Keylock and Pratt for export duties paid by them on all carabaos exported for the insular government from the fund of five hundred thousand dollars appropriated from the Congressional relief fund by Act Numbered Seven hundred and ninety-seven and made payable under his direction upon authorization of the Commission; that a separate account shall be kept of all funds so disbursed, and that export duties on carabaos rejected here will not be borne by the insular government."

The following resolution was passed April 30, 1904:

"Whereas by resolution of the Commission adopted at its session of November twenty-first, nineteen hundred and three, authority was given for the payment from the appropriation of five hundred thousand dollars made by Act Numbered Seven hundred and ninety-seven from the Congressional relief fund of a sum equivalent to six hundred and ninety-two dollars and forty-one cents Mexican currency for the expense of transportation from the ship's side into the province of Abra and storage en route of one thousand sacks of rice furnished to the provincial government of Abra for the subsistence of inhabitants of that province while engaged in the destruction of locusts; and

"Whereas it appears that the actual expense of such transportation and storage is in excess of the payment authorized by said resolution in the sum of two dollars and seventy-seven cents local currency: Now, therefore, be it

"*Resolved*, That the payment of a sum equivalent at the authorized rate of exchange to two dollars and seventy-seven cents local currency in addition to the sum included in the resolution of the Commission mentioned be, and the same is hereby, authorized for the purpose and out of the funds mentioned."

The following resolution was passed September 27, 1904:

"Whereas under authority contained in the resolution of the Commission adopted December eighteenth, nineteen hundred and three, there was pledged to the province of Cavite ten thousand piculs of rice to be purchased from the Congressional relief fund, and to be used by the provincial board of said province in the construction of schoolhouses, such rice to be shipped to the provincial supervisor of said province as fast as requisition therefor should be made by him; and

"Whereas it appears that a balance of three thousand three hundred and eighty-four and seventy-one one-hundredths piculs of rice is still due under said promise and has not been delivered; that there is no more Congressional relief fund rice on hand in the warehouse of the insular purchasing agent; that obligations have been incurred by the provincial authorities on the strength of such pledge; that the financial condition of the province is such as to merit

exceptional consideration, and that cash in lieu of rice will be more economical and satisfactory, inasmuch as food stuffs are sold at reasonable prices in the local markets and there is a scarcity of ready money: Now, therefore, be it

"*Resolved*, That the civil governor be, and he is hereby, authorized to turn over to the provincial treasurer of Cavite, from the fund of five hundred thousand dollars appropriated by Act Numbered Seven hundred and ninety-seven, from the Congressional relief fund for expenditure under the direction of the civil governor upon resolution of the Commission, the sum of eleven thousand five hundred and seventy-five Philippine pesos, through the disbursing officer of the executive bureau, to be used under the supervision and direction of the provincial board in meeting obligations incurred by said province on the strength of the pledge above referred to."

No withdrawals have as yet been made under these resolutions.

From the appropriation made by Act No. 918 for a wagon road from Pasacao to Nueva Caceres, Ambos Camarines, a balance remained undrawn of P 40,000.

Withdrawals were made by accountable warrants from this appropriation as follows:

February 25, warrant No. 4614	P 10, 000. 00
June 4, warrant No. 5010	10, 000. 00
July 28, warrant No. 5260	4, 015. 68

and by settlement warrant in favor of the insular purchasing agent for supplies furnished, as follows:

March 21, part of warrant No. 2575	P895. 39
April 18, part of warrant No. 2772	4, 972. 11
May 27, part of warrant No. 3000	6, 844. 32
July 11, part of warrant No. 3189	3, 272. 50
July 26, part of warrant No. 3246	1, 188. 00

A repayment of P1,188 was made to this appropriation and again withdrawn, making the net withdrawals at the full amount of balance undrawn.

From the appropriation made by Act No. 920 for a road from Vigan to Bangued a balance remained undrawn of P70,000, in addition to which there was appropriated from the Congressional relief fund under date of July 15, by Act No. 1192, the sum of P14,700 for the purpose of completing the work of construction and repair, including the necessary bridges on the Vigan-Bangued road, provinces of Ilocos Sur and Abra.

Withdrawals were made by accountable warrant from this appropriation as follows:

January 9, warrant No. 4360	P10, 000. 00
January 13, warrant No. 4371	20, 000. 00
February 19, warrant No. 4570	20, 000. 00
April 26, warrant No. 4855	15, 000. 00
July 26, warrant No. 5246	6, 000. 00

and by settlement warrants in favor of the insular purchasing agent for supplies furnished as follows:

February 25, part of warrant No. 2440	P4, 399. 70
July 26, part of warrant No. 3246	3, 196. 23

On August 18, 1904, by settlement warrant No. 3402, a payment of P124.75 was made to Capt. Asa F. Fisk, commissary, Philippines Constabulary, for supplies furnished the Vigan-Bangued road.

The total repayments to this appropriation amounted to P3,007.01, making the net withdrawals therefrom P75,720.16, leaving a balance to the credit of the subappropriation of P8,979.84. From the appropriation made by Act No. 920 for the construction of a road from Bacon to Bulusan, connecting the Pacific Ocean and China Sea, via Sorsogon, Gubat, and Barcelona, a balance remained undrawn of P65,000. Withdrawals were made by accountable warrant from this appropriation, as follows:

February 8, warrant No. 4479	P25, 000. 00
June 13, warrant No. 5039	10, 000. 00
August 19, warrant No. 5354	7, 000. 00

and by settlement warrant in favor of the insular purchasing agent as follows:

April 6, part of warrant No. 2706	P5, 570. 60
August 15, part of warrant No. 3304	3, 058. 85

From the appropriation made by Act No. 920 for the Padre Juan Villaverde trail a balance remained undrawn of P4,000, in addition to which there was appropriated from the Congressional relief fund under date of March 10, by Act No. 1083, the sum of $31,000 United States currency, equivalent to P62,000, for the purpose of completing the construction and repair, including the necessary bridges on the Padre Juan Villaverde trail, Bayambang to San Nicolas, provinces of Nueva Vizcaya and Pangasinan.

Withdrawals were made by accountable warrants from the appropriation as follows:

January 11, warrant No. 4367	P2, 870. 47
March 17, warrant No. 4687	20, 000. 00
March 30, warrant No. 4753	10, 000. 00
April 14, warrant No. 4791	20, 000. 00
June 9, warrant No. 5025	11, 806. 93

and by settlement warrant in favor of the insular purchasing agent for supplies furnished as follows:

December 11, part of warrant No. 2124	P1, 129. 53
April 14, part of warrant No. 2735	193. 07
July 26, part of warrant No. 3246	2, 923. 10

There was repaid to this appropriation the sum of P2,928.65, leaving the net withdrawals therefrom P65,994.45 and a balance in favor of the subappropriation of P5.55.

From the amount appropriated by Act No. 1000 for the construction and repair of the Carcar-Barili road there remained a balance undrawn of P56,000.

Withdrawals were made by accountable warrant from this appropriation as follows:

December 4, warrant No. 4224	P10, 000. 00
March 21, warrant No. 4718	20, 000. 00
May 10, warrant No. 4898	20, 000. 00
July 8, warrant No. 5139	3, 553. 23

and by settlement warrants for supplies furnished by the insular purchasing agent as follows:

May 9, part of warrant No. 2890	P2, 272. 76
May 27, part of warrant No. 3000	174. 01
September 8, warrant No. 3472	2, 080. 62

A repayment of P2,080.62 was made to this appropriation and again withdrawn, leaving the net withdrawals at the full amount of balance undrawn.

From the amount appropriated by Act No. 1000 for the Sogod-Putod road there remained a balance of P178,000. Under date of July 8, by accountable warrant No. 5140, the sum of P10,000 was withdrawn from this appropriation and withdrawals were made by settlement warrants for supplies furnished the road by the insular purchasing agent as follows:

May 27, part of warrant No. 3000	P817. 30
July 26, part of warrant No. 3246	3, 717. 34
September 8, part of warrant No. 3472	1, 734. 87

From the appropriation made by Act No. 1015 for the construction of a wagon road from Pagbilao to Atimonan, in the province of Tayabas, a balance remained undrawn of P174,000. Withdrawals were made by accountable warrant from this appropriation as follows:

January 15, warrant No. 4377	P20, 000. 00
January 22, warrant No. 4394	458. 34
March 18, warrant No. 4696	20, 000. 00
May 14, warrant No. 4918	20, 000. 00
June 20, warrant No. 5073	20, 000. 00
July 28, warrant No. 5259	20, 000. 00
August 30, warrant No. 5416	20, 000. 00
September 20, warrant No. 5495	20, 000. 00

and by settlement warrants for supplies furnished by the insular purchasing agent as follows:

May 9, part of warrant No. 2890	P5, 280. 89
May 27, part of warrant No. 3000	8, 727. 65
July 11, part of warrant No. 3189	135. 91
July 26, part of warrant No. 3246	9, 265. 23

From the appropriation made by Act No. 1016 for constructing the Capas-O'Donnell-Iba wagon road in the provinces of Tarlac and Zambales a balance remained undrawn of P360,000. Withdrawals were made by accountable warrant from this appropriation as follows:

January 7, warrant No. 4350	P186. 66
January 15, warrant No. 4376	20, 000. 00
May 18, warrant No. 4949	20, 000. 00
July 12, warrant No. 5157	40, 000. 00
September 16, warrant No. 5474	40, 000. 00

and by settlement warrant for supplies furnished by the insular purchasing agent as follows:

May 18, part of warrant No. 2890	P5, 914. 42
May 27, part of warrant No. 3000	1, 509. 38
July 11, part of warrant No. 3189	8, 932. 30
September 8, part of warrant No. 3472	10, 932. 85

There was also withdrawn from this appropriation on June 10, by settlement warrant No. 3064, the sum of P8,086.80 for the purchase from C. E. Helvie of one Porto Rican special road roller for use on the Pagbilao-Atimonan road, this payment having been authorized by indorsement of the civil governor, dated May 14, 1904.

Acts Nos. 1046 and 1137 each appropriated from the Congressional relief fund the sum of $500,000 United States currency, equivalent to P2,000,000, "for expenditure under the direction of the civil governor for such purposes and in such manner as may from time to time be authorized by resolutions of the Philippine Commission, and in carrying out the intent of the Congress of the United States in appropriating the funds aforesaid."

The appropriations under these two acts are here carried as one fund, inasmuch as they were later merged together by resolution of the Commission.

Withdrawals were made by accountable warrant from these appropriations as follows:

February 3, warrant No. 4464	P200, 000. 00
March 3, warrant No. 4627	100, 000. 00
April 6, warrant No. 4763	100, 000. 00
April 18, warrant No. 4805	60, 000. 00

and by settlement warrant for supplies furnished by the insular purchasing agent as follows:

March 21, part of warrant No. 2575	P213. 59
April 6, part of warrant No. 2706	16, 615. 96
April 13, part of warrant No. 2735	3, 987. 42
April 18, part of warrant No. 2772	24, 026. 53

The above withdrawals were made pursuant to the following resolution of the Commission, dated February 3:

"*Be it resolved*, That the civil governor is hereby authorized to expend from the fund of five hundred thousand dollars appropriated by Act Numbered Ten hundred and forty-six from the Congressional relief fund the sum of two hundred and fifty thousand dollars, in money of the United States, to be used in continuing the work of construction upon the road from Pozorrubio, Pangasinan, to Baguio, Benguet."

On February 15 the sum of P6,000 was withdrawn by warrant No. 4520 pursuant to the following resolution of the Commission, dated February 3:

"*Be it resolved*, That the civil governor is hereby authorized to expend from the fund of five hundred thousand dollars appropriated by Act Numbered Ten

hundred and forty-six from the Congressional relief fund the sum of three thousand dollars, in money of the United States, to be expended in opening a trail from the point on the road now in construction between Pozorrubio, Pangasinan, and Baguio, Benguet, which is known as Camp Four, to the point in the province of Benguet known as Loacan."

Further withdrawals from these appropriations were as follows:

March 28, warrant No. 4745	P20,000.00
April 11, warrant No. 4780	75,000.00
April 30, warrant No. 4876	67,097.73
August 17, warrant No. 5337	5,360.00
August 17, warrant No. 5338	10,000.00

These withdrawals were made pursuant to the following resolution of the Commission, dated February 20:

"*Be it resolved*, That the civil governor is hereby authorized to direct an expenditure from the appropriation made from the Congressional relief fund by Act Numbered Ten hundred and forty-six of the sum of one hundred and fifty thousand dollars United States currency, in the purchase of rice and the payment of transportation and other charges incident to its distribution among the inhabitants of the Philippine Islands for the purpose of relieving famine and distress therein, such distribution to be made in payment for labor on public roads and other public improvements."

On March 28, 1904, by warrant No. 4747, the sum of P10,000 was withdrawn pursuant to the following resolution of the Commission, dated February 25:

"*Be it resolved*, That the ten thousand dollars placed at the disposal of the committee on purchase and sale of carabaos under the provisions of the resolution of the Commission adopted on September seventh, nineteen hundred and three, having now been exhausted, the civil governor is hereby authorized to place at the disposal of said committee an additional sum of five thousand dollars, in money of the United States, to be expended out of the appropriation of five hundred thousand dollars made by Act Numbered Ten hundred and forty-six from the Congressional relief fund and made available for expenditure by the civil governor upon authorization by the Commission; said additional sum to be expended as may seem wise to the committee in the construction of shelters, corrals, and other means for the custody, care, and support of carabaos owned by the insular government pending their sale, and in the payment of salaries, wages, and other necessary expenses connected with the care and maintenance of carabao."

On March 28, 1904, by warrant No. 4746, the sum of P538.18 was withdrawn pursuant to the following resolution of the Commission, dated February 26:

"*Be it resolved*, That the civil governor is hereby authorized to expend, from the five hundred thousand dollars appropriated by Act Numbered Ten hundred and forty-six from the Congressional relief fund, a sum equivalent to five hundred and ninety-two pesos, Mexican currency, for the purpose of reimbursing the fund of the insular purchasing agent appropriated for the purchase of supplies for a like amount expended by direction of the insular purchasing agent from said fund for the payment to Mr. Alvaro Bertram de Lis for eight carabaos purchased from him by the insular government under a contract with said De Lis, dated December fifth, nineteen hundred and two."

Further withdrawals were as follows:

May 24, warrant No. 4963	P5,000
June 17, warrant No. 5065	10,000
August 11, warrant No. 5309	3,280

These withdrawals were pursuant to the following resolutions of the Commission, dated July 27, 1903, and February 26, 1904, respectively (the resolution of July 27, 1903, referred to is quoted above under Act No. 797):

"*Resolved*, That the civil governor is hereby authorized to expend from the fund of five hundred thousand dollars appropriated from the Congressional relief fund by Act Numbered Ten hundred and forty-six the sum of ten thousand pesos, in addition to the sum previously authorized by resolution of July twenty-seventh, nineteen hundred and three, for the payment of the following expenses:

"Salaries and wages (from April first, nineteen hundred and four): One chief veterinarian of class five, four veterinarians of class seven, four emergency veterinarians of class seven (to be used, if needed), fifteen inoculators of class A, five inoculators of class I.

"Transportation: For actual and necessary traveling expenses and for per diems when authorized by the Secretary of the Interior in lieu of actual and necessary traveling expenses of veterinarians and inoculators while on duty in the provinces.

"Contingent: For the purchase of necessary surgical instruments and supplies for veterinarians and inoculators, for official cablegrams and other necessary contingent expenses in connection with the inoculation of cattle.

"*Resolved further*, That the unexpended balance of the amount appropriated by resolution of July twenty-seventh, nineteen hundred and three, be, and is hereby, made available for the payment of expenses herein authorized in such proportion under the several headings as may be necessary."

Further withdrawals were made by settlement warrants for supplies furnished by the insular purchasing agent as follows:

May 9, part of warrant No. 2890	P330.00
July 11, part of warrant No. 3189	1,760.00
September 8, part of warrant No. 3472	4,183.20

These withdrawals were pursuant to the following resolution of the Commission, dated February 26:

"Commissioner Worcester brought up the fact that the chief of the bureau of agriculture desired to import 2 stallions, 2 jackasses, and 75 mares, and to purchase 18 of the best native mares obtainable and 12 native sows for the purpose of improving the breeds of horses and hogs in these islands, and of breeding of mules.

"After consideration by the Commission, on motion it was

"*Resolved*, That the civil governor is hereby authorized to expend from the fund of five hundred thousand dollars appropriated by Act Numbered Ten hundred and forty-six from the Congressional relief fund the sum of twenty-two thousand six hundred Philippine pesos in the purchase of stallions, jackasses, and mares, and boars and sows."

Further withdrawals were made by settlement warrants for supplies furnished by the insular purchasing agent as follows:

April 13, part of warrant No. 2735	P11,305.01
April 18, part of warrant No. 2772	754.58
May 9, part of warrant No. 2890	788.12
May 27, part of warrant No. 3000	2,185.94
June 27, part of warrant No. 3140	787.58
July 11, part of warrant No. 3189	773.30

These withdrawals were made pursuant to the following resolution of the Commission, dated February 26:

"Commissioner Worcester brought up the fact that expenses would necessarily be incurred by the serum laboratory in connection with the combating of contagious disease among the cattle of the Philippine Islands, as follows: Cattle for serum work, P15,184; feed for serum animals, P8,216; syringes and apparatus for inoculation of animals, P1,100; take-down microscopes to be used by traveling veterinarians and inoculators in diagnostic work in connection with contagious diseases of animals, P400. These several sums being properly chargeable against the Congressional relief fund, on motion, it was

"*Resolved*, That the civil governor is hereby authorized to expend from the fund of five hundred thousand dollars appropriated by Act Numbered Ten hundred and forty-six from the Congressional relief fund the sum of twenty-four thousand and nine hundred Philippine pesos for the purchase of cattle for serum work, feed for serum animals, apparatus for inoculation of animals, and microscopes for diagnostic work."

On March 17, 1904, warrant No. 4682, the sum of P1,000 was withdrawn pursuant to the following resolution of the Commission dated March 10:

"*Be it resolved*, That the civil governor is hereby authorized to expend from the funds appropriated by Act Numbered Ten hundred and forty-six from the Congressional relief fund the sum of five hundred dollars, United States currency, or so much thereof as may be necessary, in payment of a daily allowance of five Philippine pesos to each agricultural member of a locust board in lieu of his traveling expenses while engaged in the work of the board away from his usual place of residence, by virtue of his appointment as such member pursuant to Act Numbered Eight hundred and seventeen, the services of such members being required to relieve distress in the Philippine Islands."

On May 27, 1904, by warrant No. 4984, the sum of P500 was withdrawn pursuant to the following resolution of the Commission, dated April 28:

"*Resolved*, That the civil governor be, and he is hereby, authorized to expend from the appropriation made by Act Numbered Ten hundred and forty-six from the Congressional relief fund the sum of five hundred Philippine pesos to meet all necessary expenses incident to immunization, herding, and care of Government carabaos sent to Occidental Negros; and it was

"*Resolved further*, That the funds provided to be expended by this resolution shall be withdrawn upon requisition in favor of the disbursing officer of the insular purchasing agent in accordance with section two of Act Numbered Ten hundred and forty-six, and that said disbursing officer shall transfer the funds so withdrawn to the treasurer of the province of Occidental Negros, who is authorized to expend the same for the purposes above set forth, upon vouchers to be approved by the provincial board of that province."

Further withdrawals were made by accountable warrant as follows:

May 12, warrant No. 4911	P200,000.00
June 10, warrant No. 5027	100,000.00
June 30, warrant No. 5121	100,000.00

and by settlement warrant for supplies furnished by the insular purchasing agent as follows:

May 27, part of warant No. 3000	P60,480.35
June 9, part of warrant No. 3042	5,139.18
June 27, part of warrant No. 3140	18,188.18
July 11, part of warrant No. 3189	10,758.38
August 15, part of warrant No. 3304	702.10
August 17, part of warrant No. 3399	465.52

These withdrawals were pursuant to the following resolution of the Commission, dated April 30:

"*Be it resolved*, That the civil governor is hereby authorized to expend from the fund of five hundred thousand dollars appropriated by Act Numbered Eleven hundred and thirty-seven from the Congressional relief fund the sum of two hundred and fifty thousand dollars in money of the United States, to be used in continuing the work of construction upon the road from Pozorrubio, Pangasinan, to Baguio, Benguet."

On May 20, 1904, by warrant No. 4855, the sum of P7,000 was withdrawn pursuant to the following resolution of the Commission, dated April 30:

"*Be it resolved*, That the civil governor is hereby authorized to expend from the fund of five hundred thousand dollars appropriated by Act Numbered Eleven hundred and thirty-seven from the Congressional relief fund the sum of three thousand five hundred dollars, in money of the United States, for improvements at Baguio, Benguet, including the completion of map and studies for street system, the marking out of streets, the making of plans for waterworks, sewers, and drainage system, and work on a wagon road to Trinidad and the development of irrigation of the Trinidad Valley."

On May 24, 1904, by settlement warrant No. 2983, the sum of P1,000 was withdrawn pursuant to the following resolution of the Commission, dated April 30:

"The president presented a communication from the governor of the province of Rizal, stating that Mr. Nazario Crisostomo, president of the municipality of Bosoboso, Rizal, had been badly mutilated and permanently disabled, and prevented from earning a living by a band of outlaws, and further stating that many valuable services had been rendered by him to the American authorities. It appearing that he had always been an active supporter of the authorities of the civil government in running down and capturing brigands and in the performance of other valuable services, and that the injuries inflicted upon him were because of these services, and by reason of his injuries he is unable to earn a livelihood,

"After consideration by the Commission, on motion, it was

"*Resolved*, That the civil governor be, and is hereby, authorized to expend from the fund of five hundred thousand dollars appropriated by Act Numbered One thousand and forty-six from the Congressional relief fund the sum of five hundred dollars, in money of the United States, to be placed in the hands of the governor of the province of Rizal and, in his discretion, to be given at once to Mr. Nazario Crisostomo or to be paid to him in monthly installments of thirty Philippine pesos per month, as may seem to be for the best interest of Mr. Crisostomo."

On May 27, 1904, by part of settlement warrant No. 3000, the sum of P4,839.23 was withdrawn in payment for animals and poultry secured through the insular purchasing agent pursuant to the following resolution of the Commission, dated May 3:

"*Resolved*, That the civil governor be, and is hereby, authorized to expend from the fund of five hundred thousand dollars appropriated by Act Numbered One thousand and forty-six from the Congressional relief fund the sum of two thousand four hundred and twenty dollars, in money of the United States, in payment for certain animals and poultry purchased by the insular purchasing agent for the bureau of agriculture on requisition numbered one thousand and twenty-eight, second quarter, fiscal year nineteen hundred and four."

On June 9, 1904, by warrant No. 5026, the sum of P300,000 was withdrawn pursuant to the following resolution of the Commission, dated May 13:

"*Be it resolved*, That the civil governor be, and he is hereby, authorized to expend from the fund of five hundred thousand dollars appropriated by Act Numbered Eleven hundred and thirty-seven from the Congressional relief fund the sum of one hundred and fifty thousand dollars, in money of the United States, for the improvement of such roads in the Moro Province as may be designated by the legislative council of that province, said one hundred and fifty thousand dollars to be withdrawn from the insular treasury upon requisition of the treasurer of the Moro Province, and the work for which it is expended to be done under the supervision of the engineer of that province."

On June 20, 1904, by warrant No. 5087, the sum of P1,000 was withdrawn pursuant to the following resolution of the Commission, dated June 9:

"*Be it resolved*, That the civil governor is hereby authorized to expend from the fund of five hundred thousand dollars appropriated by Act Numbered One thousand and forty-six from the Congressional relief fund the sum of five hundred dollars, in money of the United States, to be expended in keeping in repair a trail from the point on the road now in process of construction between Pozorrubio, Pangasinan, and Baguio, Benguet, which is known as Camp Four, to Baguio."

On July 1, 1904, by warrant No. 5128, the sum of P2,000 was withdrawn pursuant to the following resolution of the Commission, dated June 30:

"*Be it resolved*, That the civil governor is hereby authorized to expend from the funds appropriated by Act Numbered One thousand and forty-six from the Congressional relief fund the sum of one thousand dollars, United States currency, or so much thereof as may be necessary, in payment of a daily allowance of five Philippine pesos to each agricultural member of a locust board in lieu of his traveling expenses while engaged in the work of the board away from his usual place of residence, by virtue of his appointment as such member pursuant to Act Numbered Eight hundred and seventeen, the services of such members being required to relieve distress in the Philippine Islands."

On August 3, 1904, by warrant No. 5275, the sum of P500 was withdrawn pursuant to the following resolution of the Commission, dated July 7:

"The committee on purchase and sale of carabaos presented a telegram from the supervisor of the province of Occidental Negros, stating that an additional sum of P500 was necessary to cover the expense of herding the government carabaos in his charge up to July 9, 1904, the day on which the sale of the carabaos is to be had, and, in response to a request for a statement of the expenditure of the P500 authorized by resolution of the Commission of April 28, 1904, he had furnished the following:

"On hand	P0.42
"Authorized by resolution April 28	500.00
"Total	500.42
"Pay rolls, March, April, May	465.30
"Medicine	2.00
"Illumination	4.75
"Construction of corrals	13.42
"Total	485.47
"Balance on hand	14.95

"In view of the evident necessity for more funds for the care of carabaos in charge of the supervisor of the province of Negros Occidental, on motion it was

"*Resolved*, That the civil governor be, and he is hereby, authorized to expend from the appropriation made by Act Numbered Eleven hundred and thirty-seven from the Congressional relief fund the sum of two hundred and fifty dollars, in money of the United States, to meet all necessary expenses incident to immunization, herding, and care of government carabaos sent to Negros Occidental; and it was

"*Resolved further*, That the funds to be expended under this resolution shall be withdrawn upon requisition in favor of the disbursing officer of the insular purchasing agent, in accordance with the provisions of section two of Act Numbered Eleven hundred and thirty-seven, and said disbursing officer shall transfer the funds so withdrawn to the treasurer of the province of Negros Occidental, who is authorized to expend the same for the purpose above set forth, upon vouchers to be approved by the provincial board of that province."

Under dates of August 3 and 27, 1904, by warrants Nos. 5274 and 5403, the sums of P196,823.67 and P150,000, respectively, were withdrawn, pursuant to the following resolutions of the Commission, dated February 3 and July 2, respectively:

(The resolution of February 3 being quoted above under warrants 4464, 4627, 4805, etc.)

"*Be it resolved*, That the civil governor is hereby authorized to expend from the Congressional relief fund the unexpended balance of the fund of five hundred thousand dollars appropriated by Act Numbered Ten hundred and forty-six and so much of the fund of five hundred thousand dollars appropriated by Act Numbered Eleven hundred and thirty-seven as may increase the total amount expended hereunder to one hundred and fifty thousand dollars, money of the United States, to be used in continuing the work of construction upon the road from Pozorrubio, Pangasinan, to Baguio, Benguet."

The following resolutions were passed by the Commission under the dates indicated:

The following resolution was passed by the Commission on March 11, 1904:

"Commissioner Smith, in the absence of Commissioner Worcester, called the attention of the Commission to the desirability of authorizing the acting chief of the bureau of agriculture to secure a herd of Jersey cattle for breeding purposes, and recommended that a dairy be established near Manila in order that the milk from the herd might be sold to hospitals and private persons.

"After consideration by the Commission, on motion it was

"*Resolved*, That the civil governor be authorized to expend from the fund of five hundred thousand dollars appropriated by Act Numbered Ten hundred and forty-six from the Congressional relief fund the sum of three thousand five hundred dollars, in money of the United States, for the purchase and bringing to Manila of a herd of sixty Jersey grade dairy cows and heifers.

"*It was further resolved*, That the acting chief of the bureau of agriculture be allowed to make direct purchase of these animals and be authorized to employ a competent attendant to accompany them, the attendant to receive in full compensation for bringing these animals to Manila one hundred dollars, in currency of the United States, and his actual and necessary traveling expenses from his home to Manila, no return expenses or wages on the return trip to be allowed him."

The following resolution was passed by the Commission on April 4, 1904:

"Commissioner Smith presented a communication from the local purchasing agent requesting an increase in his salary, in view of the large amount of extraordinary work involved in looking after the importations of carabaos by the insular government, and suggesting that it would seem just that such increase should be borne by the Congressional relief fund, a part of which was devoted to the purchase of carabaos.

"After consderation by the Commission, on motion it was

"*Resolved*, That in view of the additional labor imposed upon the local purchasing agent by the duties involved in the oversight of the importation of carabaos by the insular government the civil governor be, and is hereby, authorized to make an allowance to the local purchasing agent at the rate of two hundred and fifty dollars per annum from the sum of five hundred thousand dollars appropriated by Act Numbered Ten hundred and forty-six of the Con-

gressional relief fund and made available for expenditure by the civil governor upon authorization of the Commission, said allowance to date from January first, nineteen hundred and four, and to continue as long as the importation of carabaos by the insular government shall continue under the present contract."

The following resolution was passed by the Commission on July 22, 1904:

"The committee on purchase and sale of carabaos presented the claim of Mr. A. Roces, of Paete, La Laguna, for refund of the price of 7 carabaos said to have been purchased by him on October 14 or 15, 1903, and known as Nos. 379, 387, 396, 411, 420, 447, and 457.

"It appeared that soon after the purchase of these animals one of them became sick and the fact was reported by Mr. Roces to Commissioner Smith; that subsequently Commissioner Legarda called the attention of Commissioner Smith again to the matter and stated that all of the animals were sick with rinderpest; that as these animals were inoculated against rinderpest the statement of the nature of the disease was received with some doubt and the bureau of government laboratories was requested to send some one to Paete for the purpose of making an investigation; that on November 3, 1903, Chief Inoculator Newby visited Paete and took five blood smears from the carabaos purchased by Mr. Roces, four of which, on laboratory examination, proved positive for surra; that on December 22, 1903, Mr. William Thompson, veterinarian of the board of health, reported that 4 of the animals examined by Chief Inoculator Newby—Nos. 396, 411, 420, and 457—had died, and that the portions of hides bearing those numbers were in the possession of Mr. Roces, and that the animals Nos. 379, 387, and 447 were located at San Antonio, but that it was impossible to see them, as the roads were impassable.

"It appeared, further, that the veterinarian, Mr. Thompson, recommended that the surviving animals be destroyed as soon as possible, and that the animals sold to Mr. Roces were taken from what was known as the La Loma herd, a great number of which developed surra.

"After consideration by the Commission, on motion, it was

"*Resolved*, That the purchase price of carabaos numbered three hundred and ninety-six, four hundred and eleven, four hundred and twenty, and four hundred and fifty-seven be refunded to Mr. A. Roces; and the civil governor is hereby authorized to direct the disbursing officer of the insular purchasing agent to make such refund and withdraw from the insular treasury, by requisition in his favor, from the appropriation made by Act Numbered Eleven hundred and thirty-seven from the Congressional relief fund, the amount of money necessary for this purpose."

No withdrawals have as yet been made under these resolutions.

The following resolution was passed by the Commission on August 4, 1904:

"*Be it resolved*, That the disbursing officer for the bureau of government laboratories be, and is hereby, authorized to reimburse the appropriation for salaries and wages, bureau of government laboratories, fiscal year nineteen hundred and five, from the Congressional relief funds made available by resolution of the Commission of February twenty-sixth, nineteen hundred and four, in the sum of three hundred and ninety-one and sixty-six one-hundredths Philippine pesos, such amount having been used to pay salaries of certain employees at the bureau of government laboratories engaged in serum work prior to the determination of the Commission to make payment therefor from Congressional relief funds."

Under the several resolutions as set forth involving the appropriations made by Acts Nos. 1046 and 1137 a total sum of P1,900,384.75 has been withdrawn from the treasury and repayments have been made amounting to P48,105.86, leaving net withdrawals amounting to P1,852,278.89 and a balance undrawn and to the credit of the subappropriation on the books of the auditing bureau of P147,721.11.

Under date of March 3, 1904, by Act No. 1073, the Commission appropriated the sum of $126,800, United States currency, equivalent to P253,600, from the Congressional relief fund for the purpose of constructing and repairing roads and bridges in the provinces of La Laguna and Tayabas, as follows:

For the Bay-Tiaong road, P144,600; for the Magdalena-Santa Cruz-Pagsanjan road, P70,000; for the Lucena Sariaya road, P39,000.

From these appropriations withdrawals have been made as follows:

For the Bay-Tiaong road, on April 14, 1904, by accountable warrant No. 4790, the sum of P15,000, and on August 11, 1904, by accountable warrant No. 5300,

the sum of P15,000, and by settlement warrants for supplies furnished by the insular department, as follows:

May 9, part of warrant No. 2890	P962.38
May 27, part of warrant No. 3000	690.20
June 9, part of warrant No. 3042	187.22
July 11, part of warrant No. 3189	2,400.90
August 17, part of warrant No. 3399	192.24
August 27, part of warrant No. 3434	1,145.07
September 8, part of warrant No. 3472	54.23

For the Lucena-Sariaya road, on April 15, 1904, by warrant No. 4792, the sum of P10,000, and on July 29, 1904, by warrant No. 5261, the sum of P10,000.

On August 5, 1904, by part of settlement warrant No. 3304, the sum of P257.47 was withdrawn for supplies furnished by the insular purchasing agent.

Under date of March 3, 1904, by Act No. 1074, the Commission appropriated the sum of $17,000, United States currency, equivalent to P34,000, from the Congressional relief fund for the purpose of constructing and repairing the Calamba-Los Baños-Bay wagon road, in the province of La Laguna.

On April 30, 1904, by warrant No. 4874, the sum of P34,000 (the full amount appropriated) was withdrawn.

Under date of March 3, 1904, the sum of P4,000 was appropriated by Act No. 1075 from the Congressional relief fund as a loan to the province of Rizal, "to be paid to the treasurer of Rizal upon the production by him to the treasurer of the Philippine Islands of a certified copy of a resolution of the provincial board of Rizal accepting such loan, and agreeing to repay the same without interest on or before one year from the date of its acceptance."

On May 31, 1904, upon the written approval of the civil governor, the amount of this loan was returned to the Congressional relief fund in the treasury available for appropriation, the provincial board of Rizal having certified that the same would not be needed.

Under date of March 5, 1904, the following sums were appropriated by Act No. 1076 from the Congressional relief fund as loans to the provinces indicated:

Province of Ilocos Sur.—P20,000, "to be repaid to the insular treasury, as follows: P5,000 within one year from the date of the acceptance of the loan and P5,000 each year thereafter until the full amount of the loan has been satisfied."

Province of Romblon.—P8,000, "to be repaid to the insular treasury, as follows: P2,000 within one year from the date of acceptance of the loan and P3,000 each year thereafter until the full amount of the loan has been satisfied."

Province of Abra.—P6,000, "to be repaid to the insular treasury, as follows: P1,200 within one year from the date of the acceptance of the loan, and P1,200 each year thereafter until the full amount of the loan has been satisfied."

On May 31, 1904, by settlement warrant No. 3011, the sum of P20,000, as appropriated to the province of Ilocos Sur, was withdrawn.

On March 17, 1904, by settlement warrant No. 2558, the sum of P8,000, as appropriated to the province of Romblon, was withdrawn.

Under date of July 19, 1904, by Act No. 1198, the Commission appropriated the sum of $100,000 United States currency, equivalent to P200,000, from the Congressional relief fund, "for expenditure under the direction of the civil governor, for such purposes and in such manner as might from time to time be authorized by resolutions of the Philippine Commission and in carrying out the intent of the Congress of the United States in appropriating the fund aforesaid."

On August 11, 1904, by warrant No. 5297, the sum of P10,000 was withdrawn pursuant to the following resolution of the Commission, dated August 3:

"*Be it resolved*, That the civil governor is hereby authorized to expend from the fund of one hundred thousand dollars appropriated by Act Numbered Eleven hundred and ninety-eight from the Congressional relief fund the sum of ten thousand Philippine pesos, for the purchase of one thirty-five horsepower plowing engine, with plows, rolling cutters, ditching machine, harrows, corn crushers, and grinders, and for the payment of transportation charges and duty on the same."

On August 19, 1904, by warrant No. 5352, the sum of P15,000 was withdrawn pursuant to the following resolution of the Commission, dated July 19:

"*Be it resolved*, That the civil governor is hereby authorized to expend from the appropriation of one hundred thousand dollars made by Act Numbered Eleven hundred and ninety-eight from the Congressional relief fund the sum of

seven thousand five hundred dollars in money of the United States, to be used in completing the construction of the Malolos-Bulacan road, in the province of Bulacan."

On August 27, 1904, by warrant No. 5398, the sum of P34,300 was withdrawn pursuant to the following resolution of the Commission, dated August 3:

"*Resolved*, That the civil governor is hereby authorized to expend from the fund of one hundred thousand dollars appropriated by Act Numbered Eleven hundred and ninety-eight from the Congressional relief fund the sum of thirty-four thousand three hundred Philippine pesos, in addition to the unexpended balance of twenty-four thousand nine hundred Philippine pesos, previously authorized by resolution of the Commission of February twenty-sixth, nineteen hundred and four, from the appropriation made by Act Numbered Ten hundred and forty-six for the salary of one veterinarian of class six and two emergency inoculators, at five Philippine pesos per day each, from July first, nineteen hundred and four, for the purchase of cattle, calves, and horses for serum and vaccine work, forage for animals, supplies for the inoculation and care of animals, and for hire of laborers for the care of animals."

On August 27, 1904, by warrant No. 5399, the sum of P15,000 was withdrawn, and on September 24, 1904, by warrant No. 5533 the sum of P8,200 was withdrawn, both withdrawals being pursuant to the following resolution of the Commission, dated July 27:

"*Be it resolved*, That the civil governor is hereby authorized to expend from the fund of one hundred thousand dollars appropriated from the Congressional relief fund by Act Numbered Eleven hundred and ninety-eight the sum of one hundred and twenty-eight thousand two hundred Philippine pesos, for the payment of the following expenses for the fiscal year 1905:

"Salaries and wages: One chief veterinarian of class five, twelve veterinarians of class seven, twenty inoculators of class A, ten inoculators of class I.

"Transportation: For actual and necessary traveling expenses and for per diems when authorized by the secretary of the interior in lieu of actual and necessary traveling expenses of veterinarians and inoculators while on duty in the provinces.

"Contingent: For the purchase of necessary surgical instruments and supplies for veterinarians and inoculators, for official cablegrams and other necessary contingent expenses in connection with the inoculation of cattle."

The following resolution was passed by the Commission on September 9, 1904:

"*Resolved*, That the civil governor be, and he is hereby, authorized to expend from the fund of one hundred thousand dollars appropriated by Act Numbered Eleven hundred and ninety-eight out of the Congressional relief fund, the sum of five thousand dollars, in money of the United States, for the construction and repair of roads in the province of Capiz, as may be designated by the provincial board, for the purpose of granting relief to the inhabitants of said province and especially to the tuba workers who may be out of employment; said five thousand dollars to be withdrawn from the insular treasury upon requisition of the treasurer of the province of Capiz, and the work for which it is expended to be done under the supervision of the supervisor-treasurer of that province."

The following resolution was passed by the Commission on September 12, 1904:

"Whereas, it is represented by the auditor for the Philippine Islands that, in directing the expenditure of the sum of five hundred thousand dollars United States currency, appropriated by Act Numbered One thousand and forty-six, from the Congressional relief fund, for expenditure under the direction of the civil governor upon resolutions of the Philippine Commission, said sum was overdrawn to the amount of nine hundred dollars United States currency; and,

"Whereas, there was expended by the civil governor upon resolution of the Commission of May tenth, nineteen hundred and four, from said fund so appropriated by Act Numbered One thousand and forty-six, the sum of one thousand eight hundred Philippine pesos, the equivalent of nine hundred dollars United States currency, for the purchase of palay seed for sale in the province of Romblon, the proceeds of such sale to be returned to the insular treasury to the credit of the Congressional relief fund; and,

"Whereas, there was appropriated from said Congressional relief fund by Act Numbered Eleven hundred and ninety-eight the sum of one hundred thousand dollars United States currency, to be expended in like manner as the sum appropriated from said fund by Act Numbered One thousand and forty-six, and it appearing that there is a balance remaining to the credit of the account of the

appropriation by Act Numbered Eleven hundred and ninety-eight: Now, therefore, be it

"*Resolved*, That the auditor for the Philippine Islands be, and he is hereby, authorized to transfer the item of one thousand eight hundred Philippine pesos, authorized to be expended by resolution of the Commission of May tenth, nineteen hundred and four, from the account of the appropriation by Act Numbered One thousand and forty-six to the account of the appropriation by Act Numbered Eleven hundred and ninety-eight."

No withdrawals have as yet been made on account of these two resolutions.

Under the several resolutions, as set forth, involving the appropriation made by Act No. 1198, a total sum of P82,500 has been withdrawn from the treasury and repayments have been made amounting to P100, leaving net withdrawals amounting to P82,400 and a balance undrawn to the credit of subappropriation on the books of the auditing bureau of P117,600.

Under date of August 25, 1904, by Act No. 1220, the Commission appropriated the sum of $50,000 United States currency, equivalent to P100,000, from the Congressional relief fund "for expenditure in payment of such expenses incident to the purchase and delivery in the Philippine Islands of draft cattle as might from time to time be authorized by resolutions of the Philippine Commission."

On August 29, 1904, by warrant No. 5413, the sum of P20,000 was withdrawn pursuant to the following resolution of the Commission, dated August 25:

"The committee on purchase and sale of carabaos presented a communication from the chief veterinarian of the board of health reporting the arrival on August 15, 1904, of the steamship *Silum* from Chinkiang, China, with carabaos consigned to the insular government by Messrs. Keylock & Pratt, of Shanghai.

"It appeared that 271 carabaos were shipped from China, of which number 24 died during the voyage; that inspection had been made of the 247 carabaos, of which 22 were rejected and 225 accepted.

"The committee requested authorization to direct the insular purchasing agent to make payment for these animals out of the funds appropriated for the purchase of carabaos, in accordance with the terms of the contract of purchase.

"After consideration by the Commission, on motion, it was

"*Resolved*, That payment to Messrs. Keylock and Pratt, of Shanghai, China, for two hundred and twenty-five carabaos, accepted after examination by the veterinarian of the board of health, from a consignment to the insular government be, and is hereby, authorized; and the committee on purchase and sale of carabaos is hereby empowered to instruct the insular purchasing agent to make payment for said animals out of the appropriation made from the Congressional relief fund for the purchase of draft cattle, in accordance with the terms of the contract of purchase."

On September 9, 1904, by warrant No. 5454, the sum of P25,000 was withdrawn pursuant to the following resolution of the Commission, dated September 7, 1904:

"The committee on purchase and sale of carabaos presented communications from the local purchasing agent and the chief veterinarian of the board of health reporting the arrival, on September 5, 1904, of the steamship *Halvard* from Chinkiang, China, with carabaos consigned to the insular government. Four hundred and thirteen carabaos were shipped from China, of which number 39 died during the voyage. Inspection was made of 374, of which number 38 were rejected and the remainder, 336, accepted. The committee requested authorization to direct the insular purchasing agent to make payment for these animals out of funds appropriated for the purchase of carabaos in accordance with the terms of the contract of purchase.

"*Resolved*, That payment for three hundred and thirty-six carabaos, accepted after examination by the veterinarian of the board of health from a consignment to the insular government, be, and is hereby, authorized, and the committee on purchase and sale of carabaos is hereby empowered to instruct the insular purchasing agent to make payment for such animals out of the appropriation made from the Congressional relief fund for the purchase of carabaos in accordance with the terms of the contract of purchase."

The accounts concerned in the withdrawals herein shown have not yet been rendered to the auditor with sufficient completeness to admit of a definite statement at this time of the actual expenditures. In the forthcoming annual report of the auditor, however, there will be presented, under the different general heads as appropriated, all expenditures made from the Congressional relief

fund which form a part of the accounts declared as settled by this office to the close of the audit now nearing completion.

It is therefore evident from the showing herein made that from the balance of the original fund unappropriated of P3,309,000, as stated in my report to December 1, 1903, there has been appropriated or allotted by the Philippine Commission the sum of P2,703,771.47, and from these allotments and the balance of appropriated moneys undrawn December 1, of P1,378,837.58, net withdrawals have been made of P2,952,748.48 (from which should be deducted the net repayments of P11,804.20, under Act No. 786), thus leaving a balance to the credit of the allotments of P1,141,664.77.

There was in the treasury on October 1 to the credit of the Congressional relief fund a balance unappropriated of P609,228.53 and a balance of the original fund in the treasury, allotted and unallotted, amounting to P1,750,893.30.

A tabulated statement is submitted herewith embracing the figures above set forth.

Respectfully, WM. W. BARRE, *Acting Auditor.*

The CIVIL GOVERNOR, *Manila.*

Statement of the appropriations from the Congressional relief fund, showing the withdrawals, repayments, and balances October 1, 1904, Philippines currency.

Act No.	Date of resolution.	Purpose.	Balance of appropriation undrawn Dec. 1, 1903.	Date of warrant.	No. of warrant.	Amount appropriated, Philippines currency.	Withdrawals.					
							Purchase and distribution of rice.	Purchase, custody, care, and support of carabaos.	Roads and public works.	Destruction of locusts.	Purchase of animals for breeding purposes.	Amount voted to Nazario Crisostomo.
738	(a)	Purchase of draft cattle	$196,239.02	Dec. 21	4296			$18,660.19				
				Jan. 15	4375			11,316.75				
				Feb. 15	4517			18,045.18				
				Feb. 19	4560			10,000.00				
				Feb. 26	4616			20,000.00				
				May 9	4896			25,000.00				
				May 27	4983			10,000.00				
				June 15	5049			20,000.00				
				June 29	5115			40,000.00				
				July 30	5265			30,000.00				
750	(a)	To reimburse insular purchasing agent for food supplies, etc., issued to people of Manguina rendered homeless by fire Apr. 26, 1903.		Jan. 1	2302	₱1,471.47	a $1,471.47					
786	(a)	Purchase, sale, and distribution of rice.		May 9	2889	11,804.20	a 2,113.61					
795	(a)	Contingent expenses, government laboratories.	1,853.87	Dec. 11	a 2124			354.20				
797	Sept. 7	Expenditures under direction of the civil governor.	233,744.69	Dec. 21	4295			20,000.00				
	July 27	do		Dec. 23	a 4300			10,000.00				
	Sept. 19	do		do	a 4300					$1,000.00		
	Jan. 20	do		Jan. 23	4406			1,000.00				
	July 27	do		Feb. 23	4584			10,000.00				
	do	do		Mar. 21	4715			10,000.00				
	do	do		Apr. 13	a 2735			73.21				
	do	do		May 9	a 2890			312.03				
	do	do		May 27	a 3000			180.51				
	do	do		June 9	a 3042			225.48				
	do	do		June 27	a 3140			693.88				
	do	do		Aug. 17	a 3399			75.40				
		To adjust appropriations								155.00		
918		Wagon road, Pasacao to Nueva Cáceres, Ambos Camarines.	40,000.00	Feb. 25	4614				$10,000.00			
				Mar. 21	a 2575				895.39			
				Apr. 18	a 2772				4,972.11			
				May 27	a 3000				6,844.32			
				June 4	5010				10,000.00			
				July 11	a 3189				3,272.50			

				July 26	a3246				1,188.00			
				July 28	5260				4,015.68			
920 1083 1192	Constructing and repairing roads and bridges:											
	Vigan Bangued	$70,000.00	Jan. 9	4360	₱14,700.00				$10,000.00			
			Jan. 13	4371					20,000.00			
			Feb. 19	4570					20,000.00			
			Feb. 25	a2440					4,399.70			
			Apr. 26	4855					15,000.00			
			July 26	5246					6,000.00			
			do	a3246					3,196.23			
			Aug. 18	3402					124.75			
			Aug. 5	a3304					6.49			
	Bacon-Bulusan	65,000.00	Feb. 8	4479					25,000.00			
			Apr. 6	a2706					5,570.60			
			June 13	5039					10,000.00			
			Aug. 5	a3304					3,058.85			
			Aug. 19	5354					7,000.00			
	Villaverch trail	4,000.00	Dec. 11	a2124	62,000.00				1,129.53			
			Jan. 11	4367					2,870.47			
			Mar. 17	4687					20,000.00			
			Mar. 30	4753					10,000.00			
			Apr. 14	4791					20,000.00			
			do	a2735					193.07			
			June 9	5025					11,806.93			
			July 26	a3246					2,923.10			
1000	Construction and repair of roads in Cebu Province:											
	Carcar-Bauli	56,000.00	Dec. 4	4224					10,000.00			
			Mar. 21	4718					20,000.00			
			May 9	a2890					2,272.76			
			May 10	4898					20,000.00			
			May 27	a3000					174.01			
			July 8	5139					3,553.23			
			Sept. 8	a3472					2,080.62			
	Sogod-Putad	178,000.00	May 27	a3000					817.30			
			July 8	5140					10,000.00			
			July 26	a3246					3,717.34			
			Sept. 8	a3472					1,734.87			
1015	Construction of wagon road in Tayabas Province: Pagbilao-Atimonan.	174,000.00	Jan. 15	4377					20,000.00			
			Jan. 22	4394					458.34			
			Mar. 18	4696					20,000.00			
			May 9	a2890					5,280.89			
			May 14	4918					20,000.00			
			May 27	a3000					8,727.65			
			June 20	5073					20,000.00			
			July 11	a3189					135.91			
			July 26	a3246					9,265.23			
			July 28	5259					20,000.00			
			Aug. 30	5416					20,000.00			
			Sept. 20	5495					20,000.00			

b In part.

Statement of the appropriations from the Congressional relief fund, showing the withdrawals, repayments, and balances October 1, 1904. Philippines currency—Continued.

Act No.	Date of resolution.	Purpose.	Balance of appropriation undrawn Dec. 1, 1903.	Date of warrant.	No. of warrant.	Amount appropriated, Philippines currency.	Withdrawals.					
							Purchase and distribution of rice.	Purchase, custody, care, and support of carabaos.	Roads and public works.	Destruction of locusts.	Purchase of animals for breeding purposes.	Amount voted to Nazario Crisos tomo.
1016	.....	Construction of Capas-O'donnell-Iba wagon road, in provinces of Tarlac and Zambales.	360,000.00	Jan. 7	4350	.....	.....	.....	$186.66	.....	.....	.....
				Jan. 15	4376	.....	.....	.....	20,000.00	.....	.....	.....
				May 18	a2890	.....	.....	.....	5,914.42	.....	.....	.....
				....do....	4949	.....	.....	.....	20,000.00	.....	.....	.....
				May 27	a3000	.....	.....	.....	1,509.38	.....	.....	.....
				June 10	3064	.....	.....	.....	8,086.80	.....	.....	.....
				July 11	a3189	.....	.....	.....	8,932.30	.....	.....	.....
				July 12	5157	.....	.....	.....	40,000.00	.....	.....	.....
				Sept. 8	a3472	.....	.....	.....	10,932.85	.....	.....	.....
				Sept. 16	5474	.....	.....	.....	40,000.00	.....	.....	.....
1046 1137	Feb. 3	Expenditure under direction of the civil governor.	.....	Feb. 3	4464	₱2,000,000.00	.....	.....	200,000.00	.....	.....	.....
	....do....	....do....	.....	Feb. 15	4520	.....	.....	.....	6,000.00	.....	.....	.....
	....do....	....do....	.....	Mar. 3	4627	.....	.....	.....	100,000.00	.....	.....	.....
	Mar. 10	....do....	.....	Mar. 17	4682	.....	.....	.....	.....	$1,000.00	.....	.....
	Feb. 3	....do....	.....	Mar. 21	a2575	.....	.....	.....	213.59	.....	.....	.....
	Feb. 20	....do....	.....	Mar. 28	4745	.....	$20,000.00	.....	.....	.....	.....	.....
	Feb. 26	....do....	.....	....do....	4746	.....	.....	$538.18	.....	.....	.....	.....
	Feb. 25	....do....	.....	....do....	4747	.....	.....	10,000.00	.....	.....	.....	.....
	Feb. 3	....do....	.....	Apr. 6	4763	.....	.....	.....	100,000.00	.....	.....	.....
	....do....	....do....	.....	....do....	a2706	.....	.....	.....	16,615.96	.....	.....	.....
	Feb. 20	....do....	.....	Apr. 11	4780	.....	75,000.00	.....	.....	.....	.....	.....
	Feb. 3	....do....	.....	Apr. 13	a2735	.....	.....	.....	3,987.42	.....	.....	.....
	Feb. 26	....do....	.....	....do....	a2735	.....	.....	11,305.01	.....	.....	.....	.....
	....do....	....do....	.....	Apr. 18	a2772	.....	.....	754.58	.....	.....	.....	.....
	Feb. 3	....do....	.....	....do....	a2772	.....	.....	.....	24,026.53	.....	.....	.....
	....do....	....do....	.....	....do....	4805	.....	.....	.....	60,000.00	.....	.....	.....
	Feb. 20	....do....	.....	Apr. 30	4876	.....	67,097.73	.....	.....	.....	.....	.....
	Feb. 26	....do....	.....	May 9	a2890	.....	.....	.....	.....	.....	$330.00	.....
	....do....	....do....	.....	....do....	a2890	.....	.....	788.12	.....	.....	.....	.....
	Apr. 30	....do....	.....	May 12	4911	.....	.....	.....	200,000.00	.....	.....	.....
(b)	....do....	....do....	.....	May 20	4955	.....	.....	.....	7,000.00	.....	.....	.....
	....do....	....do....	.....	May 24	2983	.....	.....	.....	.....	.....	.....	$1,000.00
	Feb. 26	....do....	.....	....do....	4963	.....	.....	5,000.00	.....	.....	.....	.....
	Apr. 28	....do....	.....	May 27	4984	.....	.....	500.00	.....	.....	.....	.....
	Apr. 30	....do....	.....	....do....	a3000	.....	.....	.....	60,480.35	.....	.....	.....
	Feb. 26	....do....	.....	....do....	a3000	.....	.....	2,185.94	.....	.....	.....	.....

	May 3	do		do	a 3000						4,839.23	
	May 13	do		June 9	5026				300,000.00			
	Apr. 30	do		do	a 3042				5,139.18			
	do	do		June 10	5027				100,000.00			
	Feb. 26	do		June 17	5065			10,000.00				
	June 9	do		June 20	5087				1,000.00			
	Feb. 26	do		June 27	a 3140			787.58				
	Apr. 30	do		do	a 3140				18,188.18			
	do	do		June 30	5121				100,000.00			
	June 30	do		July 1	5128					2,000.00		
	Apr. 30	do		July 11	a 3189				10,758.38			
	Feb. 26	do		do	a 3189						1,760.00	
	do	do		do	a 3189			773.30				
	Feb. 3	do		Aug. 3	5274				196,823.67			
	July 2											
	July 7	do		do	5275			500.00				
	July 27	do		Aug. 11	5309			3,280.00				
	Feb. 26											
	Apr. 30	do		Aug. 15	a 3304				703.10			
	Feb. 20	do		Aug. 17	5337		5,360.00					
	Apr. 30	do		do	a 3399				465.52			
	Feb. 20	do		do	5338		10,000.00					
	Feb. 3	do		Aug. 27	5403				150,000.00			
	July 2											
	Feb. 26	do		Sept. 8	a 3472						4,183.20	
1073		Construction and repair of roads in the provinces of La Laguna and Tayabas:										
		Bay-Tiaong		Apr. 14	4790	144,600.00			15,000.00			
				May 9	a 2890				962.38			
				May 27	a 3000				690.20			
				June 9	a 3042				187.22			
				July 11	a 3189				2,400.90			
				Aug. 11	5300				15,000.00			
				Aug. 17	a 3399				192.24			
				Aug. 27	a 3434				1,145.07			
				Sept. 8	a 3472				54.23			
		Magdalena, Santa Cruz, Pagsanhan.				70,000.00						
		Lucena, Sariaya		Apr. 15	4792	39,000.00			10,000.00			
				July 29	5261				10,000.00			
				Aug. 5	a 3304				257.47			
1074		Construction and repairing, Calamba-Los Baños Bay wagon road.		Apr. 30	4874	34,000.00			34,000.00			
1076		Loans to provinces:										
		Ilocos Sur		May 31	3011	20,000.00			20,000.00			
		Romblon		Mar. 17	2558	8,000.00			8,000.00			
		Abra				6,000.00						
1075		Loan to province of Rizal				4,000.00			4,000.00			

a In part.

b Separate resolution.

Statement of the appropriations from the Congressional relief fund, showing the withdrawals, repayments, and balances October 1, 1904, Philippines currency—Continued.

Act No.	Date of resolution.	Purpose.	Balance of appropriation undrawn Dec. 1, 1903.	Date of warrant.	No. of warrant.	Amount appropriated, Philippines currency.	Withdrawals.					
							Purchase and distribution of rice.	Purchase, custody, care, and support of carabaos.	Roads and public works.	Destruction of locusts.	Purchase of animals for breeding purposes.	Amount voted to Nazario Crisostomo.
1198	Aug. 4	Expenditures under direction of the civil governor.	.....	Aug. 11	5297	₱200,000.00	.....	.....	$10,000.00	.....	.....	.....
	July 19	do	.....	Aug. 19	5352	.....	.....	.....	15,000.00	.....	.....	.....
	Aug. 3	do	.....	Aug. 27	5398	.....	.....	$34,300.00	.....	.....	.....	.....
	July 27	do	.....	do	5399	.....	.....	15,000.00	.....	.....	.....	.....
	do	do	.....	Sept. 24	5533	.....	.....	8,200.00	.....	.....	.....	.....
1220	Aug. 25	Purchase of draft cattle	.....	Sept. 29	5413	100,000.00	.....	20,000.00	.....	.....	.....	.....
	Sept. 7	do	.....	Sept. 9	5454	.....	.....	25,000.00	.....	.....	.....	.....
		Total, Philippines currency	1,378,837.58	.....	.....	2,715,575.67	$181,042.81	404,849.54	2,441,539.87	$4,155.00	11,112.43	1,000.00
		Balance of appropriations undrawn Sept. 30, 1904.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
		Balance of original fund unappropriated.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....
		Balance of original fund in treasury.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....

Statement of the appropriations from the Congressional relief fund, showing the withdrawals, repayments, and balances October 1, 1904, Philippines currency—Continued.

Act No.	Date of resolution.	Purpose.	Date of warrant.	No. of warrant.	Repayments.				Net withdrawals.						Balance.
					Purchase and distribution of rice.	Purchase, custody, care, and support of carabaos.	Roads and public works.	Destruction of locusts.	Purchase and distribution of rice.	Purchase, custody, care, and support of carabaos.	Roads and public works.	Destruction of locusts.	Purchase of animals for breeding purposes.	Amount voted to Nasario Crisostomo.	
738	(a)	Purchase of draft cattle.	Dec. 21	4296											
			Jan. 15	4375											
			Feb. 15	4517											
			Feb. 19	4560											
			Feb. 26	4616		$22,121.91				$180,900.21					$15,338.81
			May 9	4896											
			May 27	4983											
			June 15	5049											
			June 29	5115											
			July 30	5265											
750	(a)	To reimburse insular purchasing agent for food supplies, etc., issued to people of Marigunia rendered homeless by fire April 26, 1903.	Jan. 1	2302					$1,471.47						
786	(a)	Purchase, sale, and distribution of rice.	May 9	2889	$2,113.61										11,804.20
795	(a)	Contingent expenses, government laboratories.	Dec. 11	2124						354.20					1,499.67
797	Sept. 7	Expenditures under direction of the civil governor.	Dec. 21	4295											
	July 27	....do	Dec. 23	4300											
	Sept. 19	....do	....do	4300											
	Jan. 20	....do	Jan. 23	4406											
	July 27	....do	Feb. 23	4584											
	....do	....do	Mar. 21	4715		9,305.51				43,255.00		$1,155.00			189,334.69
	....do	....do	Apr. 13	2735											
	....do	....do	May 9	2890											
	....do	....do	May 27	3000											
	....do	....do	June 9	3042											
	....do	....do	June 27	3140											
	....do	....do	Aug. 17	3399											

Statement of the appropriations from the Congressional relief fund, showing the withdrawals, repayments, and balances October 1, 1904, Philippines currency—Continued.

Act No.	Date of resolution.	Purpose.	Date of warrant.	No. of warrant.	Repayments.				Net withdrawals.						Balance.
					Purchase and distribution of rice.	Purchase, custody, care, and support of carabaos.	Roads and public works.	Destruction of locusts.	Purchase and distribution of rice.	Purchase, custody, care, and support of carabaos.	Roads and public works.	Destruction of locusts.	Purchase of animals for breeding purposes.	Amount voted to Nasario Crisostomo.	
918		Wagon road, Pasacoa to Nueva Caceres, Ambos Camarines.	Feb. 25	4614											
			Mar. 27	2575											
			Apr. 18	2772											
			May 27	3000											
			June 4	5010			$1,188.00				$40,000.00				
			July 11	3189											
			July 26	3246											
			July 28	5260											
920 1083 1192		Constructing and repairing roads and bridges:													
		Vigan-Bangued	Jan. 9	4360											
			Jan. 13	4371											
			Feb. 19	4570											
			Feb. 25	2440											
			Apr. 26	4855			3,007.01				75,720.16				$8,979.84
			July 26	5246											
			do	3246											
			Aug. 18	3402											
			Aug. 5	3304											
		Bacon-Bulusan	Feb. 8	4479											
			Apr. 6	2706											
			June 13	5039							50,629.45				14,370.55
			Aug. 5	3304											
			Aug. 19	5354											
		Villaverde trail	Dec. 11	2124											
			Jan. 11	4367											
			Mar. 17	4687											
			Mar. 30	4753											
			Apr. 14	4791			2,928.65				65,994.45				5.55
			do	2735											
			June 9	5025											
			July 26	3246											

1000		Construction and repair of roads in Cebu Province:													
		Carcar-Barili	Dec. 4	4224											
			Mar. 21	4718											
			May 9	2890											
			May 10	4898			$2,080.62				$56,000.00				
			May 27	3000											
			July 8	5139											
			Sept. 8	3472											
		Sogod-Putad	May 27	3000											
			July 8	5140											
			July 26	3246							16,269.51				$161,730.49
			Sept. 8	3472											
1015		Construction of wagon road in Gayabas Province: Pagbilao Atimonau.	Jan. 15	4377											
			Jan. 22	4394											
			Mar. 18	4696											
			May 9	2890											
			May 14	4918							163,868.02				10,131.98
			May 27	3000											
			June 20	5073											
			July 11	3189											
			July 26	3246											
			July 28	5259											
			Aug. 30	5416											
			Sept. 20	5495											
1016		Construction of Capas-O'Donnell-Iba wagon road in provinces of Tarlac and Zambales.	Jan. 7	4350											
			Jan. 15	4376											
			May 18	2890											
			----do---	4949							155,562.41				204,437.59
			May 27	3000											
			June 10	3064											
			July 11	3189											
			July 12	5157											
			Sept. 8	3472											
			Sept. 16	5474											

Statement of the appropriations from the Congressional relief fund, showing the withdrawals, repayments, and balances October 1, 1904, Philippines currency—Continued.

Act No.	Date of resolution.	Purpose.	Date of warrant.	No. of warrant.	Repayments.				Net withdrawals.						Balance.
					Purchase and distribution of rice.	Purchase, custody, care, and support of carabaos.	Roads and public works.	Destruction of locusts.	Purchase and distribution of rice.	Purchase, custody care, and support of carabaos.	Roads and public works.	Destruction of locusts.	Purchase of animals for breeding purposes.	Amount voted to Nasario Crisostomo.	
1046 *1137	Feb. 3	Expenditure under direction of the civil governor.	Feb. 3	4464											
	do	do	Feb. 15	4520											
	do	do	Mar. 3	4627											
	Mar. 10	do	Mar. 17	4682											
	Feb. 3	do	Mar. 21	2573											
	Feb. 20	do	Mar. 28	4745											
	Feb. 26	do	do	4746											
	Feb. 25	do	do	4747											
	Feb. 3	do	Apr. 6	4763											
	do	do	do	2706											
	Feb. 20	do	Apr. 11	4780											
	Feb. 3	do	Apr. 13	2735											
	Feb. 26	do	do	2735											
	do	do	Apr. 18	2772											
	Feb. 3	do	do	2772											
	do	do	do	4805											
	Feb. 20	do	Apr. 30	4876											
	Feb. 26	do	May 9	2890											
	do	do	do	2890											
	Apr. 30	do	May 12	4911											
	do	do	May 20	4955											
	do	do	May 24	2983											
	Feb. 26	do	do	4963											
	Apr. 28	do	May 27	4984											
	Apr. 30	do	do	3000	$421.25		$47,529.61	$155.00	$177,036.48	$46,412.71	$1,613,872.27	$2,845.00	$11,112.43	$1,000.00	$147,721.11
	Feb. 26	do	do	3000											
	May 3	do	do	3000											
	May 13	do	June 9	5026											
	Apr. 30	do	do	3042											
	do	do	June 10	5027											
	Feb. 26	do	June 17	5065											
	June 9	do	June 20	5087											
	Feb. 26	do	June 27	3140											

	Apr. 30	do	do	3140											
	do	do	June 30	5121											
	June 30	do	July 1	5128											
	Apr. 30	do	July 11	3189											
	Feb. 26	do	do	3189											
	do	do	do	3189											
	Feb. 3	do	Aug. 3	5274											
	July 2														
	July 7	do	do	5275											
	July 27	do	Aug. 11	5309											
	Feb. 26														
	Apr. 30	do	Aug. 15	3304											
	Feb. 26	do	Aug. 17	5337											
	Apr. 30	do	do	3399											
	Feb. 20	do	do	5338											
	Feb. 3	do	Aug. 27	5403											
	July 2														
	Feb. 26	do	Sept. 8	3472											
1073		Construction and repair of roads in the provinces of La Laguna and Tayabas:													
		Bay Tiaong	Apr. 14	4790											
			May 9	2890											
			May 27	3000											
			June 9	3042											
			July 11	3189								35,632.24			108,967.76
			Aug. 11	5300											
			Aug. 17	3399											
			Aug. 27	3434											
			Sept. 8	3472											
		Magdalena, Santa Cruz, Pagsahan.													70,000.00
		Lucena-Sariaya	Apr. 15	4792											
			July 29	5261								20,257.47			18,742.53
			Aug. 5	3304											
1074		Construction and repair Calamba-Los Baños Bay wagon road.	Apr. 30	4874								34,000.00			
1076		Loans to provinces:													
		Ilocos Sur	May 31	3011								20,000.00			
		Romblon	Mar. 17	2558								8,000.00			
		Abra													6,000.00
1075		Loan to province of Rizal.										[d] 4,000.00			
1198	Aug. 4	Expenditure under direction of the civil governor.	1	5297											
	July 19	do	Aug. 19	5352				100.00			57,500.00	24,900.00			117,600.00
	Aug. 3	do	Aug. 27	5398											
	July 27	do	do	5399											

Statement of the appropriations from the Congressional relief fund, showing the withdrawals, repayments, aad balances October 1, 1904, Philippines currency—Continued.

Act No.	Date of resolution.	Purpose.	Date of warrant.	No. of warrant.	Repayments.				Net withdrawals.						Balance.
					Purchase and distribution of rice.	Purchase, custody, care, and support of carabaos.	Roads and public works.	Destruction of locusts.	Purchase and distribution of rice.	Purchase, custody, care, and support of carabaos.	Roads and public works.	Destruction of locusts.	Purchase of animals for breeding purposes.	Amount voted to Nasario Crisostomo.	
1220	Aug. 25	Purchase of draft cattle.	Aug. 29	5413	.....	.....	.....	.....	.....	$45,000.00	.....	.....	.....	.....	$55,000.00
	Sept. 7	do	Sept. 9	5454											
		Total Philippine currency.	.....	.....	$2,534.86	$31,427.42	$56 833.89	$155.00	$178,507.95	373.422.12	$2,384,705.98	$4,000.00	$11,112.43	$1,000.00	.....
		Balance of appropriations undrawn Sept. 30, 1904.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,141,664.77
		Balance of original fund unappropriated.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	609,228.53
		Balance of original fund in treasury.	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	.....	1,750,893.30

ANNUAL REPORT

OF THE

GOVERNOR OF THE MORO PROVINCE.

SEPTEMBER 1, 1903, TO AUGUST 31, 1904.

ANNUAL REPORT OF THE GOVERNOR OF THE MORO PROVINCE.

OFFICE OF THE GOVERNOR OF THE MORO PROVINCE,
Zamboanga, September 1, 1904.

SIR: The following annual report, covering the period from the organization of the Moro Province to August 31, 1904, is submitted in accordance with instructions embodied in Act No. 787 of the Philippine Commission, enacted June 1, 1903.

The Moro Province was organized in accordance with the above act and the undersigned detailed and appointed governor on July 25, 1903.

On the recommendation of the provincial governor, George T. Langhorne, captain, Eleventh Cavalry, aid-de-camp, was appointed provincial secretary, and Charles Keller, captain, Corps of Engineers, U. S. Army, was appointed provincial engineer, both on August 15, 1903.

Fred. A. Thompson was appointed provincial treasurer August 5, 1903; John E. Springer, provincial attorney, August 19, 1903, and Najeeb M. Saleeby, provincial superintendent of schools, September 2, 1903.

The first meeting of the legislative council of the Moro Province was held on September 2, 1903. The first act of the council was passed September 4, 1903.

The five districts of the province provided by Act No. 787 were duly organized, as follows:

DISTRICT OF ZAMBOANGA.

Governor.—John P. Finley, captain, Twenty-seventh Infantry, September 2, 1903.
Secretary.—John R. Proctor, jr., captain, Artillery Corps, October 1, 1903.
Treasurer.—Charles B. McGhee, September 8, 1903.

DISTRICT OF SULU.

Governor.—Hugh L. Scott, major, Fourteenth Cavalry, September 2, 1903.
Secretary.—Oscar J. Charles, captain, Seventeenth Infantry, September 2, 1903.
Treasurer.—Burdette A. Crumb, October 1, 1903.

DISTRICT OF LANAO.

Governor.—Robert L. Bullard, major, Twenty-eighth Infantry, November 11, 1903.
Major Bullard resigned June 30, 1904, on account of ill health, and Daniel B. Devore, captain, Twenty-third Infantry, was appointed to succeed him July 1, 1904.
Secretary.—A. P. Hayne, January 1, 1904.
Treasurer.—Loren L. Day, January 7, 1904.

DISTRICT OF COTTABATO.

Governor.—Carl Reichmann, captain, Seventeenth Infantry, September 9, 1903. Captain Reichmann resigned on March 31, 1904, to accept a detail as military attaché with the Russian army in Manchuria. Robert O. Van Horn, captain, Seventeenth Infantry, was appointed to succeed him April 1, 1904.
Secretary.—Frank J. Dunleavy, November 11, 1903.
Treasurer.—Stephen R. Beard, December 1, 1903.

DISTRICT OF DAVAO.

Governor.—Edward C. Bolton, first lieutenant, Seventeenth Infantry, October 23, 1903.
Secretary.—Thomas R. Henderson, October 23, 1903.
Treasurer.—G. W. C. Sharp, October 8, 1903.

The military officers mentioned above were assigned to duty in connection with civil affairs, and appointed by the provincial governor, as provided by Act No. 787.

The necessary clerical force has been supplied the governor's office, the offices of the members of the legislative council, and the various district offices, as required. All permanent appointments have been made in accordance with civil-service law.

Every effort has been made to conduct the government of the province in as economical a manner as possible.

The general conduct of provincial and district officials has been, with few exceptions, very satisfactory. The duties of municipal officials have with a few exceptions been indifferently performed.

The scope of the work attempted by the legislative council is embodied in its acts, which are hereunto appended. The mixed character of the population, the varying degree of intelligence, ranging from a few fairly well educated Filipinos on the seacoast to cannibalistic savages in the interior, the intense animosities due to religious differences, growing out of the struggle between Christians and Mohammedans covering several centuries, the entire absence in many sections of interior ways of communication, and the amount of time required to visit the seacoast and remote island settlements have all combined to render the problem of establishing government and exercising control over the mixed peoples of this province a very difficult one.

The element which has been most difficult to deal with has been the Moro. A number of peoples are included under this general head, all of them Mohammedan, all of them intolerant, and, as a rule, hating and despising Christians and living very largely by piracy, slave trading, and robbery of the weaker and less warlike savage races of the province. Spain was just completing her final preparations to finish the long-delayed conquest of the Moros of Lanao and Sulu when the Philippine Islands were sold to the United States, and upon the withdrawal of her forces from the Sulu, Cottabato, and Lake Lanao districts the Moros immediately assumed practical control of these sections, inaugurating an era of aggression and outrages of every description.

In the Cottabato Valley, under the leadership of Datos Ali and Djimbangan, they sacked the town of Cottabato, killing many of the principal inhabitants, stripping all the Christian women naked and marching them in this condition through the streets, and, after selecting those whom they wanted, finally distributed them among their friends and followers.

In the Lake Lanao region the withdrawal of the Spanish forces was signalized by repeated raids upon the Filipino settlements, resulting in the killing and enslaving of considerable numbers of Christian Filipinos.

In Sulu the town of Jolo would have been destroyed and its inhabitants massacred but for the protection of the United States forces.

These were the general conditions which existed at the time of our occupation of the Moro territory. In the Sulu Archipelago our occupancy was subject to the restrictions of an agreement known as the "Bates agreement" or treaty, under which the Moros became turbulent and insolent, and finally broke into open rebellion, attacking United States troops and attempting to take the town of Jolo by treachery. In the Cottabato Valley our attitude from the time of occupancy until the time of the organization of the Moro Province was largely passive, and little influence had been exercised upon the vicious practices of the Moros. No action was taken to punish the perpetrators of the outrages upon the inhabitants which have been above referred to. Conscientious attempts had been made to stop slave dealing, slave trading, and kindred vices, but it is not believed, in the light of subsequent events, that they were effective beyond the immediate vicinity of the town of Cottabato. In the lake region the attitude of the Moros was one of open and armed defiance, which necessitated several punitive expeditions, which were successfully made, inflicting severe punishment upon the Moros, but leaving them still, throughout the greater portion of the lake region, bitterly hostile, and in other portions quiet and professing friendship, but in reality ugly and seizing every opportunity to do harm to American soldiers and officers. The great island of Basilan, with from 20,000 to 30,000 Moros, was, thanks to the influence of Dato Pedro Cuevas, since deceased, friendly and peaceful. The attitude of the savage non-Christian peoples of the interior of Mindanao was one of timid friendliness. Most of these people are not warlike in character, and, even if they were, are so poorly armed as to be capable of giving very little trouble.

Such was the general condition of affairs at the time of the establishment of the provincial government of the Moro Province. Both the general commanding the division of the Philippines and the civil governor of the Philippine Islands had informed the provincial governor that, in their opinion, active punitive measures would have to be taken with the Moros in various sections, especially in Sulu.

With the organizations of the districts of Zamboanga, Sulu, Cottabato, Davao, and Lanao instructions were issued the different district governors to endeavor, by every means in their power, to gain the confidence of the natives, establish friendly relations, explain the purposes of the new government, and influence the people to discontinue slavery and other vicious practices. In some cases these measures met with marked success; in others, especially in Sulu, Cottabato, and Lanao, our forbearance and persuasive attitude was mistaken for timidity and lack of power, which later on led to conditions necessitating vigorous action on the part of the military authorities, which resulted in the complete destruction of the Moro power in these districts and brought to an end, it is believed, all organized resistance therein.

The organization of the districts was followed by the setting apart of certain municipal districts—Siassi, Cagayan de Sulu, Jolo, Zamboanga, Dapitan, Iligan, Malabang, Cotabato, Davao, Mati, Makar, Baganga, Caraga, and Cateel. It has been impracticable to completely organize some of these municipalities as yet, for want of suitable personnel to assume charge of affairs.

In order to meet the requirements of the native situation a number of tribal wards have been organized throughout the province. The purpose of these tribal wards has been to provide for the government and control of the Moro and other uncivilized peoples and to give them, under certain conditions, the option of continuing under a tribal or paternal form of government or becoming full citizens of a municipality. Details of the plan are set forth in Act No. 39 of the legislative council. The operation of the act has been satisfactory. It is believed that in time all well-to-do members of tribal wards will prefer to become full citizens of the municipalities. In the meantime the tribal ward system serves a very useful purpose and furnishes a means of controlling the uncivilized peoples for whom it is intended.

Slave trading has been brought practically to an end throughout the seacoast Moro districts, although undoubtedly it continues to some extent between the inland Moros and the savage tribes of the interior; but as they are unable to bring their victims to the seacoast for sale or barter, or to move them about without danger of capture and punishment, interest in this hitherto principal industry of the Moros has greatly diminished, and the timid and more or less defenseless natives of the interior are beginning to take heart.

There has been much said about the paternal form of Moro slavery. After something over a year of almost continuous contact with the Moros, under varying conditions of nominal friendliness and actual hostilities, and after visiting in detail all the principal Moro districts, it can be stated that it would be difficult to imagine a worse form of slavery. The slave had absolutely no rights. His wife, his daughters, and his property were entirely subject to the will of his owner, and he himself could be sold or even killed with impunity. There were, of course, many instances where relations between slaves and owners were friendly, but accidents of this kind should not be taken as a ground for describing an institution where the owners hold absolute power of life and death over their slaves as a beneficent, kindly, or paternal one.

No effort has been made to tear these former slaves from their masters, but they have all been informed that they are entirely free to remain with them or leave them, as they see fit. The result has been that many former slaves have left their masters and established themselves independently—a condition of affairs which is rapidly extending.

Slaves were acquired by purchase, by capture, by heredity, and through indebtedness, and the conditions resulting were most unfortunate, not only for the slaves, but also for the owners, as the institution seemed to paralyze all true development and to accentuate the various forms of vice to which the Moro is so commonly a victim.

Immediately upon the withdrawal of Spanish authority and control, both on land and sea, a condition of anarchy sprang up, which

in 1899 Sawyer, the historian of the Philippines, described as follows, speaking of Mindanao:

The present condition of the island is most lamentable. Nothing could be more dreadful; robbery, outrage, and murder are rampant. Every evil passion is let loose, and the labor of years has been lost. * * * In the words of one who knows the country well, "Mindanao has become a seething hell and is in a condition more dreadful than ever before in historic times."

While this description is probably somewhat overdrawn, yet that there was considerable foundation for it is shown by the following extracts, the first taken from this year's report of Governor Scott, of Sulu, describing conditions in Sulu at the time he assumed charge of the district, the others from reports of Colonel Sweet, commanding officer at Jolo, written a year after Mr. Sawyer's statements were made:

The condition of the common people was most deplorable; slavery was rife; for failure to pay a debt of $5 a man and his whole family could be taken into slavery for life; there were frequent cases of kidnaping, stealing, robbery, rape, and murder. The datos and other chiefs preyed upon the lower people. As they said, "The big fish in the sea were accustomed to swallow the little fish." No man had any incentive to work for anything beyond a mere hand-to-mouth living, for he was not allowed to enjoy the fruits of his labor, which were taken from him promptly by robbery or by unjust fines. The very first case investigated, before landing, was that of Panglima Ambutong, who complained that the Rajah Muda, the brother of the sultan and his heir apparent, and in charge while the sultan was absent in Singapore, had fined him 2,000 pesos and confiscated his bail for defending himself from Panglima Dammang, who had attacked him. A similar fine and confiscation had operated also against Dammang, both without a trial. These cases were rectified at once.

Piracy.—The natives of the islands are natural pirates, the multitude of small islands and reefs favoring them. These piracies are committed against each other or against Chinamen. When boats and their crews disappear, the natives take it as a matter of course; it is only another case of piracy. No reports of piracy against whites have been received, but from evidence found by Captain Cloman in the Selungan affairs it would appear that piracies against Sandakan traders have been committed recently.

* * * * * * *

Complaints are being received from Moros as to unjust treatment from the sultan, the datos, and others in authority, and when they complain to the sultan they are fined or can get no redress. I have investigated some of these complaints for my own information and find that justice as we understand it is unknown. The desire to get money overrides all other considerations. As an example of justice: A Moro lost a carabao by theft; he located the thief and complained to the sultan, who fined the thief $105 and confiscated the carabao.

The political situation remains the same as at last report. The lower classes have more confidence in us, but the sultan and the chiefs are obstructive factors in all our efforts for the betterment of the condition of the Moro people. They have no honest desire for American methods of honest administration, when the whole people will be benefitted, unless there is some consideration in it for them. They are as overbearing toward their people as ever, and do not seem inclined to change their arbitrary methods or aid the people to better themselves. They act as if they thought the people were created to be their slaves or for their own aggrandizement. The lower class seem to be peaceable and as law-abiding as they can be under the circumstances. Stealing is very prevalent and will continue so until the chiefs resort to different methods of punishment; fining and selling into slavery are practically the only punishments awarded for any offense, and, as the fines are divided between the sultan and datos and judge, they are naturally large for small offenses and comparatively small for the worst offenders. The result is a person has to steal in order to pay his fine or he will be sold as a slave.

These extracts would have applied with equal force to conditions existing in the Cotabato Valley and in the Lake Lanao region.

All the district governors have displayed ability and energy in dealing with the situations confronting them. Most of them have been very tactful. As above indicated, the situations of greatest difficulty have been those where the Moro predominated. The results, on the whole, have been everywhere satisfactory, and as much progress has been made as could reasonably be expected in the comparatively short time that has elapsed since the organization of the districts.

One very important feature of the provincial organization, especially in its bearing upon the control of the Moro and non-Christian element, is still undetermined upon, namely, the establishment of courts for the trial of cases between Moros, between non-Christians, and between Moros and other non-Christians. It was believed at the time of the organization of the province, from the information then at hand, that a sufficient body of laws existed, especially among the Moros, and even among some of the other non-Christian peoples, to serve as a basis for their control, and it was the desire of the Philippine Commission that the legislative council gather, modify, and codify the laws of these peoples, and where not inconsistent with humane and decent ideas to put them in force; but after a year of diligent investigation and study of this question it has been found that the Moros and other savage peoples have no laws—simply a few customs, which are nowhere general, varying from one valley to the next, from one island to another. Such laws as they have are many of them revolting and practically all of them utterly and absolutely undesirable from every standpoint of decency and good government. The Moros are, in a way, religious and moral degenerates. They profess Mohammedanism, but practice only those precepts of the Koran which suit their individual cases. They have no written laws worthy of the name. Evidently the first Mohammedan priests brought with them to these islands the teachings of the Koran in more or less purity, and also certain of the Mohammedan laws, but since that time, so far as can be gathered from the traditions of these people, they have gradually fallen away from the religious teachings, and most of the laws which are founded on the Koran have fallen into disuse and been forgotten, so that at the present time there is little or nothing left of them. Those that are left relate principally to the plurality of wives, the control and protection of their concubines, and laws regulating property in slaves. In short, nothing has been found worthy of codification or imitation, and little or nothing which does not exist in better form wherever humane, decent, and civilized laws are in force.

With all their faults the Moros are brave and resolute, and under good laws and an honest government will in time give a good account of themselves.

At the date of writing this report conditions throughout the province are peaceful, with the single exception of the presence of an outlaw in the upper Cottabato Valley—Dato Ali, of Kudarangan. This Moro (Ali) flatly refused to obey the antislavery law and attempted to raise the whole Cottabato Valley in revolt. Details of operations against him have already been covered by special reports. His fortification was taken and destroyed in March and his following

dispersed. It is believed that his main work was the largest ever constructed by a Moro in these islands. It was larger than 20 of the largest cottas of the lake region of Sulu, and would have easily held a garrison of 4,000 or 5,000 men. It was well located, well built, well armed, and amply supplied with ammunition. There were embrasures for 120 pieces of artillery. Eighty-five pieces were captured, among them many large cannon of from 3 to 5½ inches caliber. The other pieces in the work, small lantakas, were carried off or thrown into the river. Ali is at present at large with an armed following of 50 or 60 men, and a miscellaneous following of a hundred or two people, who accompany him under compulsion from place to place, carrying food, etc., and whose personnel is frequently changed. As the hereditary dato of the upper valley the people at heart sympathize with him, but not to the extent of openly taking up arms in large numbers.

Reconnoissance parties have been sent all over the province, and have attempted by kindness and tact to open up friendly relations with the wild peoples of the interior, and in this respect have been in many instances successful. In the district of Davao especially good work has been done among the wild tribes by Governor Bolton and Mr. Orville Wood, an American school-teacher of the district. A large number of Bogobos have been induced to settle on the coast at Santa Cruz, and under Mr. Wood's direction and guidance have built a fine village with a population of about 800 souls. The children have taken up school work with great enthusiasm and interest. Many of them speak English and some write it. The adults are industrious and docile and show many amiable traits. Now and then a few go back to the hills to take part in some religious ceremony, with its accompaniment of human sacrifice and sometimes cannibalism, but these instances are few and will soon cease altogether. At present they serve to illustrate the chasm which is being bridged over between savagery and the conditions of village life, with its attempts at schools and government. It can hardly be expected that these savage people, however good their intentions, however great their desire to improve, can pass entirely from one extreme to the other in the short time which has elapsed between their past condition and present surroundings.

In speaking of the settlement at Santa Cruz it is only just to state that this settlement was originaly established by a Jesuit father prior to the late Philippine revolution. During the troubled times which followed it was abandoned, but with the reestablishment of peace some of the original settlers returned and formed the nucleus of this now prosperous and growing native community.

It is believed to be the best policy, and the work of the legislative council is carried on with the conviction that the principal object of its work should be to gradually bring the various and diverse elements of this province under a similar form of control, approximating and finally attaining the method of control exercised among the civilized peoples of the Philippine Islands. In some sections it will be a long time before this object is attained. This policy, however, if consistently followed, will gradually accustom the diverse elements of which the provincial population is composed to the laws and principles in force in the Philippine Islands. In awarding punishments to savage

peoples justice must be tempered by consideration for their condition of intelligence and their tribal customs. This is believed to be the best policy, and after careful consideration it is not thought advisable to attempt to codify and put in force, under the name of laws, the customs which have hitherto obtained among these people, as many of them are revolting and but few embody principles which we would wish to perpetuate. In brief, the codification would be a farce. It would amount to the writing of a new law, which must necessarily be based upon the laws and practices with which we are familiar. In other words, it would result in a complete change of existing tribal customs and so-called laws. Such being the case, it is better to at once adopt in a general way the laws in force in other portions of the Philippines and bring all the people of these islands under a common system of justice.

There is nothing to be gained by the codification of the Moro laws, and the outcome will necessarily be confusion. The line between the Filipino of this province, amenable to the general laws of the Philippine Islands, and the Moros and non-Christian inhabitants of the interior is a very indistinct one, as in many cases they are mingled, living in the same villages and rural communities. The object of legislation in the way of lawmaking should be that one general system of law apply to all the people of the Philippines, that its application be tempered to the condition of the ignorant savage, but, although tempered, the general principles of the application of justice should be the same.

With the possible exception of the system of tribal ward government, it is believed that the same general principle of uniformity may be applied in reference to harmonizing the form of provincial government existing in this province with that existing in others. It is believed that, after the few years necessary to bring order out of the chaos existing among the savage peoples, this should conform to the accepted type of provincial government existing throughout the Philippine Islands.

PROVINCIAL INCOMES.

Under the act of organization the province is awarded the customs collections of the ports within the province, the internal-revenue tax, and the forestry tax, together with the usual municipal and other local forms of taxation. The total general provincial revenue for the year ending June 30, 1904, was ₱337,378.05. The amount on hand June 30, unencumbered and free for appropriation, was ₱136,834.59. The amount appropriated but not expended was ₱26,181.76.

From this is to be deducted the cost of customs throughout the province; statement not yet rendered by the auditor, but amount is reported to be ₱53,170.62, leaving a total of ₱83,663.97 free for appropriation above all expenditures and outstanding indebtedness. Amounts received from customs collections, ₱222,664.39; cost of customs collections, ₱53,170.62, or a total of over 23.8 per cent of the customs revenue. It is believed that the cost of collections is unduly high and that it should be reduced during the coming year.

The expenditure of funds is accounted for as follows:

Government of Moro Province, 18.4 per cent of all revenues, divided as follows:

	Per cent.
Governor's office	1.5
Secretary's office	3.4
Treasurer's office	3.9
Attorney's office	2.8
Engineer's office	3.3
Superintendent of schools' office	3.5

These figures do not represent exactly the expenses of the various offices. For instance, clerks and stenographers are furnished from the secretary's office to the offices of the other members of the legislative council, and two Arabs, at ₱1,800 per year, classed as school teachers, are employed in translation and other work in the office of the superintendent of schools—work not altogether pertaining to this department, but involving in many instances translations into Moro of orders and proclamations. The engineer's office is charged with a number of employees who really serve in all the offices of the legislative council as caretakers, messengers, etc. The statement as given is sufficiently accurate for general purposes: District governments, 13.5 per cent; schools, 13.5 per cent; public works, 6.5 per cent; customs expenses, 16.1 per cent of the total revenue.

The expenses of the general government and the district governments have been necessarily heavy, as the organization of the government has called for the equipment of the various offices, the purchase of all kinds of supplies, and general expenses incident to organization. Considerable time was required in reorganizing the school department, which was not in full operation until the last six months of the year. The same may be said of the department of public works. A considerable amount of work has been accomplished in the way of preparation of plans and estimates for public works which are now under way.

All sums of money mentioned in this report are in Philippine currency.

It will be seen that the total fund available for provincial expenses has, in view of the work in hand, been a comparatively small one, and the strictest economy has been necessary in order to maintain the government in a reasonably efficient form and avoid getting into debt.

A large portion—probably three-fifths—of the dutiable articles consumed in the province are imported through the port of Manila and distributed from there to merchants in this province. This loss of revenue is in part compensated for by the general insular government maintaining the constabulary force serving within the limits of the province, post-office department, and courts of first instance.

It is hoped that by the establishment of better communications with foreign ports, through arrangements with ocean steamship lines now passing through the Straits of Basilan en route from Australia to Hongkong and other Asiatic ports, the merchants of this province may be able to import directly. If this can be accomplished there will be a very material gain in the provincial income, as well as the establishment of far more healthy business conditions.

It is believed that the total provincial revenue for the coming year will considerably exceed the revenue of the past year, but it is difficult to estimate even approximately what the increase will be. The extensive loss of carabao, horses, and cattle has very largely crippled the agriculturists and limited industry in many directions.

Cedula taxes have been paid this year by the Moros for the first time in their history. In the Cottabato district alone over 7,000 Moros have taken out cedulas. The number taken out in the Lanao and Sulu districts has been inconsiderable, owing to the active and determined character of the opposition in these districts to the establishment of government and control, which has continued until recently. Now that resistance in these places has practically been ended, it is believed that the inhabitants will comply with the obligations imposed upon them.

The cedula tax collected among the non-Christian peoples is devoted to improvements in the tribal ward districts in which collected and in the maintenance of such petty government offices as are required in the administration of the headmen's districts and tribal wards. It is believed that this system will be much appreciated by the Moros as soon as they thoroughly understand it. Under the dato system taxation was arbitrary and fixed by the dato, petty sultan, or other native ruler, who took from their subordinates whatever they wanted, and taxes (forced contributions) were generally in accordance with the industry and accumulations of the person taxed, a system which naturally tended to discourage production and limit very much the industry of the people. Under the present system of small taxes, devoted almost exclusively to the needs of the tribal ward and the maintenance of the headmen's government, a system of uniform moderate taxation is substituted for a system of taxation regulated only by the avarice of the taxor and the capacity to pay of the person taxed.

A certain amount of revenue has also been derived from the licensing of arms. This also is an entirely new departure for the Moros, and for the first time in their history they are licensing their arms. This action and the payment of the cedula tax are excellent signs and augur well for future good conduct.

Many Moro boats have taken out coastwise and foreign trading permits and have been licensed and registered.

Incomes from cedula taxes, licenses for bearing arms, and licenses for trading boats will probably increase, as well as income from land taxes, and, it is hoped, from forestry and other taxes.

It is proposed to devote 25 per cent of the total revenue to public education and an equal amount for public works. The balance will be consumed in aid to municipalities, maintenance of the government, charities, administration of justice, and incidental expenses.

Considering the fact that the province started with an empty treasury and under conditions which were rather discouraging, and that the expense of organization of the provincial and district governments has been met, the surplus revenue remaining from the first year's work is satisfactory.

SCHOOL SYSTEM.

A strong effort has been made to establish as good a school system as the funds available would permit. During the year 52 public schools were in operation in the province. Fifteen American teachers were on duty, with salaries of approximately ₱200 each per month. The salaries of native teachers actually engaged in teaching run from ₱180 per annum to ₱600 per annum. Fifty-nine native

teachers were employed, of whom 9 are Mohammedans and the rest native Christians. Forty-nine public school buildings are occupied, 29 public buildings and 12 rented. Total enrollment, 2,114 children; average attendance, 1,582; Moro children in attendance in schools, 240. It is thought that this number will rapidly increase during the coming year, as Moro parents are much less suspicious than formerly, and are commencing to send their children to school. So far as the Moros are concerned, this is perhaps one of the most promising indications of a change for the better. Recently quite a number of requests for schools have been made by Moros to the governor of the province. In most instances the Moro making the request has guaranteed to supply a school building.

Most of the provincial schools are necessarily rather crude affairs, as everything had to be started from the bottom, schoolhouses built or repaired in most places, and children induced to come to school. Both the Moro and Filipino children are anxious to learn English, and it is made the principal study in all of our schools wherever it is possible to obtain teachers who have a sufficient knowledge of the language to instruct in it. The comparatively large salaries paid American teachers under the civil-service rules make it impossible to maintain as large a number of this class of teachers as is required. It is very desirable to procure quite a number of English-speaking teachers for a smaller monthly salary. This would enable us to rapidly extend the teaching of English, a most important feature of public education; but, unfortunately, under present rulings and with the present income, this seems impossible.

There are many dialects in the island of Mindanao. Very poor Spanish is spoken by many of the Filipino natives, but Spanish has in no sense of the word taken so deep a hold as to have become the language of the people; consequently, there is every reason to believe that the development of English will be rapid and general. There is no object whatever in attempting to preserve the native dialects, as they are crude, devoid of literature, and limited in range. The Moro dialects have been used as a medium for translating the Koran and the recording of such rudimentary laws and regulations as remain from the old Mohammedan teaching and laws. There is little or nothing of a historical character which has been made of record, and absolutely nothing in the way of literature. The language is limited and crude and is not believed to present any features of value or interest other than as a type of savage tongue. It will probably be necessary in some instances to give a certain amount of instruction in Moro for a time, in order that the children being instructed in public schools in the pure Moro districts may be able to use and understand their own language in such affairs of life as render its use necessary. The teaching of English, however, should be pushed forward as rapidly as possible. We can not expect to continue the many different dialects of the island, and any attempt to do so would be unwise, but we can hope with a reasonable degree of assurance to make English the main language and the medium of transacting all official and most business affairs in the comparatively near future.

Efforts are being made to improve the methods of the native teachers and educate youth for teachers by means of a normal or secondary school. Much can also be accomplished by having all native

teachers attend school under the tutelage of American teachers for a certain portion of their vacation, the instruction to be principally devoted to improving them in teaching methods and qualifying them for work in higher grades.

With the exception of the secondary school at Zamboanga, the schools are principally of a primary grade. In some of the schools pupils are graded somewhat in advance of the primary schools, but such classes are few.

Plans are under consideration to assemble in Zamboanga from 200 to 300 native children, gathered from all portions of the province; the children to be carefully selected and to be from 10 to 14 years of age; for the purpose of putting them at school under first-class supervision and giving them a course of about six years, which will include primary school, manual training, and, for those who show capacity, normal training; the children to be returned to their homes for vacation at regular intervals. If this can be carried out, and it is believed it can, it will give the province a large number of well-trained natives as assistants in the various departments of the government and especially as teachers among their own people.

The policy of the province is to build and own its own school buildings and conduct its own school system, independent of municipal influence or control. Arrangements are being made to purchase a desirable piece of property in Zamboanga on which to erect a suitable secondary school building, as well as a first-class building for common schools.

The work of the first school year, while leaving much to be desired, has been reasonably satisfactory and gives reason for hope of a successful future. The schools in the town of Zamboanga have been particularly successful and, everything considered, are really excellent. It would be a long time before the dense mass of absolutely uncivilized natives in the interior of this province and the provinces of Surigao and Misamis can be reached by a school system, but there is no excuse for failure to supply in the immediate future the present Christian inhabitants and the semicivilized people within our reach with a reasonable number of public schools, and to insist on the attendance of the children to the limit of the capacity of the schools.

PUBLIC WORKS.

The public works of the province have been very limited in extent and not entirely satisfactory in character. This has been largely due to the fact that the department has been undergoing organization and there has been little opportunity for systematic work. But the point has now been reached where such work can be taken up. The general policy has been to open up road and trail communication where conditions demanded, to construct the necessary provincial, district, and school buildings, repair the wharves, and do such other necessary work as is required to facilitate the transaction of public business, commerce, and agriculture. As the provincial buildings, roads, etc., have been practically without repair or improvement since the withdrawal of the Spanish authorities, and the amount of public moneys available during the past year has been small, the provincial resources have been severely taxed to meet the demands made upon them. The province is at present engaged in reconstruct-

ing the provincial building at Zamboanga, as well as the streets of the town, building a provincial jail, repairing wharves, constructing schoolhouses, and repairing district and municipal buildings at the principal towns of the province. Arrangements have been made for the purchase of road-building machinery in the way of traction engines, stone crushers, etc., and it is hoped that the coming year will see a marked improvement in roads, especially in the district of Zamboanga and the road from Iligan to Lake Lanao, for the reconstruction of which, together with work on other provincial roads, the insular government has appropriated, from the Congressional relief fund of $3,000,000 United States currency, the sum of $150,000 United States currency.

The extensive epidemic of surra, glanders, and rinderpest has practically destroyed the working animals of the province, and it is extremely difficult to secure draft animals for public works except at excessively high figures.

In this province, as in all tropical countries, money spent in the construction of temporary roads is money thrown away, and whatever road work is done must be of a substantial and lasting character. It is the purpose of the province to establish a fixed policy in regard to roads, calling for roads of permanent construction, bridge and culvert work of masonry, to the greatest extent possible, and for the planting of suitable shade trees along the sides of the present roads, as well as such new roads as may be constructed, and to inaugurate the "caminero" system upon all roads. In the sparsely settled districts, where pack transportation alone is used, it is the policy to construct trails, following to as great an extent as possible lines which will render them convertible into roads when traffic shall warrant such change.

There has been a very considerable amount of road work done by the Spanish Government, especially throughout the town of Zamboanga and neighboring section, also in and about Jolo and Cottabato, and a small amount at Iligan, but most of this work has fallen into a bad condition and requires extensive repair. Until the revenues of the province are very much improved the amount of road construction must necessarily be very limited and confined to the vicinity of the principal towns.

Water systems and extensive municipal public works are required at Zamboanga, Cottabato, and Iligan, but funds for them are largely wanting, and the work can only be undertaken gradually.

ADMINISTRATION OF JUSTICE.

Administration of justice has been effected, so far as the Christian element is concerned, through courts of first instance and justice of the peace courts, of the same type as those existing in other provinces. These courts have also had jurisdiction over all cases arising between Filipinos and Moros and Filipinos and other non-Christians, as well as cases between Americans, Europeans, and the subjects of Asiatic powers on the one part and Moros or other non-Christians on the other. Cases arising between Moro and Moro, between non-Christians, or between Moros and other non-Christians have been dealt with by the tribal laws and customs above referred to, but a continuance of this double system constitutes a great injustice, for under the present

law if a Moro kills a Filipino or Christian of a degree of intelligence and social condition in every way approximating his own—perhaps a neighbor living under exactly the same conditions—he receives the penalties prescribed by the criminal code in force in the Philippine Islands. If he kills another Moro or non-Christian under exactly the same conditions, the maximum penalty which can be awarded him under the Moro or non-Christian laws (customs) is a fine of 105 pesos. It is evident that a continuance or an elaboration of this condition is undesirable from every standpoint. The same general principles of law and the same general class of punishment should apply to all guilty of similar crimes. In the case of the ignorant savage the application of the law should be tempered with that degree of consideration and clemency to which his condition of ignorance and savagery is entitled. There should be but one system of law in force by organized civil government in the Philippine Islands, and the judges who are appointed to administer it among the non-Christian and savage races should be men of sufficient intelligence and judgment to apply it justly and reasonably.

The draft of an act organizing the district courts, prescribing the procedure, etc., for dealing with cases arising among the savage and non-Christian peoples, is now in course of preparation.

The antslavery law, prohibiting the forcible holding and trafficking in slaves, is working well, and its beneficial effects are everywhere noticeable in the diminished amount of slave dealing and slave hunting. All former slaves know that they can not be compelled to remain with their former masters and that they have a right to their own property and their own labor, and everywhere they are asserting their rights and demanding protection against the exactions of the datos and other petty rulers. Another year wll see a very decided change for the better so far as the condition of the former slaves and the downtrodden "taos," or laboring people, of the various tribes is concerned.

The control and authorty given the headmen of the various tribal wards established under section 5 of Act 39 of the legislative council is being made good use of by most of them for the purpose of maintaining law and order and carrying out district laws and regulations. Once the district courts are established and in operation it is believed that our means of controlling these non-Christian people and of administering justice among them will be ample and satisfactory and that the disorders and abuses which have existed from past times will progressively diminish.

The good effects of the missions established by the Jesuits along the seacoast and at many places in the interior of this island are everywhere apparent, and the work which this society has done has implanted in many remote parts of the island not only the principles of the Christian religion, but the principles of law and order and respect for authority. There has been no attempt to interfere in any way with the Mohammedan marriage laws.

The secretary's office has been organized upon an excellent basis, and the work has been very efficiently performed. Attached hereunto is a report submitted by the secretary, covering a trip made to Sarawak, Java, and the Federated Malay States. Attention is invited to this report.

DISTRICT AFFAIRS.

DISTRICT OF ZAMBOANGA.

In the district of Zamboanga the governor and secretary have done careful and conscientious work in organizing the district, restoring law and order, and bettering the condition of the people. The entire district is peaceful. Dato Rajah Muda Mandi, an intelligent Moro of mixed Spanish and Moro descent, has been appointed headman of the district, with various deputy headmen representing the different tribes and factions as his assistants. Dato Mandi's position has been a difficult one, for his duties as headman of the district and representative of the government have in many instances brought him into conflict with customary practices of his own people, such as slavery, peonage, etc. Consistent support has been given him, and he has accomplished a very considerable amount of good work without apparently losing his hold on his own people.

The people of the district had, as a rule, good crops last year, and, aside from the losses due to surra and rinderpest, have improved their condition materially. A good deal of hemp and many cocoanut trees have been planted, and there is no evidence of actual want in the district. Ladronism has been entirely suppressed and the leader of the disorderly element, one Eduardo Alvarez, was killed while resisting arrest.

Efforts have been made to encourage the hill tribes to come to Zamboanga with their produce, and a native exchange has been erected where they can bring their products to market and where quarters have been provided for them and corrals for their animals in case it is necessary to remain several days.

The schools of the district have been well attended.

The conduct of the municipality of Zamboanga has been far from satisfactory, and it has been necessary to appoint a new municipal council, all of whom are natives. At present municipal affairs are progressing favorably. Expenses of the personnel have been materially reduced, and the district government is attempting to build up an interest in public improvements and establish the municipality upon a sound basis. The perpetrators of a number of murders and other serious offenses against the people and public order have been arrested and brought to trial and their cases disposed of, all of which has had a very good effect upon the peace of the district.

DISTRICT OF SULU.

The affairs of the district of Sulu have been handled with excellent judgment and much tact by the district governor, who has been ably seconded by the district secretary. The affairs of this district were, at the time of its organization, in a most unsatisfactory condition. The garrison was practically bottled up in Jolo. It was unsafe for small detachments to go far outside the walls, and troops moved in considerable numbers. There was no semblance of public order in the island, the sultan and his principal datos were at war with each other, disloyal to the government, and preying upon the poorer people. The abrogation of the Bates agreement has done much to

facilitate the organization of local government and the restoration of good order. Headmen have been appointed and are in most instances performing their duties in a satisfactory manner. There has been a very material increase in the output of hemp and other produce. At the time of writing this report peace and good order exist throughout the district, and the natives are obedient to the orders and instructions of the governor. Every proper effort is being made to control them as largely as possible through their principal men, who have been appointed to fill the offices of headmen in the various portions of the district.

DISTRICT OF COTTABATO.

The greater portion of the district has been orderly throughout the year. The upper portion of the Rio Grande Valley has been considerably disturbed since March, 1904, by Ali's outbreak. The crops last year and this year have been among the largest ever known in the valley. The condition on the whole is, from a Moro standpoint, one of prosperity. As soon as the disturbance caused by Ali is brought to an end it is believed that the upper valley will make rapid progress. The territory of the district has been divided among different headmen, who are performing their duties as well as can be expected under the circumstances. The municipal government of Cottabato has required careful supervision to secure efficient administration. The governors of the district and the secretary have efficiently and energetically discharged the duties imposed upon them.

DISTRICT OF DAVAO.

The affairs of this district have been handled in a capable and tactful manner by the governor, who has displayed great energy, making frequent inspections and visiting even the most remote mountain districts, explaining the new conditions, district regulations, etc. Long-standing feuds between various tribes have been peacefully settled at a conference arranged by the governor and a general peace established in districts where feuds have existed for generations. There has been a very considerable increase in the number of houses in the district and a number of new native villages have been built up. Over 1,000,000 new hemp plants have been set out and many thousand cocoanuts. At the present time the amount of hemp growing in this district is greater than can be harvested with the laborers available. There are comparatively few Moros in the district.

The remarks made concerning municipal affairs in the district of Zamboanga apply with equal force to municipal affairs in the district of Davao. All municipalities have required close supervision and frequent inspection. This is a condition by no means remarkable when the limited experience of these people in self-government is considered. They are good followers, and with good men at the head of local affairs are tractable and entirely willing to work for good government; but when a bad man happens to be presidente the lack of public spirit is made apparent by the entire failure on the part of the people to make a stand in behalf of good administration.

There have been a good many attempts on the part of the comparatively civilized people on the seacoast to peon the uncivilized people

of the interior and compel them to dispose of their products most disadvantageously to themselves. All instances of this kind have been followed up and systematic effort made to break up this practice and to establish municipal governments under the best native officials available.

DISTRICT OF LANAO.

In the district of Lanao conditions have been disturbed throughout the year by frequent attacks by Moros upon troops, hunting parties, and individual soldiers; also by acts of lawlessness, such as the raiding of Filipino settlements on the seacoast for slaves, and frequent attacks upon the hill tribes for the purpose of procuring women and robbing the people of their crops and supplies. These acts of armed hostility and lawlessness have been summarily dealt with in all instances where the Moros refused to surrender offenders. It is not believed that there will be any further organized resistance—certainly none of serious importance. There are one or two districts whose sultans have shown indications of hostility, but have not as yet actually committed themselves to the policy of resisting the duly organized government of the province. It is probable that for several years to come we shall have sporadic outbreaks by a few fanatics here and there in this and other Moro regions. There is probably a dato, sultan, or other petty chief for every 15 or 20 men in the district. The people are densely ignorant and very suspicious and are easily played upon by the Arab priests, who, it is believed, are responsible very largely for the attitude of the people.

The work of the governors of the district has been difficult and trying in character, but has been efficiently and satisfactorily performed.

During the past year crops throughout the province have been good, with the exception of the cocoanut crop, which was poor during the first six months. The people everywhere have enough to eat and, so far as known, are secure in the possession of their property and families. The province has great natural resources, which are almost entirely undeveloped. There is an almost unlimited amount of valuable timber, a great deal of it easily accessible, and there is a very large amount of fine agricultural land, well adapted to cocoanut, hemp, rice, sugar—in short, most of the island products. Rubber plants and rubber trees exist in large numbers; also gutta trees, although a comparatively small amount of this is at present being brought out. Nearly all tropical fruits grow well in the province. All that is wanted is some one to develop and make use of its almost inexhaustible resources.

Lumber companies complain of the present forestry law, and there has been no development in this industry during the past year; in fact, two lumber mills in the province have ceased operations. It is possible that after further trial of the present law there may be a revival of the industry. At present, in the midst of an almost inexhaustible forest of excellent lumber, we are building barracks and quarters and oftentimes private buildings with lumber brought from America, a condition which ought not to exist.

What is needed to develop this portion of the world is a suitable class of settlers, bringing with them knowledge of modern agricultural methods, enterprise, and some capital. Such a class of settlers

will do much to introduce higher standards of industrial and agricultural capacity, standards which must be established before the native will take steps to change his present methods, which are all that he knows; and unless he has before him the example of what can be done in this really remarkable country it is not believed that his present primitive methods will be materially changed. If he could see the results of better agricultural methods and better industrial methods generally it is believed that his ambition would be stimulated and that his development would be comparatively rapid. In short, a scattering of good agriculturists throughout the province would be of inestimable value to the people, individually and as a whole.

At the present time such a class of settlers is not coming, and it is not believed that they will come until much more liberal inducements are offered them, especially in the way of obtaining land by settlement. The prospect of obtaining by settlement, even under the most favorable conditions, 40 acres of land is not a sufficient inducement to influence ambitious and industrious settlers to come to the remote East. If it is desired that enterprising settlers come here it is held that much greater inducements must be held out to them than at present. It is believed that it is only through such a class of settlers that these islands can be developed to the best interests of the inhabitants and of the United States. What is needed here is an influx of such people as built up the West. The natives would be stimulated by their example and educated by their work, and the possibilities of these islands would soon be apparent.

It is recommended that the amount of land obtainable under the homestead clause of the present land law be increased to 200 acres, under conditions requiring cultivation yearly of a fixed amount of the land and completion of improvements to be prescribed.

It is difficult to imagine a richer country or one out of which more can be made than the island of Mindanao and adjacent islands, but development requires intelligence, energy, and capital.

Transportation facilities in the province are exceedingly limited. Pactically everything is by water. There are very few roads, and they run from the seacoast to nearby towns. Coastwise steamship lines are much needed. At present there are practically no such lines in operation in this province. The United States army transports in the service of the Quartermaster Department do all the business of the military establishment, and transport by way of courtesy a large number of people who have no connection whatever with government affairs. The coast-guard ships of the insular government transact most of the government business and carry its freight and passengers and also transport many private parties. The effect of these two lines, while undoubtedly a convenience to the military and civil authorities, has been to drive the coastwise steamship companies out of business, thereby causing a most unfortunate condition, which tends to greatly hamper the development of the country, for would-be investors hesitate to establish themselves where there are no adequate means of transportation. There is great difficulty in obtaining supplies and still greater difficulty in marketing products.

It is recommended that the interisland transports be wholly, and the coast-guard boats very largely, given up, and that long-term con-

tracts, under a subsidy arrangement, be entered into with steamship lines. Such a course will, it is believed, greatly decrease the expenses of both the insular and military governments and tend enormously to build up and develop the country. Such agreements should embody a maximum rate for private passengers and freight. It is believed that such a procedure will be, in addition to effecting a saving, of the greatest benefit to the insular government and the Government of the United States, as it will tend to stimulate the development of the natural resources of these islands.

There is nothing in the climate of this portion of the islands which prohibits long residence here. The British residents of North Borneo and the Malay Peninsula and the Dutch in Java manage to live apparently very contented and healthy lives in those countries, which are hotter than any portion of the Philippine Islands. While the service is in a way severe, it does not seem to deter the average Englishman or Dutchman from competing eagerly for positions in the government of the colonies, and it is believed that Americans can live and do good work where any other white race can. A moral life, with plenty of hard work, will be found to counteract in most cases the so-called demoralizing effects of the Philippine climate.

Our standing among the people of these islands has been much injured by the presence of a large and tough class of so-called Americans, whose energies have been principally expended in the construction, maintenance, and patronage of rum shops, which outnumber other American business establishments.

Young Americans of the best class are much needed in all branches of the government, especially as representatives of the government in remote districts among the half-civilized peoples, where their influence for good would be of the greatest value. It is believed that the procurement and retention of men of this class would be facilitated if they could be sure of continuance in service, promotion, and, if they are to be prohibited from entering into business while acting as representatives of the government, a pension upon retirement after thirty years' service. It is from the Americans in the islands that the people are forming their ideas of the American nation, and it is most important that our representatives should be the best obtainable.

A considerable amount of opium is smuggled into the province. It is earnestly recommended that the most stringent regulations be enacted in regard to the importation, sale, and use of opium. Nothing has had a more demoralizing effect upon the Moros and savage peoples than opium, and it will absolutely destroy them if its importation and use is authorized. It is believed that all the best minds now engaged in colonial development are at the bottom convinced of the fearfully pernicious effect of the use of opium in the eastern countries and would gladly get rid of it at any cost if they could. The Philippines are, from an eastern standpoint, practically uncontaminated by this, the most deadly and degrading of all vices. While the revenue from its sale would undoubtedly be great, it is believed that the ultimate loss in the character and energy of the people would many times counterbalance it. It is believed that a license to smoke opium, sufficiently low to avoid fraud, should be issued those hopelessly addicted to the habit, and that exceedingly severe penalties should attach to those who furnish opium to youth or those who are

nonsmokers. Such a system will, if honestly followed out, gradually dispose of the smokers and eradicate the evil. The Japanese are accomplishing this in Formosa. It is a poor policy in developing a people to count on the income of legalized vice for a large portion of the revenue, as is done in most eastern colonies.

It is recommended that the duty on Chinese tobacco imported into the Moro Province be reduced 75 per cent. The Moros use Chinese tobacco altogether and will not have any other, even if it is given to them. The present duty is high and leads to smuggling and other irregularities. The reduction in duty would be much appreciated by the Moros, and it is not believed that there would be any loss in revenue to the government, as with a small duty there would be little incentive to smuggling.

It is also recommended that the cost of registering boats of Moro and Pagan construction of more than 10 tons burden be reduced to 5 pesos. The Moros are anxious to register their boats, but find the cost, from their standpoint, to be excessive. What is especially desired is to get them into the habit of registering their boats, paying taxes, etc. The best way to do this is believed to be by small fees until the sytem is established.

It is recommended that steps be taken to induce the United States Government to authorize the construction of all barracks and quarters from native lumber, which, while costing little more, is much more durable and, generally speaking, insect proof.

It is also recommended that experiments be made for the purpose of ascertaining what grasses suitable for forage can best be developed in these islands. A very considerable source of revenue would be furnished the people if forage consumed by the Army could be furnished by the agriculturists of the islands rather than imported. Such a procedure would also effect a very considerable saving to the United States Government.

It is urgently recommended that the portion of the province of Misamis, situated west of the Bay of Iligan and adjoining the subdistrict of Dapitan, be transferred to the Moro Province. After more than a year of observation and study of existing conditions no good reason for this territory continuing as a portion of the province of Misamis is apparent. Its people and their interests are identical with those of the Moro Province. Its coast settlements are Filipinos, as are all the principal coast towns of the Moro Province. Its hill people are Subanos, as are the hill people in the subdistrict of Dapitan, which adjoins it. A few Moro settlements are scattered along the coast, as they are along the coast of the Zamboanga Peninsula and the southern portion of Mindanao. The territory is bounded by the territory of the Moro Province on the west and by the Bay of Iligan on the east. The town of Misamis in the district in question is 85 miles from Cagayan by sea and by land 114 miles by difficult trail. As the situation now stands it means that out of what should be the territory of the Moro Province one of the most populous and richest sections has been carved and attached to a distant province, thereby introducing into the administration of affairs a peculiar situation. The hill tribes find themselves divided between two jurisdictions. A different system of schools and of general administration exists within narrow territorial limits, and people whose interests are identical in every way with those of the Moro Province are made a part

of a province with which it has no land communication except by passing over nearly 100 miles of the Moro Province, and no sea communication except as above stated. It is maintained that the existing situation is most prejudicial to the interests of the Moro Province and disadvantageous to the people of the territory under discussion, which naturally forms a part of this province and should be made a part of it.

It is suggested that consideration be given to the question of the advisability of uniting to the Moro Province, for the purpose of economy and uniformity of administration of the affairs of people whose interests are identical, the provinces of Misamis and Surigao, these provinces to constitute districts of the Moro Province and be governed accordingly. The peoples inhabiting these provinces present practically the same administrative problems as are presented in the Moro Province. The bulk of the population in all is made up of semicivilized peoples, and for the purpose of bringing order out of the confusion existing among them a uniform general policy should apply. It is believed that a very considerable economy would result.

It is recommended that the government farm at San Ramon be transferred to the control of the authorities of the Moro Province. This farm is distant from Zamboanga 15 miles by trail, and its interests are intimately connected with those of the district of Zamboanga and the Moro Province in general. It is the purpose of the provinical government, in case this farm is transferred to it, to develop it as a nursery for hemp plants, for sale and distribution among the people of the province. Up to the present time the farm has remained very largely undeveloped and, so far as is known, has not been either self-supporting or of any material assistance either to the agricultural interests of the province or of the islands. The farm comprises some 8,000 acres of arable land and can be made of very great value to the people of this part of the island and of the province, and through it much can be accomplished to encourage and develop the hemp industry, and valuable work can be done in the way of improving the class of cocoanuts being planted throughout the province.

It is recommended that steps be taken to establish some procedure by which would-be American citizens can become such in the Philippine Islands. There have been a number of attempts made by most desirable men, possessing capital, to become American citizens. At present there is no way of this being done without going to the United States. It is believed that a procedure similar to that adopted in Porto Rico would at least have the merit of overcoming the present difficulty. The present condition seems an unfortunate one to encounter in a new country which we are trying to develop. It is believed that prompt measures should be taken to so remedy existing conditions that one can become a United States citizen (to the extent at least of the requirements of the laws in force here) in these islands without having to go to and remain in the United States proper to accomplish it.

There has been a great increase in the cost of living and in wages in this as in other provinces, an increase which has not been accompanied either by improved methods or increased production. The

cause of the increase can be traced in most cases to the foolishly high prices paid by army officials for labor. The resulting situation is a trying one to the farmer and producer generally. Men whose methods are as crude and capacity for output as limited as they were ten years ago are demanding higher wages than the farmer can afford to pay, as he is employing the old crude methods and will until he is shown how to improve on them. If the increased cost of labor had been accompanied by the introduction of methods or mechanical devices which enabled the laborer to accomplish more, the effect would not have been bad. As it is, considerable time and patience will be required to adjust matters. The reduction in the number of laborers required by the Army and a reduction in the wages paid by its representatives will help the situation from the producer's standpoint and tend to establish normal conditions.

The provincial government is at present engaged in correspondence with various steamship companies looking to the subsidizing of several small steamers to make trips about the island of Mindanao, from Cateel, on the east coast, to Iligan, on the west, including the Sulu Archipelago, for the purpose of picking up jungle produce, hemp, timber, and plantation products and bringing them to Zamboanga for shipment to foreign ports, and also for the purpose of distributing supplies from Zamboanga to the various outlying places. The propositions thus far received have been deemed excessive. In fact, the policy of high prices pursued by the steamship companies in the early days of the occupation, which necessitated the establishment of a coast-guard line and the extensive use of interisland transports for the Army, is still indicated in the proposals received.

A provincial hospital is much needed, and a project is now under consideration to purchase suitable land in Zamboanga and to erect thereon a provincial hospital, on plans which will permit its gradual development to meet the needs of the province. Thus far sick natives have been taken care of in United States military hospitals in very many cases.

Surveys have been completed and estimates made, the project submitted, and approval recommended for the construction by the military authorities of a narrow-gauge railroad from Overton, on the seacoast, to Marahui, on Lake Lanao. The road can be built and equipped for $315,000 gold, and the cost of its construction would be almost saved by the military authorities in a single year in the cost of transporting supplies to lake posts. It is hoped that this plan will be eventually approved, as it is believed that it would not only be a great economy to the military establishment, but would be of immense service in developing the rich and fertile country about Lake Lanao, which, in addition to its agricultural possibilities, from its elevation furnishes a most desirable place for recuperation from diseases incident to the Tropics.

The constabulary force in this province has been most efficiently and ably handled by Col. J. G. Harbord, district chief, fifth district, and the relations which have existed between the military and civil forces have been those of cordial cooperation. The constabulary work has been well and satisfactorily done.

The relations between civil and military authorities have been cordial, and the military establishment as a whole has done all in its power to assist the provincial government.

The provincial governor desires to express his appreciation of the valuable service rendered by the members of the legislative council, provincial and district officials, as follows:

To Capt. George T. Langhorne, aid-de-camp, for efficient and able services in the organization and conduct of the secretary's office.

To Mr. Fred A. Thompson, provincial treasurer, for most capable and thorough conduct of the affairs of his department in all portions of the province.

To Capt. Charles Keller, provincial engineer, for painstaking and efficient work in the organization of the department of public works, the purchase of supplies, and the conduct of such public work as has been undertaken.

To Dr. Najeeb M. Saleeby, provincial superintendent of schools, for efficient and painstaking performance of the duties of his office.

To Mr. John E. Springer, provincial attorney, for the efficient performance of the duties pertaining to his office and for excellent work in drafting acts of the legislative council.

To Col. Hugh L. Scott, governor of the district of Sulu, for the very able and most efficient manner in which he has handled a complex and difficult situation.

To Capt. John P. Finley, governor of the district of Zamboanga, for conscientious and careful performance of the duties of his office.

To Maj. Robert L. Bullard, governor of the district of Lanao, for very efficient and hard work in the conduct of the affairs of his district up to the date of his relief, June 30, 1904, and

To Capt. Daniel B. Devore, governor of the district of Lanao since June 30, 1904, for efficient performance of duty.

To Capts. Carl Reichmann and Robert O. Van Horn, governors of the district of Cottabato, for efficient conduct of the affairs of their district.

To Lieut. E. C. Bolton, governor of the district of Davao, for the very efficient performance of the duties of his office and for the excellent results obtained.

To Capt. John R. Proctor, jr., Capt. Oscar J. Charles, and Mr. Frank J. Dunleavy for efficient performance of duty as secretaries to the governors of the districts of Zamboanga, Sulu, and Cottabato, respectively.

To Mr. Thomas R. Henderson, for his performance of duty as secretary of the district of Davao.

To Mr. Charles B. McGhee, deputy provincial treasurer and treasurer of the district of Zamboanga, for thoroughly efficient performance of the duties of his office.

To Mr. Burdette A. Crumb, treasurer of the district of Sulu; Mr. Stephen R. Beard, treasurer of the district of Cottabato; Mr. George W. C. Sharp, treasurer of the district of Davao, and Mr. Loren L. Day, treasurer of the district of Lanao, for efficient performance of the duties of their offices.

To Mr. Charles R. Morales, chief clerk, for thoroughly efficient and able performance of his duties as chief clerk.

Very respectfully,

LEONARD WOOD,
Major-General, U. S. Army, Governor.

The CIVIL GOVERNOR OF THE PHILIPPINE ISLANDS.

APPENDIXES.

[ACT No. 19.]—AN ACT Appropriating the sum of sixty five thousand one hundred and fifty eight pesos, in Philippines currency, or so much thereof as may be necessary in part compensation for the fiscal year nineteen hundred and four, and for other purposes.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The following sums, in Philippines currency, or so much thereof as may be respectively necessary, are hereby appropriated, out of any funds in the treasury of the Moro Province not otherwise appropriated, in part compensation for the service of the Moro Province for the second quarter of the fiscal year nineteen hundred and four, unless otherwise stated:

PERSONNEL OF THE MORO PROVINCE.

SALARIES AND WAGES.

Governor's office: One stenographer, class 7, one clerk, class H, one thousand one hundred and ten pesos.

Secretary's office: One chief clerk, class 7, two stenographers, class 8, one clerk, class 10, one clerk, class H, one messenger, at two hundred and forty pesos per annum, three thousand three hundred and seventy pesos.

Attoney's office: Provincial attorney, at eight thousand pesos per annum, assistant attorney, at five thousand pesos per annum, one clerk, class D, one clerk, class K, three thousand seven hundred and thirty pesos.

Treasurer's office: Provincial treasurer, at eight thousand pesos per annum, one examiner, class 8, at three thousand pesos per annum, one clerk, class K, at three hundred and sixty pesos per annum, two thousand eight hundred and forty pesos.

Engineer's office: One chief clerk, class 8, two clerks, class J, one thousand one hundred pesos.

Office of the Superintendent of Schools: Superintendent of Schools, at eight thousand pesos per annum, one clerk, class 9, two translators, class A, one messenger, at one hundred and eighty pesos per annum, three thousand seven hundred and forty five pesos.

In all, for salaries and wages, Personnel of the Moro Province, fifteen thousand eight hundred and ninety five pesos.

REGULAR SUPPLIES.

Office furniture and fixtures, stationery, etc., four thousand pesos.

RENTS.

For provincial offices, courts of first instance, jail houses, etc., one hundred and fifty pesos.

TRAVELING EXPENSES AND SUBSISTENCE.

For provincial officials and employees, when on necessary official business, two hundred pesos.

TRANSPORTATION.

Transportation of freight, purchase of horses, wagons, carabaos, etc., three hundred pesos.

MISCELLANEOUS EXPENSES.

Cables, postage, doctor's fees, expense carrying out sanitary regulations, public surveys, advertising, etc., two hundred pesos.

ADMINISTRATION OF JUSTICE.

Fees or sheriffs, subsistence and transportation of prisoners, charges criminal proceedings, fees medical attendance on prisoners, transportation and subsistence of judges and court officials, supplies for jails and prison hospitals, one thousand pesos.

WHARVES AND DOCKS.

Repair and construction of wharf at Zamboanga, four thousand pesos.

SCHOOLS.

Salaries: Thirteen teachers, class 9, seven teachers, class 10, two teachers, at one thousand eight hundred pesos per annum, one teacher, at one thousand two hundred pesos per annum, two teachers, at eight hundred and forty pesos per annum, six teachers, at six hundred pesos per annum, fifteen teachers, at four hundred and eighty pesos per annum, thirty teachers, at three hundred and sixty pesos per annum, twelve teachers, at three hundred pesos per annum, eighteen thousand four hundred and twenty pesos.

Rents: two thousand pesos.

Books and supplies: six thousand pesos.

Construction and repair of buildings: five hundred pesos.

Traveling expenses: two hundred and fifty pesos.

In all, for school purposes, twenty seven thousand one hundred and seventy pesos.

DISTRICT OF ZAMBOANGA.

SALARIES AND WAGES:

Governor's office: One interpreter, class C, one interpreter, class D, one messenger, at two hundred and forty pesos per annum, eight hundred and forty pesos.

Secretary's office: One chief clerk, class 9, one typewriter, class C, one interpreter, class B, one clerk, class K, one thousand six hundred pesos.

Treasurer's office: District treasurer, at three thousand eight hundred pesos per annum, one clerk, class H, at seven hundred and twenty pesos per annum, one clerk, class K, at three hundred pesos per annum, one clerk, class K, at two hundred and forty pesos per annum, one thousand two hundred and sixty five pesos.

In all, for salaries and wages, District of Zamboanga, three thousand seven hundred and five pesos.

Traveling expenses and subsistence: One hundred and fifty pesos.

Administration of justice: Four hundred pesos.

DISTRICT OF SULU.

SALARIES AND WAGES:

Governor's office: One stenographer, class 8, one interpreter class A, one messenger, at two hundred and forty pesos per annum, one thousand three hundred and sixty pesos.

Secretary's office: One clerk, class 10, one janitor, at one hundred and ninety two pesos per annum, six hundred and forty eight pesos.

Treasurer's office: District treasurer, at three thousand two hundred pesos per annum, one deputy, at four hundred and eighty pesos per annum, one janitor, at two hundred pesos per annum, nine hundred and seventy pesos.

In all, for salaries and wages, District of Sulu, two thousand nine hundred and seventy eight pesos.

Traveling expenses: One hundred and fifty pesos.

Rents: Office buildings, etc., one hundred and sixty pesos.

Administration of justice: Four hundred pesos.

DISTRICT OF COTTABATO.

SALARIES AND WAGES:

Treasurer's office: District treasurer, at three thousand six hundred pesos per annum, one deputy, at four hundred and eighty pesos per annum, one janitor, at two hundred pesos per annum, one thousand and seventy pesos.

Traveling expenses: One hundred and fifty pesos.

Rents: Office buildings, etc., one hundred and twenty pesos.

Administration of justice: Four hundred pesos.

DISTRICT OF DAVAO.

SALARIES AND WAGES:

Treasurer's office: District treasurer, at three thousand two hundred pesos per annum, one deputy, at four hundred and eighty pesos per annum, one janitor, at two hundred pesos per annum, nine hundred and seventy pesos.
Traveling expenses: One hundred and fifty pesos.
Rents: Office buildings, etc., one hundred and twenty pesos.
Administration of justice: Four hundred pesos.

DISTRICT OF LANAO.

SALARIES AND WAGES:

Treasurer's office: District treasurer, at three thousand pesos per annum, one deputy, at four hundred and eighty pesos per annum, one janitor, at two hundred pesos per annum, nine hundred and twenty pesos.

Total appropriations for all purposes, sixty five thousand one hundred and fifty eight pesos, in Philippines currency, or so much thereof as may be necessary.

SEC. 2. The appropriations herein made shall be withdrawn from the treasury of the Moro Province in Philippines currency, or in United States currency at the option of the provincial treasurer.

SEC. 3. There not being sufficient unappropriated balances on hand to complete the above appropriation, the provincial treasurer is hereby authorized to transfer, in his discretion, to the credit of the various appropriations, the present unappropriated balances in the general and customs funds. Balances due appropriations after the above transfers, shall be made upon receipt of sufficient deposits hereafter received from provincial and customs revenues, until the said appropriation of sixty five thousand one hundred and fifty eight pesos in Philippines currency is provided for.

SEC. 4. The sum of five hundred and seventy nine pesos and sixty seven centavos, Philippines currency, is hereby appropriated out of any funds in the treasury of the Moro Province, not otherwise appropriated, for the hereinafter mentioned employees of the Government of the Moro Province, in lieu of salary as emergency employees before appointment and taking oath of office:

(*a*) Secretary's office: Charles R. Morales, for service rendered as clerk from the eighteenth day of September to the sixth day of October, nineteen hundred and three, both dates inclusive, at an annual salary of three thousand pesos, one hundred and fifty eight pesos and thirty centavos; Thomas J. Fox, for service rendered as clerk from the first day of October to the sixth day of October, nineteen hundred and three, both dates inclusive, at an annual salary of three thousand pesos, fifty pesos; Sidney S. Johnson, for service rendered as clerk from October first to October sixth, nineteen hundred and three, both dates inclusive, at an annual salary of one thousand eight hundred pesos, thirty pesos, two hundred and thirty eight pesos and thirty centavos.

(*b*) Treasurer's office: Pedro Urbina, for service rendered as clerk (janitor) from the tenth day of September to the thirteenth day of October, nineteen hundred and three, both dates inclusive, at an annual salary of two hundred and forty pesos, twenty one pesos and two centavos.

(*c*) Office of the Superintendent of Schools: Felix Saavedra, for services rendered as messenger from the eleventh day of September to the thirtieth day of September, nineteen hundred and three, both dates inclusive, at an annual salary of one hundred and eighty pesos, ten pesos.

(*d*) Governor's office, District of Sulu: Edward Schuck, for services rendered as interpreter from the tenth day of September to the thirtieth day of September, nineteen hundred and three, both dates inclusive, at an annual salary of one thousand eight hundred pesos, one hundred and five pesos.

(*e*) Secretary's office, District of Sulu: Adolf C. C. Gunther, for service rendered as clerk from the fourth day of September to the tenth day of October, nineteen hundred and three, both dates inclusive, at an annual salary of two thousand pesos, two hundred and five pesos and thirty five centavos.

In all five hundred and seventy nine pesos and sixty seven centavos.

SEC. 5. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, October 13th, 1903.

Approved by the Philippine Commission November 23, 1903.

[ACT No. 20.]—AN ACT To provide for the allowance of traveling expenses and subsistence expenses of provincial and district officials and employees, and to repeal section three of Act Numbered Seventeen.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Whenever any provincial or district official or employee shall be absent from his usual place of residence on official business, his actual and necessary traveling expenses and subsistence expenses, the latter not to exceed three pesos, Philippines currency, per day, shall be refunded by appropriation from provincial funds. Provided, that no teacher, and no subordinate employee in the office of the provincial governor, secretary, treasurer, superintendent of schools, engineer or attorney, or in the office of the governor, secretary or treasurer of a district, shall be allowed traveling and subsistence expenses, unless it shall appear that the travel by which such expenses were incurred was undertaken by virtue of the written order of the head of his department. The provincial treasurer shall draw up rules governing the preparation and presentation of vouchers for such expenses, and shall cause a copy of such rules to be furnished to all provincial and district officials and employees.

SEC. 2. Section 3 of Act No. 17 of the Legislative Council of the Moro Province is hereby repealed.

SEC. 3. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, October 17, 1903.

Approved by the Philippine Commission November 23, 1903.

[ACT No. 21.]—AN ACT Providing for the establishment of the municipalities of Mati, Davao, Makar, Cottabato, Malabang, Dapitan, Cateel, Baganga and Caraga, and enlarging the municipalities of Iligan and Zamboanga.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The municipalities of Mati, Davao, Makar, Cottabato, Malabang, Dapitan, Cateel, Baganga and Caraga are hereby established with boundaries as prescribed for each in sections 2, 3, 4, 5, 6, 7, 8, 9 and 10, and the municipalities of Iligan and Zamboanga are hereby enlarged with boundaries as prescribed in sections 11 and 12. The provisions of the Municipal Code now in force in the Philippine Islands, except as hereinafter modified, are extended to the municipalities established by this act.

SEC. 2. The municipality of Mati shall include all territory between the 7th parallel of N. Lat., and Cape St. Augustine, bounded on the east by the Pacific Ocean, on the west by the waters of the Seno de Davao, and shall include in addition to the mainland, all the islands lying off the coast within a distance of three marine leagues except the Islands of Taluna, Samal and Santa Cruz, which shall be included in the municipality of Davao. The municipal town shall be Mati.

SEC. 3. The municipality of Davao shall include the Islands of Taluna, Samal, Santa Cruz and the Sarangani Islands, the portion of the mainland on the east side of the Seno de Davao north of the 7th parallel of N. Lat., as well as that west of the north and south running watershed of the mountains lying to the northeast of the Seno de Davao, south of the parallel of latitude 7 degrees, 15 minutes north, and east of the western boundary of the district of Davao as prescribed in act No. 787, of the Philippine Commission. The municipality shall also include all islands within the three marine league limit of the shore lines of the mainland and of the Sarangani Islands and all of the Seno de Davao not included in the municipality of Mati. The municipal town shall be Davao.

SEC. 4. The municipality of Makar shall include all territory of the mainland lying between the parallel of six degrees, 15 minutes, N. Lat., the eastern boundary of the district of Cottabato and a line following the general trend of the coast line and distant three marine leagues therefrom, terminating upon the parallel of 5 degrees, 30 minutes, N. Lat. The municipal town shall be Makar.

SEC. 5. The municipality of Cottabato shall include all of the mainland and its adjacent islands lying north of the parallel of latitude 7 degrees N., bounded on the east by a line starting at a point on the parallel of 7 degrees N. Lat., distant about 55 miles from the intersection of this parallel and the coast line, and running N., 35 degrees W., to the eastern boundary of the district of Lanao on the west by the eastern boundary of the district of Lanao and a line parallel to the coast line and distant three marine leagues therefrom. The municipal town shall be Cottabato.

SEC. 6. The municipality of Malabang shall include all territory lying north and west of the eastern boundary of the Lanao district, south of the watershed of the mountains which run approximately northwest, following the watershed to its intersection with the meridian 127 degrees, 30 minutes east of San Fernando, and east of the latter meridian, including also all the islands within the three marine league limit. The municipal town shall be Malabang.

SEC. 7. The municipality of Dapitan shall include the territory bounded on the north by the ocean, on the east by the line separating Misamis from the Moro Province, on the south by the 8th parallel of N. Lat., and on the west by the Sea of Jolo, including in addition all islands within the three marine league limit. The municipal town shall be Dapitan.

SEC. 8. The municipality of Cateel shall include all territory bounded on the east by the Pacific Ocean, on the north by the 8th parallel of N. Lat., on the west by the watershed of the mountains parallel to the coast and on the south by the parallel of latitude about 7 degrees, 35 minutes north which runs through the middle of the swamp lying between the Rio Matuban and the pueblo of Quinablangan, and all islands within the three marine league limit. The municipal town shall be Cateel.

SEC. 9. The municipality of Baganga shall include all territory bounded on the east by the Pacific Ocean and on the north by the southern boundary of the municipality of Cateel as described in Section 8, on the west by the watershed of the mountains parallel to the coast, on the south by the east and west line equidistant from the villages of San Luis and Baculin and all islands within the three marine league limit. The municipal town shall be Baganga.

SEC. 10. The municipality of Caraga shall include all territory bounded on the east by the Pacific Ocean and on the north by the southern boundary of the municipality of Baganga as described in Section 9, on the west by the watershed of the mountains parallel to the coast line, on the south by the 7th parallel of N. Lat., and all islands within the three marine league limit. The municipal town shall be Caraga.

SEC. 11. The limits of the municipality of Iligan are hereby extended to include all territory of the Moro Province north of the 8th parallel of N. Lat., and east of the Mipangi River, its boundaries being the 8th parallel of N. Lat. on the south, the waters of the Panquil and Iligan Bays on the west, the parallel of latitude through Salinbal Point on the north and the meridian 128 degrees, 8 minutes of east longitude on the east. All islands within the three marine league limit shall also be included. The municipal town shall be Iligan.

SEC. 12. The limits of the municipality of Zamboanga are hereby extended so as to include all territory of the Zamboanga peninsula south of the parallel of latitude 7 degrees, 30 minutes N., the Island of Basilan and all islands distant three marine leagues either from the mainland or from the Island of Basilan. The municipal town shall be Zamboanga.

SEC. 13. Municipal elections shall be held as may hereafter be provided in the Municipal Code of the Moro Province. Pending such municipal elections, the District Governors are authorized to appoint municipal officials, such appointments being subject to approval by the Legislative Council of the Moro Province. Municipal officials now holding office shall be permitted to serve until the conclusion of their terms of office unless sooner removed for cause in accordance with the provisions of act No. 787, of the Philippine Commission.

SEC. 14. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, October 29th, 1903.

Approved by the Philippine Commission November 23, 1903.

[ACT No. 22.]—AN ACT To provide for the employment of a clerk in the office of the district governor of Davao, and fixing the salary of the district secretary of the district of Davao.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Subject to the provisions of act No. 5 of the Philippine Commission, and its subsequent amendments, there shall be employed in the office of the District Governor of the District of Davao one clerk, class A.

SEC. 2. The District Secretary of the District of Davao shall receive an annual salary of twelve hundred dollars, currency of the United States, or its equivalent in Philippines currency.

SEC. 3. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, October 29th, 1903.

Approved by the Philippine Commission November 23, 1903.

[ACT No. 23.]—AN ACT To provide for the employment of certain subordinate employees in the office of the district governor of the district of Cottabato, and fixing the salaries thereof, and fixing the salary of the district secretary of said district.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Subject to the provisions of act No. 5 of the Philippine Commission, and its subsequent amendments, there shall be employed in the office of the District Governor of the District of Cottobato, the following subordinate employees:

(*a*) One clerk, class J.

(*b*) One interpreter, class H.

(*c*) One messenger at an annual salary of one hundred and twenty dollars ($120.00), currency of the United States, or its equivalent in Philippines currency.

SEC. 2. The District Secretary of the District of Cottabato shall receive an annual salary of not to exceed fifteen hundred dollars ($1500.00), currency of the United States, or its equivalent in Philippines currency, to be fixed by the Governor of the Moro Province in the appointment.

SEC. 3. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, October 30th, 1903.

Approved by the Philippine Commission November 23, 1903.

[ACT No. 24.]—AN ACT To provide for the employment of one clerk, class nine, in addition to those provided for in Act Numbered twelve, in the office of the provincial engineer, and fixing the salary thereof.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Subject to the provisions of act No. 5 of the Philippine Commission and its subsequent amendments, there shall be employed in the office of the Provincial Engineer, in addition to those provided for in Act No. 12 of the Legislative Council, one clerk, class 9.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, December 1st, 1903.

Approved by the Philippine Commission January 6, 1904.

[ACT No. 25.]—AN ACT To provide for the organization of the office of the district governor, district of Lanao, to provide salaries for the employees thereof and to fix the salary of the secretary of said district.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Subject to the provisions of Act No. 5 of the Philippine Commission and its subsequent amendments, there shall be employed in the office of the District Governor of the District of Lanao, the following subordinate employees:

(*a*) One clerk, class A.

(*b*) One interpreter, class H.

(*c*) One messenger, at an annual salary of not to exceed one hundred and twenty dollars ($120.00), U. S. currency.

SEC. 2. The District Secretary of the District of Lanao shall receive an annual salary of not to exceed one thousand five hundred dollars ($1,500.00), U. S. currency, to be fixed by the Governor of the Moro Province in the appointment.

SEC. 3. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, December 7, 1903.

Approved by the Philippine Commission January 6, 1904.

[ACT No. 26.]—AN ACT Appropriating the sum of fifteen thousand two hundred and thirty seven pesos and twelve centavos, Philippines currency, or so much thereof as may be necessary, to pay various expenses of the government of the Moro province for the first and second quarters of the fiscal year nineteen hundred and four, not provided for in the general appropriation acts for the first and second quarters.

By authority of the Philippine Commission, be is enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The following sums in Philippines currency, or so much thereof as may be respectively necessary, are hereby appropriated out of any funds in the Treasury of the Moro Province not otherwise appropriated, in part compensation for the service of the Moro Province for the fiscal year ending June thirtieth, nineteen hundred and four, being for the first and second quarters of the said fiscal year, unless otherwise stated.

GOVERNMENT OF THE MORO PROVINCE.

SALARIES, WAGES AND ALLOWANCES.

Governor's office: Provincial Governor, from July 25, 1903, to December 31, 1903, at three thousand three hundred pesos, Philippines currency, per annum, being twenty per cent of his current yearly pay as an Army officer, one thousand four hundred and thirty pesos.

Secretary's office: Provincial Secretary, from August 18, 1903, to December 31, 1903, at twelve hundred pesos per annum, being twenty per cent of his current yearly pay as an Army officer, four hundred and forty-three pesos and thirty-three centavos.

Engineer's office: Provincial Engineer, from August 18, 1903, to December 31, 1903, at one thousand one hundred and twenty pesos per annum, being twenty per cent of his current yearly pay as an Army officer; Walter E. Chunyut, class 8, from October 15, 1903, date of transfer from Iloilo Province, to October 17, 1903, date of taking oath of office in the Moro Province: four hundred and twenty-two pesos and ten centavos.

Treasurer's office: Fred A. Thompson, Treasurer of the Moro Province, from August 25, 1903, date of transfer from Iloilo Province, to September 1, 1903, prior to date of taking oath of office in the Moro Province, one hundred and fifty-five pesos and fifty-five centavos.

In all for salaries, wages and allowances, two thousand four hundred and fifty pesos and ninety-eight centavos.

REGULAR SUPPLIES.

Office furniture and fixtures, stationery, etc., two thousand pesos; contingent fund, for repairs, labor, etc., of office furniture, fixtures, etc, fifty pesos.
In all for regular supplies two thousand and fifty pesos.

TRAVELING EXPENSES.

For the actual and necessary traveling expenses of Fred A. Thompson, Treasurer of the Moro Province, while traveling on official business during the period from July 15, 1903, to October 16, 1903; twenty-two pesos; for the actual and necessary traveling expenses of N. M. Saleeby, Superintendent of Schools, Moro Province, while traveling on official business during the period from July 15 to October 16, 1903, thirty-seven pesos and fifty centavos. For Provincial officials and employees while traveling on official business, three hundred pesos. In all for traveling expenses, three hundred and fifty-nine pesos and fifty centavos.

DISTRICT OF ZAMBOANGA.

SALARIES, WAGES AND ALLOWANCES.

Governor's office: District Governor, from September 2, to December 31, 1903, at twelve hundred pesos per annum, being twenty per cent of his current yearly pay as an Army officer; Jachi Nuño, interpreter, from October 1 to October 12, 1903, while employed as temporary clerk before taking oath of office: four hundred and thirty-six pesos and sixty-six centavos.
Secretary's office: District Secretary, from October 1, to December 31, 1903, at eight hundred and sixty pesos per annum, being twenty per cent of his current yearly pay as an Army officer, to two hundred and sixteen pesos.
Information fund: For hire of necessary guides, couriers, etc., two hundred and fifty pesos.
In all for salaries, wages and allowances, District of Zamboanga, nine hundred and two pesos and sixty-six centavos.

RENTS.

To reimburse Carter D. Johnston, Disbursing Officer, Bureau of Justice, for rent of court house at Zamboanga, for the period from July 15 to July 31, 1903, at forty-three pesos and forty-eight centavos per month, twenty-three pesos and twenty centavos; for rent of court house at Zamboanga, from August 1, 1903, to December 31, 1903, at forty-three pesos and forty-eight centavos per month, two hundred and seventeen pesos and forty centavos; for rent of building used as sub-district offices at Isabela de Basilan, from October 1, 1903, to December 31, 1903, at thirty pesos per month, ninety pesos.
In all for rents, three hundred and thirty pesos and sixty centavos.

CONSTRUCTION AND REPAIR OF PUBLIC BUILDINGS.

For repairs to temporary district jail, one hundred pesos.

TRANSPORTATION.

To complete repairs of boat "Governor Finley," property of the Moro Province, one hundred pesos; for labor hire of crew for boat "Governor Finley", eight pesos and sixty-seven centavos.
In all for transportation, one hundred and eighty pesos and sixty-six centavos.

ADMINISTRATION OF JUSTICE.

For clothing and subsistence of prisoners for the period from July 15, to September 30, 1903, two hundred pesos.

District of Sulu.

SALARIES, WAGES AND ALLOWANCES.

Governor's office: District Governor, from September 2, 1903, to December 31, 1903, at fifteen hundred pesos per annum, being twenty per cent of his current yearly pay as an Army officer, four hundred and ninety-five pesos and eighty-three centavos.

Secretary's office: District Secretary, from September 29, 1903, to December 31, 1903, at nine hundred and thirty-six pesos per annum, being twenty per cent of his current yearly pay as an Army officer, two hundred and thirty-nine pesos and twenty centavos.

Treasurer's office: B. A. Crumb, District Treasurer, from September 22, 1903, date of transfer from Pangasinan Province, to September 30, 1903, date of taking oath of office in the Moro Province, eighty pesos.

Information fund: For hire of necessary guides, couriers, etc., seven hundred and fifty pesos.

In all for salaries, wages and allowances, District of Sulu, one thousand five hundred and sixty-five pesos and three centavos.

Rents.

For rent of court house at Jolo, from July 15, 1903, to December 31, 1903, at twenty-six pesos and nine centavos per month, one hundred and forty-four pesos and thirty-seven centavos.

Administration of Justice.

For subsistence and clothing of prisoners, for the period from July 15, to September 30, 1903, one hundred pesos.

District of Cotabato.

SALARIES, WAGES AND ALLOWANCES.

Governor's office: District Governor, from September 9, to December 31, 1903, at twelve hundred pesos per annum, being twenty per cent of his current yearly pay as an Army officer; one clerk, class H; one clerk, class J; one messenger at two hundred and forty pesos per annum: six hundred and fifty-three pesos and thirty-three centavos.

Secretary' office: District Secretary, at three thousand pesos per annum, five hundred pesos.

Information fund: For hire of necessary guides, couriers, etc., five hundred pesos.

In all for salaries, wages and allowances, District of Cotobato, one thousand six hundred and fifty-three pesos and thirty-three centavos.

Roads and Bridges.

For construction of landing for small boats on the Rio Grande at Cottobato, five hundred pesos; for repair of bridge about one and one-half miles from Parang on the Parang-Cottobato Road, five hundred pesos: in all for roads and bridges, one thousand pesos.

Administration of Justice.

For subsistence and clothing of prisoners for the period from July 15, to September 30, 1903, fifty pesos.

District of Davao.

SALARIES, WAGES AND ALLOWANCES.

Governor's office: District Governor, from October 28, to December 31, 1903, at seven hundred and twenty pesos per annum, being twenty per cent of his current yearly pay as an Army officer; one clerk, class A: four hundred and fifty-nine pesos and thirty-three centavos.

Secretary's office: District Secretary, at twenty four hundred pesos per annum: four hundred pesos.

Treasurer's office: George W. C. Sharp, District Treasurer, from September 25, 1903, date of transfer from Antique Province, to October 7, 1903, date of taking oath of office in the Moro Province, sixty-five pesos.

Information fund: For hire of necessary guides, couriers, etc., five hundred pesos.

In all for salaries, wages and allowances, one thousand four hundred and twenty-four pesos and thirty-three centavos.

ADMINISTRATION OF JUSTICE.

For subsistence and clothing of prisoners for the period from July 15, to September 30, 1903, fifty pesos.

ROADS AND BRIDGES.

For reconstruction of road from the town of Davao to the landing on Davao Bay, fifteen hundred pesos.

DISTRICT OF LANAO.

SALARIES, WAGES AND ALLOWANCES.

Governor's office: District Governor, from November 11, to December 31, 1903, at fifteen hundred pesos per annum, being twenty per cent of his current yearly pay as an Army officer; one clerk, class A; one clerk, class H; one clerk class K: four hundred and twenty-five pesos and sixty-six centavos.

Secretary's office: District Secretary at three thousand pesos per annum, two hundred pesos.

Information fund: For hire of necessary guides, couriers, etc., five hundred pesos.

In all for salaries, wages and allowances, one thousand one hundred and twenty-five pesos and sixty-six centavos.

ADMINISTRATION OF JUSTICE.

For subsistence and clothing of prisoners for the period from July 15 to September 30, 1903, fifty pesos.

Total appropriations for all purposes, fifteen thousand two hundred and thirty-seven pesos and twelve centavos, Philippines currency, or as much thereof as may be necessary.

SECTION 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, December 10, 1903.

Approved by the Philippine Commission January 6, 1904.

[ACT No. 27.]—AN ACT Regulating the sale of intoxicating liquors, and repealing Act Numbered Seven hundred and nine of the Philippine Commission in its application to the Moro Province.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The provisions of this act shall apply to all saloons, bars and other drinking places within the limits of the Moro Province, whether operating under and by virtue of municipal licenses or provincial licenses, or both. The words "drinking place" where they occur in this act shall be construed to include every bar-room or club-room of a social club or other organization in which intoxicating liquors are sold by retail; and the member, agent, steward or other person in charge of or employed in the service of intoxicating liquors in such club or organization shall be punishable for the commission of any act herein declared to be unlawful.

SEC. 2. Where the sale, gift or delivery of intoxicating liquors is made unlawful by this act, the provisions hereof shall be so construed that no trick, device,

subterfuge or pretense shall be allowed to evade the operation or defeat the policy of the act, if intoxicating liquor be thereby procured.

SEC. 3. It shall be unlawful for any person or persons to conduct or maintain any saloon, bar or drinking place without first having obtained the proper license or licenses therefor, or for any employee or agent of a saloon, bar or drinking place to sell or give away any intoxicating liquor when the proper license or licenses have not been issued to his principal authorizing the same. In prosecutions under this section the burden of proof shall be upon the defendant to show that such license or licenses have been issued.

SEC. 4. All saloons, bars or other drinking places shall be closed from ten o'clock, postmeridian, until six o'clock, antemeridian, the following day, and from ten o'clock postmeridian, Saturday, until six o'clock antemeridian, the following Monday; and it shall be unlawful for any person to sell, give away or otherwise dispose of any fermented, malt, vinous or spirituous or other intoxicating liquors between the above mentioned hours, but the words "give away" as used in this section shall not apply to the giving away of intoxicating liquors by a person in his private dwelling, in the private boarding house of which he is a regular guest, or in the private mess of which he is a regular member, unless such dwelling, boarding house or mess becomes a place of public resort. The presence of people in a saloon, bar or other drinking place during such hours shall be considered prima facie evidence of the unlawful sale, gift or other disposition of intoxicating liquors.

SEC. 5. It shall be unlawful for the proprietor of any saloon, bar or other drinking place

(*a*) To maintain any but a clean, quiet and orderly place.

(*b*) To use or permit to be used any part of his premises for purposes of prostitution or assignation.

In prosecutions arising under the two preceding paragraphs evidence of specific unlawful acts shall not be necessary; but the offence may be proved by evidence of the notorious character of such premises as a filthy or disorderly place or as a place of prostitution or assignation.

(*c*) To permit or conduct any gambling or game of chance or gambling device on any part of his premises.

(*d*) To permit any obscene or indecent picture, engraving or other representation or exhibition to be posted or displayed in any part of his premises.

(*e*) To sell, give away or deliver, or permit to be sold, given away or delivered any intoxicating liquors to any intoxicated person or to any person of known intemperate habits.

(*f*) To sell, give away or deliver, or permit to be sold, given away or delivered any intoxicating liquors, knowing that such intoxicating liquors are intended for sale, gift or delivery to any intoxicated person or to any person of known intemperate habits, whether such sale, gift or delivery be thereafter actually consummated or not.

(*g*) To permit intoxicated persons or persons of known intemperate habits to remain in or about the premises where intoxicating liquors are kept for sale.

In prosecutions arising under paragraphs (*e*) and (*g*) of this section and under paragraph (*f*) for the sale, gift or delivery of intoxicating liquors to any person knowing that such intoxicating liquors are intended for sale, gift or delivery to a person of known intemperate habits, knowledge on the part of the defendant of the intoxication or of the known intemperate habits shall not constitute an element of the offense. For the purposes of construing the three preceding paragraphs an intoxicated person shall be deemed to be a person so far under the influence of intoxicating liquor that his passions are visibly excited or his judgment visibly impaired by the liquor.

(*h*) To keep or sell any wine, beer or liquor, except such as is of good standard quality and free from adulteration.

SEC. 6. It shall be unlawful for any person, not an officer or enlisted man of the United States Army, Navy or Marine Corps to sell, give away or deliver any intoxicating liquors to any person within the limits of a military or naval reservation or within any quarters or premises used exclusively by the United States Army, Navy or Marine Corps. The unexplained possession by a person, not an officer or enlisted man of the United States Army, Navy or Marine Corps, of intoxicating liquors within any military or naval reservation, quarters or premises used exclusively by the United States Army, Navy or Marine Corps, found under circumstances indicating an intent to sell, give away or deliver the same unlawfully, shall also be unlawful. The Commanding Officer of any mili-

tary or naval reservation, or of any post or station to which any quarters or premises used exclusively by the United States Army, Navy or Marine Corps pertain, may seize any intoxicating liquors not the property of an enlisted man or officer of the United States Army, Navy or Marine Corps, found within such reservation, quarters or premiess. He shall cause such intoxicating liquors to be delivered to the president of the nearest municipality, who shall cause the same to be sold at public auction, after due notice of sale posted in three public places within the municipality for at least one week prior to the date set therefor. The proceeds of such sale shall constitute a part of the municipal funds.

SEC. 7. It shall be unlawful for any person to sell, give away or deliver any of the so-called "native wines" such as "vino", "anisado", "tuba", etc., to any enlisted man of the United States Army, Navy or Marine Corps, or to sell, give away or deliver any of such liquors to any person, knowing that such liquors are intended for sale, gift or delivery to any enlisted man of the United States Army, Navy or Marine Corps, whether such sale, gift or delivery be thereafter actually consummated or not.

SEC. 8. It shall be the duty of every holder of a license for the sale of intoxicating liquors to keep it posted in a conspicuous place in the room where the liquors are sold, and failure to do so is hereby declared to be unlawful.

SEC. 9. Every person who violates any of the provisions of this act is guilty of a misdemeanor and upon a first conviction therefor shall be punished by imprisonment not exceeding three months, or by a fine not exceeding fifty dollars, or both. Upon a second conviction under this act for the same or a different offense he shall be punished by imprisonment not exceeding six months, or by a fine not exceeding one hundred dollars, or both, and his license or licenses shall become null and void as a consequence of such second conviction. Thereafter no license for the sale of intoxicating liquors shall be issued to such person and should such license be issued to him it shall be null and void.

SEC. 10. The Commanding Officer of any Military or Naval reservation, post or station, within a radius of two miles from which the offense shall have been committed, shall have concurrent jurisdiction over such offense with the justice of the peace of the municipality in the following cases only:

(*a*) Prosecutions arising under sections six and seven of this act, and (*b*) prosecutions arising under paragraphs (*e*), (*f*) and (*g*) of section five of this act when the intoxicated person or persons of known intemperate habits is an enlisted man of the United States Army, Navy or Marine Corps. In the exercise of the jurisdiction herein conferred upon him, such commanding officer shall have and exercise the powers conferred upon justices of the peace by law. Prosecutions before him shall conform to the rules relating to process, pleading, practice and procedure now or hereafter established for courts of justice of the peace of the Philippine Islands, and all rights of appeal thereby secured shall be allowed to defendants prosecuted under this act. Any order for arrest issued by authority of this act may be executed by a military, naval or marine officer or enlisted man designated for that purpose by the officer commanding, as justice of the peace. Defendants convicted or held for trial under this act shall be imprisoned in the manner and the place provided for the imprisonment of defendants convicted or held for trial by the civil courts. Commanding officers acting as justices of the peace by virtue of this section shall not be entitled to fees as justices of the peace for service so rendered; nor shall military, naval, or marine officers or enlisted men making arrests or serving process be entitled to fees for said services. All fines and cost imposed by commanding officers by virtue of this act shall be paid to the treasurer of the district in which the offense was committed and shall constitute a part of the funds of the Moro Province.

SEC. 11. Act number 709 of the Philippine Commission, and all other laws or parts of laws inconsistent with this act in so far as they may have been in force heretofore in the Moro Province, are hereby repealed.

SEC. 12. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on January 1, 1904.

Enacted, December, 15, 1903.

Approved by the Philippine Commission February 20, 1904.

[ACT No. 28.]—AN ACT Appropriating the sum of one thousand and eighty pesos and ten centavos, Philippines currency, or so much thereof as may be necessary, to defray the current expenses of the town of Jolo, district of Sulu, for the months of November and December, nineteen hundred and three.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The sum of one thousand and eighty pesos and ten centavos, Philippines Currency, or so much thereof as may be necessary, is hereby appropriated out of any funds in the Treasury of the Moro Province not otherwise appropriated to defray the current expenses of the town of Jolo, District of Sulu, for the months of November and December, nineteen hundred and three. The said sum may be expended for any public purpose for which municipal funds may be expended in municipalities organized under the provisions of Act No. eighty-two of the Philippine Commission, entitled "The Municipal Code," upon authorization by a majority of a board to be composed of the District Governor, the District Secretary and the District Treasurer of the District of Sulu and four residents of the town of Jolo whom they shall select. The board shall direct the issuance of warrants by resolution spread upon the records of the District Secretary. Warrants shall be issued by the District Governor and shall be countersigned by the District Secretary. All disbursements shall be made by the District Treasurer, who shall render accounts thereof as for other provincial funds disbursed by him for district purposes.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, December 18, 1903.

Approved by the Philippine Commission February 20, 1904.

[ACT No. 29.]—AN ACT To provide that the Moro Province shall be the beneficiary of the collections derived for timber cut and forestry products on government lands returned to the province by the insular government.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. All collections derived for timber cut and forestry products on Government lands within the Moro Province returned to the provincial treasury by the Insular Government from and including the fifteenth day of July, nineteen hundred and three, or which may hereafter be returned thereto, in accordance with the provisions of section 25 of Act No. 787 of the Philippine Commission, shall constitute a part of the general funds of the Moro Province to be expended in the discretion of the Legislative Council for provincial, district and municipal purposes.

SEC. 2. All provisions of law inconsistent with the provisions of this act, in so far as they may have been in force heretofore in the Moro Province, are hereby repealed.

SEC. 3. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, December 21, 1903.

Approved by the Philippine Commission February 20, 1904.

[ACT No. 30.]—AN ACT Extending the time for the payment of the cedula tax for the year nineteen hundred and three in the districts of Cottabato, Lanao and Davao and the sub-district of Dapitan.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The time allowed for the payment of the cedula tax for the year nineteen hundred and three, imposed by act No. five of the Legislative Council of the Moro Province, is hereby extended within the limits of the Districts of Cottabato, Lanao and Davao and the Sub-District of Dapitan, until February fifteenth, nineteen hundred and four.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, January 5, 1904.

Approved by the Philippine Commission February 20, 1904.

[ACT No. 31.]—AN ACT To amend act numbered one of the Legislative Council of the Moro Province, entitled "An act to provide for the employment of certain subordinate employees in the office of the treasurer of the Moro Province," act numbered three, entitled "An act to provide for the organization of the office of district treasurer of the district of Zamboanga, and fixing the salaries of the employees thereof," act numbered seven, entitled "An act to provide for the organization of the offices of the district treasurers of the districts of Cottabato, Sulu, Davao, and Lanao, and fixing the salaries of the employees thereof."

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Act No. 1 of the Legislative Council of the Moro Province, entitled "An act to provide for the employment of certain subordinate employees in the office of the Treasurer of the Moro Province," is hereby amended by striking out Section 1 and inserting the following in lieu thereof:

"SECTION 1. Subject to the provisions of act No. 5 of the Philippine Commission, and its subsequent amendments, there shall be employed in the office of the Treasurer of the Moro Province the following subordinate employees:

(*a*) One examiner, class 8.

(*b*) One clerk, class K."

SEC. 2. Act No. 3 of the Legislative Council of the Moro Province, entitled "An act to provide for the organization of the office of the district treasurer of the district of Zamboanga," is hereby amended by striking out section 1 and inserting the following in lieu thereof:

"SECTION 1. Subject to the provisions of act No. 5 of the Philippine Commission, and its subsequent amendments, there shall be employed in the office of the district treasurer of the district of Zamboanga the following employees:

(*a*) A treasurer of the district, class 6.

(*b*) One deputy, class H.

(*c*) One deputy, class K.

(*d*) One employee at an annual salary of one hundred and twenty dollars ($120.00), currency of the United States, or its equivalent in Philippines currency."

SEC. 3. Act No. 7 of the Legislative Council of the Moro Province, entitled "An act to provide for the organization of the offices of the district treasurers of the districts of Cottabato, Sulu, Davao and Lanao and fixing the salaries of the employees thereof," is hereby amended by striking out sections 1, 2, 3 and 4, and inserting the following in lieu thereof:

"SECTION 1. There shall be employed in the office of the district treasurer of the district of Cottabato the following employees:

(*a*) A treasurer of the district, class 6.

(*b*) One deputy, class J.

(*c*) One employee at an annual salary of one hundred dollars ($100.00).

SEC. 2. There shall be employed in the office of the district treasurer of the district of Sulu the following employees:

(*a*) A treasurer of the district, class 7.

(*b*) One deputy, class J.

(*c*) One employee, at an annual salary of one hundred dollars ($100.00).

SEC. 3. There shall be employed in the office of the district treasurer of the district of Davao the following employees:

(*a*) A treasurer of the district, class 7.

(*b*) One deputy, class J.

(*c*) One employee, at an annual salary of one hunderd dollars ($100.00).

SEC. 4. There shall be employed in the office of the district treasurer of the district of Lanao the following employees:

(*a*) A treasurer of the district, class 8.

(*b*) One deputy, class J.

(*c*) One employee, at an annual salary of one hundred dollars ($100.00)."

SEC. 4. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, January 7, 1904.

Approved by the Philippine Commission February 20, 1904.

[ACT No. 32.]—AN ACT To provide for the employment of certain subordinate employees, in addition to those provided for in acts numbered thirteen and seventeen, in the office of the superintendent of schools and in the public school system of the Moro Province.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Subject to the provisions of act No. 5 of the Philippine Commission, and its subsequent amendments, there shall be employed in the office of the Superintendent of Schools of the Moro Province, in addition to those provided for in act No. 13 of the Legislative Council of the Moro Province, one clerk, class 8.

SEC. 2. Subject to the provisions of act No. 5 of the Philippine Commission, and its subsequent amendments, there shall be employed in the public school system of the Moro Province, in addition to those provided for in act No. 17 of the Legislative Council of the Moro Province, one teacher of English, class 8, two teachers of English, class 9, six school janitors at monthly salaries not to exceed five dollars ($5.00) currency of the United States, or its equivalent in Philippine currency.

SEC. 3. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, January 15, 1904.

Approved by the Philippine Commission February 20, 1904.

[ACT No. 33.]—AN ACT Appropriating the sum of ninety-two thousand four hundred and sixteen pesos, in Philippines currency, or so much thereof as may be necessary, in part compensation for the fiscal year nineteen hundred and four, and for other purposes.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The following sums, in Philippines currency, or so much thereof as may be respectively necessary, are hereby appropriated, out of any funds in the treasury of the Moro Province, not otherwise appropriated, in part compensation for the service of the Moro Province for the third quarter of the fiscal year nineteen hundred and four, unless otherwise stated:

GOVERNMENT OF THE MORO PROVINCE.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: Provincial Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one stenographer, class 7; one clerk, class H: one thousand nine hundred and thirty-five pesos.

Secretary's Office: Provincial Secretary, twenty per centum of his current proper yearly pay as an officer of the United States Army; one chief clerk, class 7; two stenographers, class 8; one clerk, class 10; one clerk, class H; one messenger, at two hundred and forty pesos per annum: three thousand six hundred and fifty pesos.

Attorney's Office: Provincial Attorney, at eight thousand pesos; assistant attorney, at three thousand two hundred pesos; one clerk, class D; one clerk, class K: three thousand two hundred and eighty pesos.

Treasurer's Office: Provincial Treasurer, at eight thousand pesos; one examiner, class 8; one clerk, class K: two thousand nine hundred and twenty pesos.

Engineer's Office: Provincial Engineer, twenty per centum of his current proper yearly pay as an officer of the United States Army; one chief clerk, class 8; one clerk, class 9; two clerks, class J: two thousand and eighty pesos.

Office Superintendent of Schools: Superintendent of Schools, at eight thousand pesos; one clerk, class 8; one clerk, class 9; two translators, class A; one messenger, at one hundred and eighty pesos per annum: four thousand five hundred and forty-five pesos.

In all, for salaries, wages and allowances, Government of the Moro Province, eighteen thousand four hundred and ten pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of provincial officers and employees, five hundred pesos.

CONTINGENT EXPENSES.

For the purchase of office furniture, fixtures and supplies, ten thousand pesos; for repairs to same, three hundred pesos; for rents for provincial offices and jail houses, five hundred pesos; for transportation of freight, purchase of horses, wagons and carabaos, one thousand pesos; for subsistence and transportation of prisoners, supplies for jails and prison hospitals, and other expenses incidental to the administration of justice, one thousand pesos; for construction and repair of public buildings, five hundred pesos; for cablegrams, postage, doctors' fees, carrying out of sanitary regulations, public surveys, advertising and other incidental expenses, two hundred pesos: thirteen thousand five hundred pesos.

SCHOOL DEPARTMENT.

Salaries: One teacher, class 8; fifteen teachers, class 9; seven teachers, class 10; two teachers, at one thousand eight hundred pesos per annum; one teacher, at one thousand two hundred pesos per annum; two teachers, at eight hundred and forty pesos per annum; six teachers, at six hundred pesos per annum; fifteen teachers, at four hundred and eighty pesos per annum; thirty teachers, at three hundred and sixty pesos per annum; twelve teachers, at three hundred pesos per annum; six employees, at one hundred and twenty pesos per annum: twenty-three thousand six hundred pesos.

Transportation: For the actual and necessary traveling expenses of teachers, two hundred and fifty pesos.

Contingent Expenses: For the purchase of books and supplies, nine thousand pesos; for the transportation of freight, two hundred and fifty pesos; for the construction and repair of school buildings, four thousand pesos; for rents of school buildings, one thousand six hundred pesos: fourteen thousand eight hundred and fifty pesos.

In all, for school department, thirty-eight thousand seven hundred pesos.

In all, for the Government of the Moro Province, seventy-one thousand one hundred and ten pesos.

DISTRICT OF ZAMBOANGA.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: District Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one interpreter, class C; one interpreter, class D; one messenger, at two hundred and forty pesos per annum: one thousand one hundred and forty pesos.

Secretary's Office: District Secretary, twenty per centum of his current proper yearly pay as an officer of the United States Army; one chief clerk, class 9; one typewriter, class C; one interpreter, class D; one clerk, class K: one thousand eight hundred and sixteen pesos.

Treasurer's Office: Treasurer of the district, class 6; one deputy, class H; one deputy, class K; one employee, at two hundred and forty pesos per annum: one thousand three hundred and ninety pesos.

In all, for salaries, wages and allowances, District of Zamboanga, four thousand three hundred and forty-six pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of district officers and employees; three hundred pesos.

CONTINGENT EXPENSES.

For rents of district offices and jail, one hundred and eighty pesos; for rent of district jail from the seventh to the thirty-first day of December, nineteen hundred and three, at a monthly rental of sixty pesos, forty-eight pesos; for construction and repair of public buildings, five hundred pesos; for expenses incidental to the administration of justice, five hundred pesos; for the hire of

crew of the boat "Governor Finley", and other incidental expenses, five hundred and thirty-five pesos: one thousand seven hundred and sixty-three pesos.

In all, for the District of Zamboanga, six thousand four hundred and nine pesos.

District of Sulu.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: District Governor, twenty per centum of his current proper pay as an officer of the United States Army; one stenographer, class 8; one interpreter, class A; one messenger, at two hundred and forty pesos per annum: one thousand seven hundred and thirty-five pesos.

Secretary's Office: District Secretary, twenty per centum of his current proper yearly pay as an officer of the United States Army; one clerk, class 10; one employee, at one hundred and ninety-two pesos per annum: eight hundred and eighty-two pesos.

Treasurer's Office: Treasurer of the district, class 7; one deputy, class J; one employee, at two hundred pesos per annum: one thousand one hundred pesos.

In all, for salaries, wages and allowances, District of Sulu, three thousand seven hundred and seventeen pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of district officers and employees, one hundred and fifty pesos.

CONTINGENT EXPENSES.

For rents of district offices and court house, ninety pesos; for expenses incidental to the administration of justice, and for other incidental expenses, five hundred pesos: five hundred and ninety pesos.

In all, for the District of Sulu, four thousand four hundred and fifty-seven pesos.

District of Cottabato.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: District Governor, twenty per centum of his current proper pay as an officer of the United States Army; one interpreter, class H; one interpreter, class J; one messenger, at two hundred and forty pesos per annum: seven hundred and twenty-five pesos.

Secretary's Office: District Secretary, at three thousand pesos per annum: seven hundred and fifty pesos.

Treasurer's Office: Treasurer of the district, class 6; one deputy, class J; one employee, at two hundred pesos per annum: one thousand two hundred pesos.

In all, for salaries, wages and allowances, District of Cottabato, two thousand six hundred and seventy-five pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of district officers and employees, two hundred and fifty pesos.

CONTINGENT EXPENSES.

For rents of district offices and court house, two hundred and forty pesos; for expenses incidental to the administration of justice, and for other incidental expenses, four hundred and fifty pesos: six hundred and ninety pesos.

In all, for the district of Cottabato, three thousand six hundred and fifteen pesos.

District of Davao.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: District Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one clerk, class A: six hundred and eighty pesos.

Secretary's Office: District Secretary, at two thousand four hundred pesos per annum: six hundred pesos.

Treasurer's Office: Treasurer of the district, class 7; one deputy, class J; one employee at an annual salary of two hundred pesos: one thousand one hundred pesos.

In all, for salaries, wages and allowances, District of Davao, two thousand three hundred and eighty pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of district officers and employees, three hundred pesos.

CONTINGENT EXPENSES.

For rents of district offices and court house, one hundred pesos; for expenses incidental to the administration of justice, and for other incidental expenses, four hundred pesos: five hundred pesos.

In all, for the District of Davao, three thousand one hundred and eighty pesos.

DISTRICT OF LANAO.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: District Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one clerk, class A; one interpreter, class H; one messenger, at an annual salary of two hundred and forty pesos: one thousand one hundred and forty-five pesos.

Secretary's Office: District Secretary, at three thousand pesos per annum; seven hundred and fifty pesos.

Treasurer's Office: Treasurer of the district, class 8; one deputy, class J; one employee, at an annual salary of two hundred pesos: one thousand pesos.

In all, for salaries, wages and allowances, District of Lanao, two thousand eight hundred and ninety-five pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of district officers and employees, two hundred pesos.

CONTINGENT EXPENSES.

For rents of district offices and court house, two hundred and fifty pesos; for expenses incidental to the administration of justice, and for other incidental expenses, three hundred pesos: five hundred and fifty pesos.

In all, for the District of Lanao, three thousand six hundred and forty-five pesos.

Total appropriation, for all purposes, ninety-two thousand four hundred and sixteen pesos, in Philippines currency, or so much thereof as may be necessary.

SEC. 2. The Secretary of the District of Cottabato having performed the duties of his office from the second day of November, nineteen hundred and three, and his formal appointment not having taken effect until the eleventh day of November, nineteen hundred and three, the payment of his salary from the second to the tenth day of November, nineteen hundred and three, both dates inclusive, is hereby authorized, payable from the appropriation "salaries, wages and allowances, District of Cottabato," for the second quarter, fiscal year, nineteen hundred and four.

SEC. 3. The Treasurer of the Moro Province is hereby authorized and directed to transfer on the books of his office a charge against the appropriation for the Moro Province for the credit of the District of Zamboanga in the sum of ninety-nine pesos and twenty-five centavos, Philippines currency, appropriated by act No. 26, in order to charge the entire cost of the boat "Governor Finley" against the said Moro Province.

SEC. 4. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, January 22, 1904.

Approved by the Philippine Commission February 20, 1904.

[ACT No. 34.]—AN ACT Appropriating the sum of eight hundred and ninety-two pesos and eighty-five centavos, Philippines currency, to pay the reward offered by the civil governor of the Philippine Islands for information leading to the arrest and conviction of the murderers of Frank Helm.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. There is hereby appropriated out of any funds in the Treasury of the Moro Province not otherwise appropriated for the payment to Isidoro Midel and Lorenzo Paragas of their respective portions of the reward of one thousand pesos, Mexican currency, offered by the Civil Governor of the Philippine Islands for information leading to the arrest and conviction of the murderers of one Frank Helm, the sums of five hundred and ninety-five pesos and twenty-three centavos and two hundred and ninety-seven pesos and sixty-two centavos, Philippines currency, respectively. The appropriations herein made are advances of funds to the Insular Government for the purpose of making prompt payment of said reward; and the Treasurer of the Moro Province is hereby directed to charge the same against the Insular Government and to obtain reimbursement therefor.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, January 27, 1904.

Approved by the Philippine Commission February 20, 1904.

[ACT No. 35.]—AN ACT To amend Act Numbered Eighty-two of the Philippine Commission, entitled "The Municipal Code," as amended, in its application to the Moro Province.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

Act No. 82 of the Philippine Commission, entitled "The Municipal Code," as amended, is hereby amended in its application to the Moro Province, to read as follows:

CHAPTER I.—*General provisions.*

SECTION 1. The municipalities of the Moro Province organized previous to the going into effect of this act, under the provisions of act No. 82 of the Philippine Commission, entitled "The Municipal Code," as amended by act No. 21 of the Legislative Council of the Moro Province, are continued and recognized as municipal corporations under this act, with the same boundaries as now existing *de jure* or *de facto*. District boards shall investigate disputes as to the jurisdiction of the municipal governments over places or barrios arising within their respective districts, and shall forward the evidence, together with their recommendations, to the Governor of the Moro Province. The Governor of the Moro Province may require the submission of such further evidence as he may deem necessary, and may, in his discretion, direct the Engineer of the Moro Province to make a survey of the places or barrios in dispute. The Governor's decision in the matter shall be final.

SEC. 2. (*a*) Except as hereinafter provided this act shall not apply to such settlements of Moro or other non-Christian tribes as may be segregated into tribal wards and for which legislation shall be enacted.

(*b*) The jurisdiction of the municipal government shall extend at all times to the persons and property of Moros or other non-Christians not having their legal residences within a tribal ward, and to the persons and property of Christians and foreign non-Christians, whether residing within a tribal ward or otherwise, without regard to the limits of tribal wards; and for this purpose only, such tribal wards, or such part thereof as may lie within the municipality, shall be included within the boundaries of one or more of the barrios of the municipality.

(*c*) Members of Moro or other non-Christian tribes residing within a tribal ward while temporarily absent from such ward and within the limits of a municipality, whether within the limits of another tribal ward or not, shall be subject to the jurisdiction of such municipality as fully and to the same extent as are other transients.

(*d*) In cases of the violation of municipal ordinances or regulations by members of Moro or other non-Christian tribes while without the limits of

their ward and within the limits of the municipality, the process of the municipal president while sitting as a municipal court as hereinafter provided shall run throughout the municipality without regard to the limits of the tribal wards.

(*e*) Where the members of Moro or other non-Christian tribes residing within the limits of any municipality are so intermingled with the Christian and foreign non-Christian inhabitants that it is practicable to separate them into tribal wards the governor of the district in which the municipality is situated shall, in naming the appointive members of the municipal council, appoint such number of members of such tribes that such tribes shall be represented in the municipal council as nearly as possible in proportion to their respective populations. In making the appointments, the governor of the district shall, when practicable, give preference to the local headmen of such tribes.

(*f*) The local headman of each tribal ward within the limits, or partly within the limits, of any municipality, when duly constituted as such by lawful authority, shall by virtue of his office become an honorary member of the municipal council of the municipality. He may, if he desires, attend any regular or special meeting of the council. He may propose measures affecting the general welfare of the municipality, and shall be heard on any measure pending before the council; but he shall not be entitled to a vote thereon.

(*g*) Any member of a Moro or other non-Christian tribe residing in a tribal ward may, upon personal application to the district governor and upon establishing his identity to the satisfaction of said governor, be transferred from membership in such tribal ward to regular citizenship in the municipality, and shall thereafter be subject to the jurisdiction of the municipality as fully and to the same extent as Christians or foreign non-Christians resident in tribal wards of the municipality. The district governor shall issue to such applicant a certificate of municipal citizenship and shall forward a duplcate thereof to the municipal secretary, who shall preserve the same in his records.

SEC. 3. (*a*) Municipalities incorporated under this act shall be known respectively by the names adopted by the Legislative Council of the Moro Province. Under such names they may sue and be sued, contract and be contracted with, acquire and hold real and personal property for the general interests of the municipality, and exercise all the powers hereinafter conferred upon them.

(*b*) All property and property rights vested in any municipality under its former organization shall continue to be vested in the same municipality as incorporated under this act.

SEC. 4. The government of each municipality established under this act is hereby vested in a president, a vice-president, and a municipal council, which shall be composed in each municipality of twelve councillors. The president and one-half of the councillors shall be chosen at large by the qualified electors of the municipality and one-half of the councillors shall be appointed by the governor of the district in which it is situated, with the advice of the Legislative Council. The term of office of councillors shall be for two years from and after the first Monday in January next after their election or appointment and until their successors are duly chosen and qualified.

SEC. 5. The municipality shall be divided into barrios and the limits of such barrios shall be clearly defined, as hereinafter provided in section 38. For administrative purposes the barrios may be grouped into municipal districts. The number of such municipal districts in the municipality shall be equal to the number of councillors, including the vice-president.

CHAPTER II.—*Qualifications of electors; Elections.*

SECTION 6. The electors charged with the duty of choosing elective municipal officers shall be male persons, twenty-three years of age or over, who have had a legal residence in the municipality in which they exercise the suffrage for a period of six months immediately preceding the election, and who are not citizens or subjects of any foreign power, and who are comprised within one of the following three classes:

(*a*) Those who, prior to the thirteenth of August, eighteen hundred and ninety-eight, held the office of municipal captain, gobernadorcillo, alcalde, lieutenant, cabeza de barangay or member of any ayuntamiento.

(*b*) Those who own real property to the value of five hundred pesos, or who annually pay thirty pesos or more of the established taxes.

(*c*) Those who speak, read and write English, Spanish, or any of the Moro languages.

Provided, that officers, soldiers and sailors or marines of the Army and Navy of the United States shall not be considered as having acquired legal residence within the meaning of this section by reason of their having been stationed in the municipality for the required six months; nor shall Moros or other non-Christians acquire legal residence within the meaning of this section by reason of their residence for the required six months in a tribal ward within the limits of the municipality unless they shall have applied for and procured certificates of municipal citizenship in accordance with subsection (*g*) of section 2 of this act.

SEC. 7. Each elector shall, before casting his ballot, take and subscribe the following elector's oath, which shall be administered by the municipal secretary with whom it shall be filed:

Elector's oath.

Moro Province, District of _____
Municipality of _____

I, _____, do solemnly swear, (or affirm) that I am a male resident of the municipality of _____, in the above named province and district, and shall have resided therein for the period of six months immediately preceding the next municipal election; that at the date of said election I shall be _____ years of age; that I am not a subject or citizen of any foreign power; that I shall in all respects be entitled to vote therein at the next election for municipal officers; furthermore, that I recognize and accept the supreme authority of the United States of America, and will maintain true faith and allegiance thereto; that I will obey the laws, legal orders and decrees duly promulgated by its authority; and that I impose upon myself this obligation voluntarily and without mental reservation or purpose of evasion. So help me God. (In case of affirmation the words "So help me God" should be stricken out.)

(Signature of the elector.)

Subscribed and sworn to (or affirmed) before me this _____ day of _____, 190___

(Signature of municipal secretary.)

SEC. 8. The following persons shall be disqualified from voting:

(*a*) Any person who is delinquent in payment of public taxes assessed since August thirteenth, eighteen hundred and ninety-eight.

(*b*) Any person who has been deprived of the right to vote by the sentence of a court of competent jurisdiction since August thirteenth, eighteen hundred and ninety-eight.

(*c*) Any person who has taken and violated the oath of allegiance to the United States.

(*d*) Any person who, on the first day of May, nineteen hundred and one, or thereafter, was, or who hereafter shall be in arms in the Philippine Islands against the authority or sovereignty of the United States, whether such person be an officer, soldier or civilian.

(*e*) Any person who, on the first day of April, nineteen hundred and one, or thereafter, made, or who shall hereafter make contribution of money or other valuable thing in aid of any person or organization against the authority or sovereignty of the United States, or who demanded or received, or who shall hereafter demand or receive such contribution from others, or who made, or shall hereafter make any contribution to any person or organization hostile to or in arms against the authority or sovereignty of the United States, for the purpose of securing any protection, immunity or benefit.

(*f*) Any person who, on the first day of April, nineteen hundred and one, or thereafter, gave, or who shall hereafter give, in any manner whatsoever, aid and comfort to any person or organization in said Islands in opposition to or in arms against the authority or sovereignty of the United States.

Provided, that the provisions of the three paragraphs last preceding shall not apply to members of Moro or other non-Christian tribes, as to acts committed prior to December first, nineteen hundred and three.

(*g*) Insane and feeble-minded persons.

SEC. 9. (*a*) General municipal elections (except the first for which special provision is hereinafter made in Chapter VI), shall be held biennially on the

first Tuesday in December of each year whose final figure is an uneven or odd number, and the officers elected thereat shall enter upon their duties on the first Monday of January following. *Provided*, that the Governor of the Moro Province may, with the consent and approval of the Legislative Council, by executive order postpone municipal elections, whether general or special, when, on account of the prevalence of ladronism, or for other causes, he may deem such a course conducive to the public interest. In order to provide properly for municipal elections, the president, during the first five days of the month of October next preceding the month in which any general election is to be held, shall prepare and cause to be posted a proclamation specifying the place where and the hours during which the elections shall be held, any notifying all persons qualified as electors to appear before the municipal secretary during the first fifteen days of the month in which the proclamation is dated, for the purpose of taking the elector's oath. It shall be the duty of the secretary and he is empowered to administer the oaths, but without fee.

(*b*) One copy of the proclamation shall be posted at the main entrance of the municipal building and one in a public and conspicuous place in each barrio of the town. Between the fifteenth and the twentieth days of the month the president shall prepare from the oaths thus taken a list of the qualified electors, alphabetically arranged according to surnames, and shall post it at the main entrance of the municipal building. He shall further prepare and cause to be posted in a public and conspicuous place in each barrio within the same period an alphabetical list of the qualified electors residing within its limits. Each list shall be accompanied by a notice specifying a term of the last five days of the month in which the proclamation is posted, exclusive of Sundays and legal holidays, during which any qualified voter who has complied with the provisions of the preceding paragraph, or who has in good faith attempted to comply therewith, but has been prevented from so doing by illegal action on the part of the municipal secretary, may demand his proper enrollment as such, and during which any qualified elector may demand the exclusion from the list of qualified electors of the name of any person not possessing the right to vote. Such demands shall be made to the president, who shall promptly refer them for settlement to a Board of Registration, consisting of the vice-president, the municipal treasurer and himself. Where the value of land offered as a qualification for voting is disputed, the value as assessed for taxation shall conclusively determine the same. If there is no assessment, the value shall be determined by the Board. The questions raised before said board shall be determined before the tenth day of the month next following, and the determination shall be immediately communicated in writing to the person whose qualifications as an elector are in question. The president shall forthwith amend the general list and the list for the barrio in which such person is resident by posting therewith a notice of the action taken by the board.

(*c*) Any person aggrieved by the action of the board of registration in excluding his name from the list of qualified electors, or in refusing to enroll his name thereon, may apply in writing to the district board of the district in which the municipality is situated for a review of such action. Any ten qualified electors of the municipality who are dissatisfied with the action of the board in retaining on the list of qualified electors the name of any person whose exclusion therefrom has been demanded, or in including in the list the name of any person not included therein as originally posted, may also apply in writing to the district board for a review of such action. Upon receipt of such application the district board shall proceed immediately to an invesitgation of the action complained of. It may, in its discretion, summon before it at the capital the parties interested, together with the necessary witnesses, or it may delegate one of its members to go to the municipality, investigate the facts and make report thereon. Its determination in the matter shall be final, and shall at once be communicated in writing to the persons whose qualifications as an elector are in question and to the board of registration. The president shall forthwith amend the list of qualified electors as posted in accordance with the determination of the district board. Provided, that the action of the board of registration or district board shall be without prejudice to the right of any person whose rights as an elector have been injured thereby to pursue his remedy whether by mandate or otherwise to enforce such rights before the proper court.

(*d*) Special elections, duly called in accordance with the provisions of section thirteen, sub-section (*b*) shall be held on the date fixed in the call for the

same. They shall be conducted in accordance with the rules provided for general elections in sections nine, ten, eleven, twelve and thirteen.

SEC. 10. Municipal elections shall be held in the house of the municipality and shall be presided over by a board of election judges, consisting of three qualified electors who are not candidates at such election and who, together with two tellers possessing like qualifications, shall be designated in writing prior to the day of election by a majority vote of a board consisting of those members of the municipal council who have the longest unexpired terms of office.

Should any votes be cast for any member of the board of election judges, said votes shall be void and of no effect. The senior member of the board of judges shall act as its chairman, and the action of the board shall be determined by a majority vote. In case of the absence at the election of any member of the board of judges or of a teller, or his disqualification at any stage of the election, the vacancy or vacancies shall be immediately filled by a majority vote of the entire number of the remaining judges and tellers.

SEC. 11. (*a*) Elections shall be by secret ballot. Only duly qualified electors shall be allowed in the room where an election is being held. A portion of the room shall be cut off by a railing and gate. Within the space thus inclosed the board of judges shall sit, and tables, together with blank ballots and writing materials, shall be placed for the convenience of voters. The tables shall be separated from each other by screens.

(*b*) Blank ballots, with the names of the several offices to be filled printed thereon and with suitable spaces for the insertion of the names of the persons voted for shall be provided in sufficient numbers by the Engineer of the Moro Province before every general or special election. The municipality shall pay for the ballots, which shall be furnished at cost price. Ballots on other than the above described official forms will be illegal, unless the Engineer of the Moro Province shall fail to provide the blanks, or to provide them in sufficient number. In the latter event the board of judges will determine and provide the form to be employed.

(*c*) Each elector shall fill out his ballot at one of the tables provided for the purpose, by writing in the names of the persons for whom he desires to vote. He shall then fold his ballot and deposit it in the ballot box, first stating to the board of judges his name and the barrio in which he resides. When he has voted the chairman shall check his name on the official list of voters, in order to avoid the possibility of his voting a second time.

(*d*) The board of judges shall identify the voters and shall exclude the ballot of any one whose name is found not to be included on the official list.

(*e*) The number of electors admitted to the inclosed space shall never exceed the number of tables, nor shall any two persons occupy one table at the same time, except in the case of electors who cannot read and write.

(*f*) Any elector who cannot read and write shall be assisted in the preparation of his ballot by two persons whom he shall designate, and who shall accompany him to a table. One of the said persons in the presence of the other shall thereupon fill out a ballot in accordance with the dictation of the elector, who shall then deposit it in the usual manner.

(*g*) Before an election the board of judges shall provide a suitable ballot box with a slit in the top for the insertion of ballots. Immediately before the voting begins they shall see that the box is empty and shall lock the same. While an election is in progress the ballot box shall be kept locked and the key shall be constantly in the possession of the chairman of the board of judges, who will not unlock the box or allow it to be unlocked until the board is ready to count the ballots. The box shall not be removed from the presence of the board of judges during the election or until the ballots are counted and the result declared.

(*h*) The hours for voting shall be from eight ante meridian to four post meridian, at which latter time the election shall close.

SEC. 12. A plurality of votes shall be sufficient to elect. In case of a tie vote the candidates who have received the same number of votes shall draw lots for the office in question. The lots shall be prepared by the board of election judges, the drawing shall take place in their presence and they shall certify to the fact of the drawing and to its result in the election returns.

SEC. 13. (*a*) Immediately after the close of the election the box shall be opened by the chairman in the presence of the board, the ballots shall be canvassed by the board, a certificate of the result of election shall be prepared in duplicate and signed by the members of the board and by the tellers, and the

certificate shall be sufficient warrant for those elected to assume their offices, unless objections are filed as follows: A duplicate, containing the additional statement that a term of three days is granted in which any resident of the town can present to the board, or to the chairman thereof, in writing, such objections as he may deem just and legal against those declared elected, shall be prepared by the board and posted at the main entrance of the municipal building.

(*b*) On the day following said term of three days a duplicate of the election certificate and the objections made, if any, shall be sent by the chairman of the board of judges to the district board. Should the district board, upon investigation and after hearing of evidence, if necessary, find the election legal, they shall, within seven days after the receipt of said documents, direct the newly elected officers to qualify and enter upon their duties on the day fixed by this act, but, if the district board determine that there has been an illegality committed in the election of any officer or that any candidate returned is not eligible, they shall so declare in writing, with the reasons therefor, and shall order a special election to fill the vacancies thus occasioned and shall certify their finding and order to the municipal secretary, who shall spread the same on the records of the council. In determining the legality of the election the district board shall ignore irregularities or informalities which do not prevent the declared result from being the actual will of the electors. The district governor shall issue to each legally elected municipal officer a certificate of election. Certificates of election in blank, sufficient in number for the needs of each district, shall be supplied to the district governor by the Engineer of the Moro Province, who shall purchase them from the Treasurer of the Philippine Islands.

(*c*) Upon the election of a new president and vice-president an accounting shall be had between the incoming and the outgoing municipal officers, and each of the latter shall turn over to his successor in office all municipal books, records, accounts and moneys in his possession. The incoming officials shall inform the Attorney of the Moro Province of any irregularities in the management of the municipal funds which they may discover.

SEC. 14. The appointive members of the municipal council shall be appointed in the first fifteen days of the month of November next preceding the first Monday in January on which they are to enter office. Upon approval of the appointments by the Legislative Council the district governor shall immediately issue a certificate of appointment to each councillor so appointed, and shall certify a list of such appointments to the municipal secretary. The municipal secretary shall cause a copy of such certified list to be posted forthwith at the main entrance of the municipal building.

CHAPTER III.—*Officers; Their qualifications, duties and compensation.*

SEC. 15. A president, vice-president or councillor shall have the following qualifications in addition to those required of a municipal elector:

(*a*) He shall be twenty-six or more years of age, and shall have had a legal residence in the municipality for at least one year prior to the date of election.

(*b*) He shall intelligently speak, read and write either the Spanish or the English language or the principal local dialect. Provided, that this paragraph shall not apply to councillors appointed in accordance with paragraph (*e*) of section 2 of this act.

SEC. 16. In no case shall there be elected or appointed to a municipal office ecclesiastics, soldiers in active service, persons receiving salaries from provincial, departmental or governmental funds, or contractors for public works of the municipality.

SEC. 17. (*a*) Every person elected or appointed to a municipal office under the provisions of this act shall, before entering upon the duties thereof, take and subscribe before the president or municipal secretary the following oath of office.

Oath of office.

Moro Province, District of _____
Municipality of _____
I, _____ having been _____
_____ as _____ of the municipality of _____ in the above named province and district, do solemnly swear (or affirm) that I have the prescribed qualifications to hold office in said municipality; that I recognize and accept the supreme

authority of the United States of America and will maintain true faith and allegiance thereto; that I will obey the laws, legal orders and decrees promulgated by its duly constituted authorities; that I impose upon myself this obligation voluntarily, without mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office upon which I am about to enter, so help me God.

(Last four words to be stricken out in case of affirmation.)

(Signature of officer.)

Subscribed and sworn to (or affirmed) before me this
day of _____, 189__.

(Signature of president or municipal secretary.)

(*b*) Such oaths shall be filed in the office of the municipal secretary.

SEC. 18. Every municipal officer charged with the custody of municipal funds shall, before entering upon the duties of his office, execute a bond to the municipality with two or more sureties, the amount of which bond and the sufficiency of which sureties shall be approved by the president and by the district treasurer in writing endorsed thereon, and by the municipal council by resolution and by a recorded vote, a certified copy of which shall be attached thereto. A copy of the bond and the approval of same shall be spread upon the minutes of the council. The bond shall be fixed at a penal sum of not less than half the amount of the aggregate revenue which will probably come into the custody of the municipal officer during the current year, and shall be conditioned for the faithful performance of the duties of the office and the payment as required by law of all moneys received by such officer for and in behalf of the municipality. The bond shall be filed in the office of the district treasurer. Should suit be brought on this bond it shall be no defense to those signing the bond that the above requirements for approval have not been complied with, if in fact, by virtue of such bond the municipal officer had entered upon the discharge of his official duties.

SEC. 19. The president shall be the chief executive of the municipality.

(*a*) He shall cause the ordinances of the municipality to be executed, and shall supervise the discharge of official duties by all subordinates.

(*b*) He shall examine and inspect the books, records and papers of every officer or agent employed in the municipality.

(*c*) He shall issue orders relating to the police or to public safety, and orders for the purpose of avoiding conflagrations, floods and the effects of storms or other public calamities.

(*d*) He shall draw warrants on the municipal treasurer for the legitimate payments authorized by the council.

(*e*) He shall assist the district treasurer and his deputies in the collection of taxes.

(*f*) He shall, with the assistance of the municipal treasurer, one councillor, and the secretary, hold such public auctions as may be authorized by the council.

(*g*) He shall hold a court to hear and adjudge alleged violations of public ordinances, upon complaints filed by his direction, or by a public officer, or a private citizen; and, after the due trial in which the accused and his witnesses shall be heard, shall, upon conviction, impose such punishment, either by admonition or by fine and imprisonment, or both, in his discretion, as is provided in subsection (dd) of section 41. Except as hereinafter provided, all proceedings and prosecutions for violations of municipal ordinances shall conform to the rules relating to process, pleading, practice and procedure now or hereafter established for the judiciary of the Philippine Islands; and the president while sitting as a court for the trial of such cases shall have the same powers and privileges as are now or hereafter shall be conferred upon justices of the peace, while sitting in the exercise of their original criminal jurisdiction. The president shall take preferred jurisdiction over all punishable acts mentioned in the Penal Code which are punishable by this act.

(*h*) Fines shall be paid in coin to the treasurer of the municipality, upon the order of the president, and the municipal treasurer shall issue a receipt therefor, which shall be countersigned by the president, who shall upon countersigning it record payment of the same in the docket hereinafter prescribed in paragraph (*j*).

(*i*) *Provided*, that if the charge be against a municipal officer or employee for violating his official duty, the president shall have jurisdiction to suspend him, pending action on such violation by the municipal council; and, if a fine is

imposed against such officer, it may be collected by withholding the requisite amount from such salary as is or may hereafter become due to him.

(*j*) The president shall keep a docket of the trials held under the preceding paragraphs, in which shall be recorded in a summary manner the name of the defendant, the charge against him and the name of prosecuting witness, the date of the arrest, the date of the trial, the presence of the defendant, and the nature of the judgment, together with the fines collected, if any, in accordance with the judgment. A docket with proper blanks for entry of required details shall be furnished to the president by the Engineer of the Moro Province, and the cost of the same shall be paid out of the treasury of the municipality.

(*k*) He shall recommend to the municipal council at any time such measures connected with the public health, cleanliness, or ornament of the municipality or the improvement of its finances as he shall deem expedient. He shall preside at all meetings of the municipal council and shall sign its journal; but he shall not vote, except in case of a tie, when he shall cast the deciding vote. He shall approve ordinances adopted by the municipal council, unless he shall consider them prejudicial to the public welfare, in which case he shall veto them; but the council may pass an ordinance over the veto of the president by a two-thirds vote of all its members, in which case it shall be valid without the signature of the president. If the president shall not either approve or veto an ordinance within five days after its adoption, it shall become a law.

(*l*) He shall appoint, by and with the consent of the majority of all the members of the council, the municipal secretary and all non-elective officers and employees that may be provided for by law or by ordinance, with the exception of the municipal treasurer, and at any time, for cause, he may suspend any such officer or employee, thus appointed, for a period not exceeding ten days, which suspension may be continued for a longer period by the council; and by and with the consent of a majority of all the members of the council, he may discharge any such officer or employee. The municipal treasurer shall be appointed by the district treasurer subject to the approval of the Treasurer of the Moro Province, and may, subject to the approval of the Treasurer of the Moro Province, be removed from office by the district treasurer, for cause. Each municipal treasurer shall render a monthly account, with vouchers, covering all his transactions, to the treasurer of his district, and shall submit to the Treasurer of the Moro Province such reports as that officer may require of him: *Provided*, That all municipal treasurers holding offices at the date of the passage of this act shall continue to exercise the duties of their respective offices until a new appointment is made under the provisions of this act: *And provided further*, That on and after July first, nineteen hundred and four, the position of municipal treasurer shall be classified and subject to all the provisions of the Civil Service act and rules.

(*m*) He shall make all nominations at the first meeting of the council after his election, except for those offices in which a vacancy may occur during his term. In case the council shall reject any of the nominations made by him, then it shall be his duty, at the next regular meeting of the council, to submit the names of other persons for appointment. In case a vacancy occurs in any of the above-named offices during the term of office of the president, he shall submit a nomination to the council of the first regular meeting after the occurrence of the vacancy.

(*n*) During the month of December of each year the President shall prepare and make out in duplicate an annual report, in which he shall set forth the most important events which have occurred in the municipality within the current year. One copy of the report shall be filed in the office of the municipal secretary and the other shall be submitted to the council and thereafter forwarded to the district governor on or before the fifteenth day of the following January.

(*o*) He is authorized to use as a symbol of office a black cylindrical cane, with gold head, gilt ferrule and silver cord and tassels.

SEC. 20. The vice-president shall:

(*a*) Act as substitute for the president in case of absence of the latter or of his temporary inability to discharge the duties of his office.

(*b*) In case of a permanent vacancy in the office of president, he shall fill the post for the unexpired portion of the term; and a new vice-president shall be elected by a majority vote of all the members of the council, as provided in section 41, subsection (*b*).

(*c*) He shall be an *ex-officio* member of the council, with all the rights and duties of any other member, and there shall be assigned to him the barrio or district in which the municipal offices are situated.

(*d*) He is authorized to use as a symbol of office a black cylindrical cane, with gold head, gilt ferule and black cord and tassels.

SEC. 21. The municipal secretary shall be the clerk of the municipal council, whose meetings it shall be his duty to attend.

(*a*) He shall keep a journal of the proceedings of the municipal council and all records and acts of the municipality.

(*b*) He shall keep his office in the building where the municipal council meets, or at some place convenient thereto, as the council shall direct.

(*c*) He shall keep a civil register for the municipality and shall record therein all births, marriages and deaths, with their respective dates. In case of marriages, he shall further record the previous residences of the contracting parties, the name of the person solemnizing the marriage and the names of the witnesses. In case of death, the causes of death shall be recorded when known. Physicians and midwives residing within the limits of the municipality shall immediately forward to the municipal secretary notification of every birth or death that occurs under his or her professional observation, together with the necessary information for making the proper entry in the civil register. Every person resident within the limits of the municipality who is authorized by law to celebrate marriages shall immediately forward to the municipal secretary notification of every marriage which he celebrates, together with the necessary data for properly recording said marriages in the civil register. All entries in the civil register shall be made by the municipal secretary free of charge.

(*d*) He shall issue upon demand of any person a certified copy of any record within his control, and shall be authorized to charge and receive a fee, which shall not exceed, for both the writing and certificate, ten centavos, Philippines currency, per one hundred words. The records shall during usual business hours be open to inspection by all residents of the municipality and by all officers of the district, provincial, departmental and general governments.

(*e*) He shall when required by the president attend the sessions of the municipal court, and perform such duties as clerk, amanuensis or bailiff, as the president may direct.

(*f*) He shall countersign and certify to the correctness of all warrants ordered by the council to be drawn on the treasury of the municipality.

(*g*) He shall perform all such other duties as the municipal council may by ordinance provide, or as may be imposed by general legislation.

SEC. 22. The municipal treasurer shall receive all moneys paid into the municipality from any source.

(*a*) He shall give to every person paying money to the municipal treasury a receipt therefor, specifying the date of payment and upon what account paid.

(*b*) He shall keep a detailed account of all moneys received, and shall pay the same out only under authority of an ordinance or resolution of the council and upon a warrant signed by the president and countersigned by the secretary.

(*c*) He shall, on or before the third day of each month, make out in triplicate a full and complete statement of the receipts and expenditures of the preceding month, together with a statement of the cash actually on hand in the municipal treasury. He shall deliver two copies to the president, who shall verify them and certify on the face of each as to the correctness thereof, and shall then immediately cause one copy to be posted at the main entrance to the municipal building and send the other copy to the district treasurer.

(*d*) He shall pay all lawful warrants in the order in which they shall be presented, and he shall note on the back of each the date of such presentation and, when payment is made, the date of such payment: *Provided*, That he shall not pay any warrant when there is not in the treasury a sufficient amount to meet warrants previously presented and not paid for want of funds.

(*e*) He shall have his office in the municipal building and shall keep in the municipal safe or strong box, which it shall be the duty of the municipal council to provide, all moneys belonging to the municipality. Such moneys shall be kept separate and distinct from his own money, nor shall it be permitted to make profit out of public money, nor to lend or otherwise use it, nor to use the same in any method not authorized by law. A municipal treasurer violating the foregoing restriction shall be dismissed from office, if such violation shall be established at a hearing before the district treasurer. Such violation shall be considered a malversation of funds, to be tried accordingly under the penal law by a court of competent jurisdiction. The district treasurer shall report any such violation to the Attorney for the Moro Province for prosecution. The municipal treasurer may, to prevent the accumulation of too large an amount of money in the strong box of the municipality, when especially authorized by

resolution of the municipal council, deposit for safe-keeping with the district treasurer such sums of money as he will not be obliged to use at once, taking a receipt from the district treasurer. He shall exhibit this receipt to the municipal council at its next meeting, and the municipal secretary shall record the fact of such exhibition and the date and amount of the receipt.

(*f*) He shall be the custodian of all municipal property and shall keep a record thereof in a suitable book.

SEC. 23. (*a*) The president and municipal secretary shall receive such annual salaries as the council shall fix, subject to the approval of the district board; but such salaries shall not exceed, for the president, twelve hundred pesos, and for the municipal secretary, six hundred pesos. The salary of the municipal treasurer shall be fixed by the district board: *Provided*, That the municipal treasurer shall also act as a deputy of the district treasurer and receive such additional compensation therefor, to be paid from provincial funds as the Treasurer of the Moro Province may fix and the Legislative Council approve, anything in the existing law to the contrary notwithstanding.

(*b*) The salary of the president, during the period when the vice-president performs his duties, shall be drawn by the vice-president.

(*c*) The vice-president, except when serving as president, and the councillors shall receive no compensation, their offices being honorary.

(*d*) No change of salaries by the council after salaries have been fixed at the organization of the municipality, shall affect that of an officer then elected or incumbent.

SEC. 24. (*a*) A person elected by the people to fill a municipal office shall not be permitted to decline the same, but shall qualify and discharge the duties thereof, unless before election he shall have presented to the judges of election and established to their satisfaction a claim for exemption on the ground:

1. That he has discharged the duties of the same office for two previous terms; or

2. That he is physically disabled; or

3. That he is more than sixty-five years of age.

(*b*) Any person violating the foregoing provision of this section, and being convicted thereof by a court of competent jurisdiction, shall suffer imprisonment for a term not exceeding six months.

SEC. 25. A second re-election to any municipal office is prohibited, except after two years.

SEC. 26. Should any elective municipal officer become permanently incapacitated for the proper discharge of his duties during his term of office, through accident or disease, his office may be declared vacant by the vote of a majority of all the members of the council, and his successor, except in the case of the president, shall be promptly chosen, also by a majority vote of all the members. Any elective municipal officer who has qualified may be allowed to resign in the interest of the public service with the approval of the district board.

SEC. 27. The term of office of all appointive officers, except as otherwise provided in this act, shall be until the end of the term of the president appointing them and until their successors are appointed and qualified, unless sooner removed, as provided in this act.

SEC. 28. Every officer of the municipality shall, at the expiration of his term, deliver to his successor in office, who shall receipt for the same in duplicate, all property, books and effects of every description in his possession belonging to the municipality or pertaining to his office. One copy of the receipt shall be delivered to the retiring officer and the other copy shall be filed with the municipal treasurer. Upon the refusal of the retiring officer to comply with this provision, he shall be liable for all damages caused thereby and to such penalty as may be by ordinance prescribed.

SEC. 29. (*a*) No municipal officer shall be directly or indirectly interested in any contract work, or cockpits, or other permitted games or amusements, or business of the municipality, or in the purchase of any real estate or other property belonging to the corporation.

(*b*) Any officer violating the provisions of this section shall, upon a two-thirds vote of all the members of the council, be removed from office; and, upon trial and conviction in a court of competent jurisdiction, shall be imprisoned for not less than six months and not more than two years.

SEC. 30. The president, vice-president, councillors and lieutenants of barrio of the municipality shall be *ex-officio* conservators of the peace of the municipality, and may exercise any power conferred by law upon members of the municipal police. When any felony shall have been committed within the municipality,

it shall be the duty of the president and the councillor and lieutenant of the district or barrio in which the felony shall have been committed to proceed to a personal investigation thereof and make a report of the facts to the justice of the peace of the municipality. They shall also mail a copy of such report to the Attorney of the Moro Province. They shall aid the authorities in further investigations of the facts surrounding the commission of the felony and in the production of evidence when required. Failure to comply with any of the duties imposed by this section shall be cause for instant dismissal. Any municipal officer who shall have probable cause to believe that any person has committed a felony within the municipality, or, having committed a felony elsewhere, has taken refuge within the municipality, who shall not forthwith report such facts to the justice of the peace or to the president of the municipality or to an officer of the Philippines Constabulary, shall be dismissed from office. He shall also be guilty of a misdemeanor, and upon conviction in a court of competent jurisdiction shall be punished by imprisonment not to exceed one year, or by a fine not to exceed five hundred dollars, or both.

CHAPTER IV.—*The municipal council.*

SEC. 31. (*a*) The municipal council shall prescribe the time and place of holding its meetings. Regular meetings shall be held once in every two weeks and special meetings as often as occasion may demand. Any meeting, regular or special, may, in case the amount of business shall require, be adjourned from day to day until the business is completed.

(*b*) The president or any two members of the council, may call a special meeting by giving written notice of it to each member of the council, which notice shall be served personally or left at his usual place of abode.

SEC. 32. The majority of the council shall constitute a quorum to do business, but a smaller number may adjourn from time to time and may compel the attendance of absentees, under such penalties as may be prescribed by ordinance.

SEC. 33. (*a*) The regular sessions of meetings of the municipal council shall be public and the person presiding has the authority to exact from all present due respect and proper deportment, to prevent disturbances and disorder, and to order the room cleared of any or all present who give reason for such action by improper behavior.

(*b*) The council may hold special sessions with closed doors to consider and vote upon appointments submitted to it by the president.

SEC. 34. The municipal council shall determine its own rules of procedure, and, with the concurrence of two-thirds of the members, the council may suspend, or, subject to the approval of the district governor, may expel any elective member for cause, electing his successor by a majority vote of all the members.

SEC. 35. The council shall keep a journal of its own proceedings. The ayes and nays shall be taken upon the passage of all ordinances, upon all propositions to create any liability against the municipality, and upon any other proposition, upon the request of any member, and they shall be entered upon the journal. The affirmative vote of a majority of all the members of the municipal council shall be necessary to the passage of any ordinance or of any proposition creating indebtedness; but other measures, except as otherwise specially provided in this act or by due authority, shall prevail upon the majority vote of the members present at any meeting duly called and held.

SEC. 36. Every ordinance shall go into effect on the tenth day after its passage, unless the ordinance shall provide that it shall take effect at an earlier or later date. The ordinance on the day after its passage shall be posted by the municipal secretary at the main entrance of the municipal building. He shall certify to the fact of posting and shall spread his certificate upon the minutes of the council, but failure to post an ordinance shall not invalidate the same.

SEC. 37. At the first regular meeting after the election and qualification of a new president, the council shall pass on his nominations to non-elective municipal offices and shall prescribe the duties of all appointed officers and employees when not determined by the provisions of this act.

SEC. 38. The council shall definitely fix the limits of the barrios of the municipality, prescribing for them such boundaries that the barrios, taken collectively, shall include the entire territory of the municipality.

SEC. 39. (*a*) If the number of barrios in a municipality is less than or equal to the number of councillors the council shall put each of its members in immediate charge of a barrio or part of a barrio, so that each barrio shall be under the direction of one or more councillors.

(*b*) If the number of barrios exceeds the number of councillors, including the vice-president, the council shall group the barrios into as many districts as there are councillors, and place each councillor in charge of one such district. Each councillor shall be empowered to appoint one lieutenant in each barrio or part of barrio which comes under his immediate supervision. A lieutenant of barrio shall be a duly qualified elector, shall serve without compensation and shall report directly to the councillor appointing him. Each councillor shall be empowered to appoint a substitute lieutenant, who shall be a duly qualified elector, for each barrio, or part of barrio, which comes under his immediate supervision, to take the place of the lieutenant of such barrio, or part of barrio, during his temporary absence or inability to perform his duties.

SEC. 40 (*a*) Each councillor shall keep the people of his barrio or barrios informed as to the acts of the council, or other governmental measures which directly concern them, by means of suitable notices posted in a public and conspicuous place in each barrio. He shall serve in the council as the representative of the people of his barrio or barrios and shall bring their special needs to the attention of that body.

(*b*) He shall further promptly inform the president of any unusual or untoward event occurring within the barrios assigned to him.

(*c*) He is authorized to use as a symbol of office a cane with silver head, plated ferrule and black cord and tassels.

SEC. 14. The municipal council shall:

(*a*) Establish and fix the salaries of municipal officers and employees, subject to the limitations expressed in section twenty-three. A list of all salaries authorized by the council shall be posted at the main entrance of the municipal building.

(*b*) Fill a permanent vacancy in the office of vice-president or of elective councillor, from among persons having the necessary qualifications, by a majority vote of all its members. A person thus substituted as vice-president or councillor shall serve only for the unexpired portion of the term for which his predecessor was elected and until his successor shall have been chosen and qualified. The district governor shall fill temporary vacancies in the offices of vice-president, or municipal councillor; and whenever a president, vice-president or councillor is suspended, shall appoint some person to discharge his duties until he is re-instated or until he is removed and the vacancy thus occasioned is filled.

(*c*) Make appropriations for lawful and necessary municipal expenditures.

(*d*) Manage the property of the municipality.

(*e*) Erect all needful buildings for the use of the municipality.

(*f*) Establish fire limits, prescribe the kind of buildings that may be constructed within said limits and issue permits for the erection of the same, but without charging fees for said permits.

(*g*) Regulate the establishment and provide for the inspection of steam boilers.

(*h*) Provide for lighting the streets and for sprinkling the same in cases where it is deemed desirable.

(*i*) Provide for and regulate the numbering of houses and lots, the posting of the names of the streets on signs erected or affixed in conspicuous places, and the posting of the names of barrios on signs erected or affixed in a conspicuous manner at the intersection of the boundary line of a barrio with any public road or trail.

(*j*) Regulate the construction, care and use of streets, sidewalks, wharves and piers in the municipality; prevent and remove obstacles and encroachments on the same; and declare and abate nuisances.

(*k*) Construct and keep in repair bridges and viaducts, and regulate the use of the same.

(*l*) Prohibit the throwing or depositing of filth, garbage, or other offensive matter in any street, alley, park, or public square; provide for the suitable collection and disposition of such matter and for cleaning and keeping clean the streets, alleys, parks, and other public places of the municipality.

(*m*) Regulate the keeping and use of animals, in so far as the same affects the public health and the health of domestic animals.

(*n*) Require any land or building which is in an unsanitary condition to be cleansed at the expense of the owner or tenant, and, upon failure to comply with such an order, have the work done and assess the expense upon the land or buildings.

(*o*) Construct and keep in repair public drains, sewers, and cesspools, and regulate the construction and use of private water-closets, privies, sewers, drains and cesspools.

(*p*) Prohibit the burial of the dead within the centers of population of the municipality and provide for their burial in such proper place and in such manner as the council may determine.

(*q*) Establish or authorize the establishment of slaughterhouses and markets, and inspect and regulate the use of the same.

(*r*) Provide for and regulate the inspection of meat, fruits, poultry, milk, fish, vegetables, and all other articles of food.

(*s*) Adopt such other measures to prevent the introduction and spread of disease as may, from time to time, be deemed desirable or necessary.

(*t*) Establish, regulate and maintain a police department.

(*u*) Provide against the evils of gambling, gambling houses, and disorderly houses of whatsoever sort.

(*v*) Provide for the closing of opium joints and prohibit and punish the keeping or visiting of any place where opium is smoked or sold for the purpose of smoking.

(*w*) Provide for the punishment of mendicants, common prostitutes, or habitual disturbers of the peace.

(*x*) Prohibit and punish intoxication, fighting, and all disorderly conduct.

(*y*) Provide for the arrest, trial, fining and putting to work on the streets or elsewhere of all persons known to be vagrants, and of persons found within the town without legitimate business or visible means of support.

(*z*) Restrain riots, disturbances or disorderly assemblages.

(*aa*) Regulate or prohibit the running at large of domestic animals within the limits of the municipality.

(*bb*) Prohibit and provide for the punishment of cruelty to animals.

(*cc*) Provide for inspection of weights and measures and enforce the keeping of proper weights and measures by vendors, but without the power to exact fees for such inspection.

(*dd*) Fix penalties for violation of ordinances, but no single penalty shall exceed a fine of two hundred pesos or imprisonment for six months, or both; imprisonment shall be imposed in lieu of unpaid fines at the rate of one day's imprisonment for each peso of the fine. An appeal shall lie to the Court of First Instance, next to be held within the district, in all cases where the judgment shall be for a fine exceeding fifteen pesos or for imprisonment exceeding fifteen days; and it shall be the duty of the Attorney of the Moro Province to appear for and represent the prosecution in such appeal cases. Pending the appeal the defendant shall remain in custody unless released upon sufficient bail, in accordance with the general provisions of law, to await the judgment of the appellate court.

(*ee*) Establish, maintain and regulate municipal prisons.

(*ff*) Establish a post-office and provide for the collection and delivery of mails; but such regulations must be in harmony with the postal service and rules established by the General Government of the Philippine Islands.

(*gg*) Provide by ordinance for the levy of taxes for municipal purposes, within the limitations of law, as hereinafter provided in section forty-five.

(*hh*) License and regulate the selling, giving away or disposing in any manner of any intoxicating, malt, vinous, mixed, or fermented liquors, at retail, in quantities of not more than five gallons, and determine the amount to be paid for such licenses, subject to the limitations of general law.

(*ii*) Make such ordinances and regulations, not contrary to law as may be necessary to carry into effect and discharge the powers and duties conferred by this act, and such as shall seem necessary and proper to provide for the health and safety, promote the prosperity, improve the morals, peace, good order, comfort, and convenience of the municipality and the inhabitants thereof, and for the protection of property therein; and enforce obedience thereto with such lawful fines or penalties as the municipal council may prescribe under the provisions of paragraph (*dd*), of this section.

SEC. 42. The municipal council is empowered:

(*a*) To order the suspension or removal at any time, for cause, of any non-elective officer, other than non-elective councillors, provided that a two-thirds vote of all members shall be required for such removal.

(*b*) To make such provisions for the care of the poor, the sick, or those of unsound mind as it may deem necessary.

(*c*) To purchase, receive, hold, sell, lease, convey and dispose of property, real and personal, for the benefit of the municipality, provided that the express authorization of the provincial governor shall be necessary to alienate or constitute any lien upon any real property of the municipality.

(*d*) To employ a lawyer or lawyers when necessary in order to defend the interests of the municipality; but ordinary legal questions shall be submitted to the Attorney for the Moro Province, who shall answer the same in writing free of charge.

(*e*) To provide for the erection of markets, public stables, public bathing establishments, wharves and municipal cemeteries and for the establishment of ferries; and to fix reasonable fees for the use of the same.

(*f*) To construct and maintain waterworks for the purpose of supplying the inhabitants of the town with water, and control the use of said water and of water-courses within the town.

(*g*) To name streets, avenues and other public places, or change the names thereof.

(*h*) To license, tax, regulate or prohibit the keeping of dogs and authorize the killing of the same when at large contrary to ordinance.

(*i*) To license, tax or prohibit cockfighting and the keeping or training of fighting cocks; and to license, tax or close cockpits: *Provided*, that cockfighting in such cockpits shall take place only on legal holidays and during a period not to exceed three days on the occasion of the celebration of the patron saint's day of the municipality: *And, provided further*, that no game of chance be permitted on the premises.

(*j*) To establish and enforce a dry-earth, pail or other system for the removal of night soil and offensive garbage, and to fix a reasonable and uniform fee to be collected from the beneficiaries thereof.

(*k*) To license public carriages, carts and hearses kept for hire; cafés, restaurants, hotels, inns, and lodging houses; billiard tables, theatrical performances, horse races and circuses and other forms of public entertainment or amusement not prejudicial to public morality.

SEC. 43. Whenever the council is desirous of securing a legal opinion upon questions arising in relation to the constitution or attributes of the municipal government, it shall frame the questions in writing and submit them to the Attorney for the Moro Province for opinion. It shall be the duty of the secretary of the municipal council to forward, immediately after their passage, certified copies of all resolutions, ordinances and other acts of the municipal council, and of formal executive orders of the president which are published, to the governor of the district and to the Secretary of the Moro Province. Such resolutions, ordinances, acts or executive orders shall be subject to annullment or amendment by the Legislative Council of the Moro Province at any time. In case the governor of the district shall think it probable that any act, ordinance or resolution of the municipal council, or any executive order of the municipal president is not within his or its legal power, as conferred by this act, or by general legislation applicable to municipalities of the Moro Province, he shall bring the same to the attention of the Legislative Council. An attempt to enforce an act, ordinance, resolution or executive order, after the Legislative Council shall have annuled it, and after the action of the Legislative Council shall have been brought to the attention of the municipal authorities, shall be sufficient ground for the dismissal of the officer or officers attempting to enforce the same. Nothing in this section shall be construed to deprive any judicial tribunal of power to hold void for want of statutory authority any act, ordinance or resolution of a municipal council or an executive order of a municipal president, the validity of which shall be involved in any cause arising before such tribunal.

CHAPTER V.—*Taxation and finance.*

SEC. 44. Taxation shall be just and in each municipality uniform.

SEC. 45. The revenues of the municipality shall be devoted exclusively to local public purposes. They shall be derived from the following sources only:

(*a*) The granting of the privilege of fisheries, (other than pearl or shell fisheries) in fresh water streams, lakes and tidal streams included within the municipality and not the property of any private individual, and in the marine waters included between two lines drawn perpendicular to the general coast line from points where the boundary lines of the municipality touch the sea at high tide, and a third line parallel with the general coast line and distant from it three marine leagues. Where fresh water lakes are not included within the limits of any one municipality, or where fresh water or tidal streams form boundaries between municipalities, disputes which may arise as to the waters within which any municipality may exercise the right of taxing the granting of

the privilege of fisheries, shall be referred by each municipality to the district board of the district in which it is situated for settlement.

(*b*) Fees for the issuing of certificates of ownership of large cattle and of transfer of title in the same.

(*c*) Rents and profits from all property belonging to the municipality, tolls from ferries, municipal stables, markets, slaughter houses, public bath houses, public waterworks and cemeteries belonging to the municipality.

(*d*) Rentals for the privilege of establishing and maintaining the same.

(*e*) Licenses for billiard tables, theatrical performances, horse races and circuses; for the selling at retail in quantities of not more than five gallons of any intoxicating, malt, vinous, mixed or fermented liquors; for the keeping of dogs; for cock-pits, cock-fighting or the keeping or training of fighting cocks; for public carriages, carts or hearses kept for hire; and for cafés, restaurants, hotels, inns and lodging houses; in accordance with the provisions of section forty-one, sub-section (*hh*), and section forty-two, sub-sections (*h*), (*i*) and (*k*).

(*f*) Municipal fines.

(*g*) Fees from the beneficiaries of dry-earth, pail or other systems for the removal of night soil.

(*h*) Within the center of population of any municipality a uniform annual frontage tax may be imposed upon each person owning, or, in case of doubt as to ownership, upon the person occupying land frontage upon a public thoroughfare, for each meter or part of meter of frontage, upon approval of the district board of the district in which the municipality is situated. The proceeds from such tax shall constitute a special fund which shall be expended only for the purpose of cleaning, repairing and improving the public thoroughfares within the municipal district in which it is imposed. The amount of such tax shall be fixed by the district board, with the approval of the Legislative Council, and shall be collected in the usual manner by the district treasurer during the three months preceding the first day of May of each year.

(*i*) An annual tax, of three pesos, Philippines currency, is hereby imposed for the purpose of protecting the roads of the municipality and districts from destruction, upon each cart, the wheels of which are rigid with the axle to which they are attached, and an annual tax of five pesos, Philippines currency, upon each cart having both such tires and axles, and an annual tax of three pesos, Philippines currency, upon each sledge with runners less than two and one-half inches in width, to be collected by the district treasurer in the usual manner during the three months preceding the first of May of each year. One-half of the proceeds of such tax shall be paid into the municipal treasury and one-half shall be paid into the provincial treasury.

The use of carts with wheels having tires less than two and one-half inches in width and with wheels rigid with the axles and all sledges upon improved or well-constructed public roads in the Moro Province, is hereby prohibited after December first, nineteen hundred and four.

It shall be the duty of the district board of each district in which well-constructed or improved public roads exist to designate by public notice, which shall be posted at the door of the municipal building or presidencia of every municipality in the province, the roads on which it shall be unlawful to use narrow wheeled carts, carts of which the axles are rigid with the wheels, or sledges. Any person violating the provisions of this paragraph by using a cart or sledge of the prohibited type after December first, nineteen hundred and four, upon a road which has been designated as an improved or well-constructed road by the district board of any district, shall be subjected to a fine not to exceed one hundred pesos, Philippines currency, for each offense.

SEC. 46. It shall not be in the power of the municipal council to impose a tax in any form whatever upon goods and merchandise carried into the municipality, or out of the same, and any attempt to impose an import or export tax upon such goods in the guise of an unreasonable charge for wharfage, use of bridges or otherwise, shall be void.

SEC. 47. All taxes, licenses and fees imposed by the council shall be fixed by ordinance and may be changed from year to year, as the council may deem proper.

SEC. 48. The municipal treasurer, during the first fifteen days of January of each year, shall prepare in duplicate itemized statements of the income and disbursements for the preceding calendar year, one copy of which shall be transmitted to the district treasurer and the other to the council. He shall produce to the council his books and receipts, together with the stubs of the receipts issued by him and the warrants on which he has made disbursements. The

council shall carefully audit these accounts, comparing the statement of income with the duplicate receipts and the statement of disbursements with the warrants. If the amounts are found to be correct they will be attested by the members of the council. Should any member not be in favor of approving them or any item thereof, he will indorse his disapproval in writing thereon, specifying the item or items objected to and the reasons for his objections. A certified copy of the statement, with the signatures thereto and the endorsements thereon, shall be immediately forwarded to the district treasurer, who, if he thinks that judicial proceedings should be begun against either the municipal treasurer or the council, or any member thereof, for the unlawful expenditure of money of the municipality, shall, on behalf of the municipality, through the Attorney for the Moro Province, begin proceedings to recover the same.

SEC. 49. (*a*) During the month of January of each year, the council shall prepare in duplicate a report giving:

(*b*) An inventory of all buildings, lands, and other property, real and personal, belonging to the municipality.

(*c*) An itemized estimate of the revenues of the municipality from all sources during the current year, with a statement opposite each item of the amount realized from that source during the last preceding year.

(*d*) An itemized estimate of the ordinary expenses of the municipality for the current year, with a statement opposite each item of the corresponding expenses for the last preceding year. Estimated ordinary expenses shall not exceed the estimated resources. This estimate shall include a statement of outstanding indebtedness, if such exists.

(*e*) An estimate of such extraordinary expenditures, if any, as may be required through unusual necessity or to make permanent improvements. Such estimate shall state the approximate total expenditures by reason of such necessity or improvement, the amount which it is expected to expend during the year and the source or sources from which it is proposed to secure the necessary funds; also an itemized statement of extraordinary expenditures for the last preceding calendar year. The report hereinbefore provided for shall be in such form as may be prescribed by the district treasurer.

(*f*) Such report, when approved, shall be attested by the president and municipal secretary and shall be forwarded in duplicate to the district treasurer for his action. If the district treasurer shall, upon consideration, find that the taxes levied will produce the estimated revenue and that the actual expenditures provided for in the report will not exceed in the aggregate the estimate thereof, then he shall approve the same and shall forward one of the copies of the report, with his approval endorsed thereon, to the president to serve as a guide to the municipality in the administration of its finances. If, after the district treasurer shall have begun the collection of taxes, he finds that the amount to be actually collected will fall short of the estimate, he shall certify this fact to the council, with a statement of the probable shortage, and it shall be the duty of the council to reduce its subsequent expenditures so as to bring their aggregate within the available income as reported by him.

(*g*) Expenses not provided for in the annual estimate can only be incurred and paid upon authorization by the district treasurer at the request of the municipal council.

SEC. 50. (*a*) All license and privilege taxes shall be paid before the license or tax payer shall begin the business or enjoyment of the privilege for which the license or tax is imposed by the ordinance of the council.

(*b*) All licenses and privilege taxes shall terminate on the thirty-first of December of each year, and anyone beginning a business or exercising a privilege upon which a tax is levied by the council after the thirty-first of December, shall be required, before beginning such business or exercising such privilege, to pay the license or tax for the part of the year which remains to and including the thirty-first of December following. But all licenses and privilege taxes may be paid in advance in four quarterly installments, at the election of the licensee.

(*c*) An addition to every municipal tax or license in the nature of a penalty amounting to twenty per centum of the original tax or license, to be collected and accounted for in the same manner as the original tax or license, shall be imposed for a failure to pay the tax or license when due.

SEC. 51. It shall be the duty of the district treasurer to keep a record, open to public inspection, of the names of all persons paying licenses or privilege taxes, arranged alphabetically.

SEC. 52. Within ten days after the passage of the ordinance by the council for the payment of licenses or privilege taxes, the president and municipal treasurer shall prepare a list of the names of the persons whose business, if continued, would render them liable to the license or tax, and they shall transmit such list at once to the district treasurer, to enable him more readily to detect persons failing to pay the licenses and privilege taxes for which they shall have become liable.

SEC. 53. The council shall provide that any person conducting a business or enjoying a privilege without paying the tax required by its ordinances shall be punished by a fine and imprisonment, after trial and conviction before the president, as in other cases under the limitations prescribed in subsection (*dd*) of section 41.

SEC. 54. Taxes, imposts and all other revenue of the municipality shall not be leased or farmed by the municipal council, but shall be collected by the district treasurer or his authorized deputies, or by the municipal treasurer, as hereinafter provided.

SEC. 55. When collected, the taxes, imposts and other revenues of the municipality shall be turned over by the district treasurer or his deputy, within two weeks of the date of collection, to the municipal treasurer, together with an itemized statement showing the persons from whom such taxes, imposts and revenues have been collected, the respective amount of the same and the nature of the tax, impost or liability, on account of which such amounts have been collected.

SEC. 56. (*a*) In case the district treasurer shall fail to pay over to the municipal treasurer the amount collected by him, or which should have been collected as required by this act, the municipality shall at once proceed, through the Attorney for the Moro Province, by action against the district treasurer upon his official bond, which by law he shall be required to give before entering upon the duties of his office, to recover the amount thus in default.

(*b*) At the termination of the period of collection as fixed by the treasurer of the Moro Province, the district treasurer shall return to the municipal council an account of those taxes that could not be collected and such treasurer will not be held liable for the uncollected portion, unless because of negligence or bad faith on his part or on the part of his deputy or deputies.

(*c*) The proceedings under (*a*) and (*b*) shall not prevent criminal prosecution for such default where the penal code and the circumstances justify it.

SEC. 57. (*a*) It shall be the duty of the district treasurer to be present in the municipality, in person or by deputy, at such times and for such periods as the treasurer of the Moro Province may direct, not less than two times each quarter, prepared to receive payment of all revenues due to the municipality from any source whatever, except fines as provided in section 19, subsection (*h*), fees for the granting of the privilege of fisheries, the issuing of certificates of ownership of large cattle, and of transfer of title to the same, tolls from ferries operated by the municipality, fees from municipal stables, municipal pounds, municipal markets, municipal slaughter houses, municipal bath houses, municipal pail or dry-earth systems, and municipal cemeteries; license fees for theatrical performances, horse races, circuses, cock-pits and cock-fighting, and the training of fighting cocks; which shall be collected by the municipal treasurer in the manner prescribed by ordinance of the municipal council. The district treasurer or his deputy shall give receipts for all municipal funds collected by him, showing the date of each payment, the name of the person making it, the amount of the payment, and on what account it was collected. He shall give notice to the president of the coming of himself or his deputy, one week before the visit of himself or deputy to the municipality, and the president shall cause the same to be posted at the main entrance of the municipal building and in a public and conspicuous place in each barrio. The municipal treasurer shall turn over to the district treasurer or his deputy upon his visit to the municipality, all revenue collected subsequent to the last visit of the treasurer or his deputy, together with his duplicate receipts for the same. The district treasurer or his deputy shall not remove such funds from the municipality, but shall pay them into the municipal treasury before leaving, and they shall thereupon become available for appropriation by the municipal council.

(*b*) The district treasurer or his deputy shall be at liberty at all times to inspect the accounts and receipts of the municipal treasurer, and to count the money in the municipal treasury; and he shall audit the accounts and count the cash at least once during each quarter of the fiscal year. In case an examination shows a defalcation of the municipal treasurer, it shall be the duty of the

district treasurer or his deputy to seize the office and its contents and to notify the Treasurer of the Moro Province forthwith, who shall thereupon, by himself or deputy or by the district treasurer or deputy, at once take possession of the office, the books, papers, vouchers and cash of such municipal treasurer, and shall continue such public business of the office as is necessary until the amount due from the municipal treasurer shall be exactly determined and a correct account stated, when, upon a proper certificate from the Treasurer of the Moro Province, the office and its contents shall be transferred to the municipal treasurer then lawfully entitled. The same procedure shall be pursued in case of the death of the municipal treasurer. Upon the seizure the sureties of the defaulting or deceased treasurer shall at once be notified by the officer making the same. The Treasurer of the Moro Province shall forward to the Attorney of the Moro Province a statement of the account of the defaulting or deceased officer, in order that suit may be brought for any balance which may be due upon the official bond of the defaulting or deceased officer, and in such suit the account stated by the Treasurer of the Moro Province shall be prima facie evidence of the amount due on the bond. In case of a defaulting municipal treasurer criminal proceedings shall be instituted against the defaulter. In case of a deceased municipal treasurer, if no balance is found to be due from him, the Treasurer of the Moro Province shall settle his account and furnish his legal representatives with a certified copy of the settlement.

SEC. 58. It shall be the duty of the municipality to furnish to the district treasurer an office in the municipal building where taxes can be conveniently paid and collected.

SEC. 59. Within thirty days after the municipal tax shall fall due, the municipal treasurer, or the district treasurer or his deputy, as the case may be, shall notify the delinquent taxpayer in writing to appear before him at his office in the municipality within forty-eight hours after the receipt thereof to make payment of the tax and the penalty, and that if he fails to do so his personal property will be summarily distrained and the tax and penalty satisfied out of the proceeds thereof. Such notice shall state specifically the nature or kind of the tax alleged to be delinquent, the period for which it is delinquent and the amount thereof, with the penalty. The notice shall be delivered to the municipal president, who shall cause the same to be served by a member of the municipal police. Service shall be made in the manner prescribed for the service of summons in civil actions by section 396 of the Code of Procedure in Civil Actions and Special Proceedings, and the officer making service shall endorse upon the original notice his return thereof, which shall state the day and hour, the place and the manner of making service, and shall be signed by him; and such return shall constitute *prima facie* proof of service. The original notice with the return endorsed thereon shall be delivered to the official issuing the same, and shall be preserved among the records of his office. After the expiration of forty-eight hours after service of the notice, should the tax payer fail to appear and pay the delinquent tax and penalty, the official who issued the notice shall proceed at once to seize the personal property of such tax payer, and unless redeemed as hereinafter provided, to sell at public auction, either at the main entrance of the municipal building or at the place where such property is seized, as he shall determine, so much of the same as shall satisfy the tax, penalty and costs of seizure and sale to the highest bidder for cash, after due advertisement by notice posted for ten days at the main entrance of the municipal building and at a public and conspicuous place in the barrio where the property was seized, stating the time, place and cause of sale. The original notice of delinquency with the return of service thereon shall be his warrant for his proceeding, and the purchaser at such sale shall acquire an indefeasible title to the property sold. Any surplus resulting from the sale, over and above the tax, penalty and costs, shall be returned to the tax payer on account of whose delinquency the sale has been made. Within two days after the sale the officer making the same shall make a return of his proceedings, which shall be spread upon his record.

SEC. 60. The owner of the personal property seized may redeem the same from the collecting officer at any time after seizure and before sale by tendering to him the amount of the tax, the penalty and the costs incurred up to the time of tender. The costs to be charged in making such seizure and sale shall only embrace the actual expense of seizure and preservation of the property pending the sale, and no charge shall be imposed for the services of the collecting officer or his deputy.

SEC. 61. The assessment of a tax shall constitute a lawful indebtedness from the tax payer to the municipality, which may be enforced by the officer whose duty it is to collect the same as representative of the municipality by civil action in any court of competent jurisdiction, and this remedy shall be in addition to all the other remedies provided by law.

SEC. 62. No court shall entertain any suit assailing the validity of a tax assessed under this act until the tax payer shall have paid, under protest, the taxes assessed against him, nor shall any court declare any tax invalid by reason of irregularities or informalities in the proceedings of the officers charged with the assessment or collection of taxes or of a failure to perform their duties within the time herein specified for their performance, unless such irregularities, informalities or failures shall have impaired the substantial rights of the tax payer; nor shall any court declare any tax assessed under the provisions of this act invalid except upon condition that the tax payer shall pay the just amount of his tax, as determined by the court in the pending proceeding.

SEC. 63. Any officer charged with the duty of listing or collecting any municipal tax who shall wilfully omit to list or collect the same or any part thereof shall be guilty of a misdemeanor and punishable by a fine not exceeding one thousand pesos, or imprisonment not exceeding two years, or both, in the discretion of the court.

SEC. 64. Any officer charged with any duty in connection with the assessment or collection of taxes who shall accept a bribe to influence his official action therein, shall be guilty of a misdemeanor and subject to the penalties provided in section 63.

SEC. 65. Any person offering a bribe to an officer charged with any duty in connection with assessing or collecting taxes, for the purpose of influencing his official action, shall be guilty of a misdemeanor and subject to the penalties provided in section 63.

CHAPTER VI.—*Provisional and final sections.*

SEC. 66. The Governor of the Moro Province shall, when in his opinion any municipality is prepared to hold an election, call the first general municipal election in such municipality by executive order. He shall fix therein the date on which the election shall be held, which date shall not be less than eighty days from the date of the executive order and shall fall on the first Tuesday of a month. Except as provided in the section next following such election shall be held in the manner provided in this act for the holding of general municipal elections.

SEC. 67. The proclamation provided for by paragraph (a) of section 9 of this act shall be posted during the first five days of the first of the two months preceding the month in which the election is to be held. The board of election judges shall be appointed by the district governor. The non-elective members of the council shall be appointed in the manner provided in section 14 of this act during the first fifteen days of the month preceding that in which the election is to be held. The officers elected or appointed under this section shall assume the performance of their duties after the election as soon as they have taken the oath of office.

SEC. 68. The term of office of the president, vice-president and councillors elected at the first general election shall be until the first Monday in January following the date of the first succeeding regular general election, or until their successors are duly chosen and qualified. The term of office of the non-elective members of the council shall be until the first Monday in January of the first succeeding year whose final figure is an uneven or odd number, so that thereafter one half of the council shall be chosen annually. The second general municipal election in such municipality shall be held on the first Tuesday of December of the first succeeding year whose final figure is an uneven or odd number. Thereafter general municipal election shall be held biennially as provided in section 9 of this act.

SEC. 69. Pending the first municipal election in any municipality, the president, vice-president and all the municipal councillors shall be appointed by the governor of the district in which the municipality is situated, subject to the approval of the Legislative Council. Officers so appointed shall hold office until the first municipal election shall have been held and their successors duly chosen and qualified, or during the pleasure of the Legislative Council, and shall

have the qualifications required of and shall exercise all the powers hereinbefore conferred upon presidents, vice-presidents and municipal councillors.

SEC. 70. When in his opinion it would be unwise immediately to establish complete and independent municipal government in any municipality, the Governor of the Moro Province may by executive order fix a less or greater number of municipal councillors than herein provided for any municipality, provide that the office of municipal secretary be merged with that of municipal president and that the office of municipal treasurer be merged with that of municipal vice-president, and provide that the powers herein conferred upon municipal officers shall be exercised under the direct supervision and control of the governor of the district until such time as the officers elected at the first general municipal election shall have entered into office, or for such lesser period as he may deem wise.

SEC. 71. Municipal officers now holding office in any municipality of the Moro Province previously organized under the provisions of the Municipal Code shall continue in office until their successors have been appointed in accordance with the provisions of this act.

SEC. 72. Any municipal officer found to be inefficient, or to be guilty of misconduct or of disloyalty to the United States may be removed in accordance with the provisions of section 16 of act No. 787 of the Philippine Commission; but no municipal officer shall be removed from office by the district governor of any district until he has been notified in writing of the charges against him and has been afforded due opportunity to appear with his witnesses and present his defense. Should the Legislative Council deem that public safety demands such a course, it may appoint the successor of any officer so removed; otherwise, the vacancy will be filled as hereinbefore provided in the case of permanent vacancies.

SEC. 73. The Treasurer of Moro Province shall prescribe the method of keeping the ledgers and records of municipal treasurers, and shall prepare such rules and regulations relating to the administration of the affairs of the office as he may deem wise. In order to secure uniformity in all records, accounts, bonds, dockets, warrants, receipts, licenses, and certificates provided for in this act, the municipal treasurer shall purchase the necessary blank books, bonds, dockets, warrants, receipts, certificate and licenses from the Engineer of the Moro Province, who shall furnish them at cost.

SEC. 74. When taxes, the levying of which is not authorized by this act, have been lawfully levied in any municipality organized under any military order, and have been collected in part before organization under this act, the uncollected portion of such taxes for the year 1903 shall be collected and paid into the municipal treasury of the district treasurer or his authorized deputies, anything in this act to the contrary notwithstanding.

SEC. 75. Act No. 82 of the Philippine Commission, entitled "The Municipal Code," and all acts or parts of acts which by their terms amend any section thereof or add any section thereto, except as continued in force by this act, and all laws or parts of laws inconsistent with the provisions of this act, are hereby repealed in their application to the Moro Province. Hereafter acts of the Philippine Commission which by their terms amend any section of said act No. 82, or add any section thereto, shall not apply to the Moro Province unless made applicable thereto by the terms of the act. This section shall not be construed as repealing any provision of general law now in force or which may hereafter be enacted which incidentally imposes any duty or prohibition upon any municipal officer, or creates, circumscribes or enlarges any power or attribute of municipalities for the purposes of giving effect to such general law; but such provisions of general law are hereby expressly continued in effect in the Moro Province.

SEC. 76. The short title of this act shall be "The Municipal Code of the Moro Province."

SEC. 77. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on the twentieth day of February, nineteen hundred and four.

Enacted, January 27, 1904.

Approved by the Philippine Commission April 27, 1904.

[ACT No. 36.]—AN ACT Appropriating the sum of twenty-eight thousand pesos Philippines currency, or so much thereof as may be necessary, for the construction and repair of roads in the Moro Province, the construction of a school house at Davao, and in part payment of a provincial jail at Zamboanga.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The following sums in Philippines currency or so much thereof as may, in each case, be necessary, are hereby appropriated out of any funds in the treasury of the Moro Province not otherwise appropriated, to remain available until expended:

For construction and repair of roads in the Moro Province, to be allotted by the Provincial Engineer with the approval of the Legislative Council, ten thousand pesos.

For the construction of a school house at Davao, three thousand pesos.

For beginning the construction of a provincial jail at Zamboanga, fifteen thousand pesos.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, February 9, 1904.

Approved by the Philippine Commission March 11, 1904.

[ACT No. 37.]—AN ACT Appropriating the sum of six hundred pesos, Philippines currency, or so much thereof as may be necessary, to defray the current expenses of the town of Jolo, district of Sulu, for the month of January, nineteen hundred and four.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The sum of six hundred pesos, Philippines currency, or so much thereof as may be necessary, is hereby appropriated out of any funds in the treasury of the Moro Province not otherwise appropriated, to defray the current expenses of the town of Jolo, District of Sulu, for the month of January, nineteen hundred and four. The said sum shall be expended for the purposes and in the manner and form provided by act No. 28 of the Legislative Council of the Moro Province.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, February 10, 1904.

Approved by the Philippine Commission March 11, 1904.

[ACT No. 39.]—AN ACT Temporarily to provide for the government of the Moros and other non-Christian tribes.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Until the enactment by the Legislative Council of legislation for the creation of local governments among the Moros and other non-Christian tribes, such Moros and other non-Christian tribes shall be governed by the Governor of the Moro Province, through the respective district governors, in the manner and to the extent hereinafter expressly provided in this act.

SEC. 2. It shall be the duty of the district governor of each district to delimit those portions of the district, inhabited by Moros or other non-Christian tribes to such an extent as to render impracticable the extension thereto of municipal government, into tribal wards, having reference when possible to natural objects and boundaries in such manner that a single race or homogeneous division thereof shall occupy as nearly as possible the territory actually occupied by it at present. When different races or tribes or different homogeneous divisions of a single race or tribe occupy contiguous territory, or the territory occupied is in dispute, it shall be the duty of the district governor to invite the headmen or leading representatives of the races, tribes or homogeneous divisions thereof

occupying such contiguous territory, or claiming disputed territory, to a conference in which each headman or representative shall be given opportunity to present such proofs in support of the claims of his people and to urge such objections to the delimitation proposed by the district governor as he may desire. The district governor shall prepare a description of each tribal ward within the district as delimited by him, and, when the same shall have received the approval of the Governor of the Moro Province, shall cause copies thereof, drafted in the language of the races or tribes in interest to be furnished to the headman of each tribal ward within the district. He shall also furnish copies thereof in English to the secretary of the district and the Secretary of the Moro Province, who shall file the same in the records. When any tribal ward shall be wholly or partly within the territorial limits of a municipality organized under the Municipal Code of the Moro Province, it shall be subject, as to the part thereof lying within such municipality, to the provisions of section 2 of said Municipal Code.

SEC. 3. Subject to the approval of the Governor of the Moro Province, the district governor shall appoint as his representative or deputy in each tribal ward a headman, who shall hold office during the pleasure of the Governor of the Moro Province. In making such apointments the district governor shall, when practicable, give preference to the member of the race or tribe at present recognized among his people as their chief or headman. The headman shall exercise the functions of his office under the direct supervision and control of the district governor. He shall be authorized to wear, as a badge of his office, a baldric of red leather having attached thereto a metal disc bearing an impression of the seal of the Moro Province. The Engineer of the Moro Province shall cause to be prepared a sufficient number of such baldrics and discs, and shall distribute them among the governors of the districts, who shall be accountable therefor as for other public property, and who shall in turn distribute them to the headmen, without charge.

SEC. 4. For administrative purposes the headman of each tribal ward shall divide his ward into as many districts as may be directed by the district governor, prescribing for each such boundaries that, taken collectively, they shall include the entire territory of the tribal ward. Subject to the approval of the district governor, he shall appoint as many deputies as there are districts in his ward and shall place each of them in charge of one of such districts. The deputies shall exercise the functions of their office under the direct supervision and control of the headman, and shall hold office during the pleasure of the district governor. They shall be authorized to wear, as a badge of their office, a baldric of yellow canvas or other strong material having attached thereto the metal disc described in the preceding section, to be obtained and distributed in the manner prescribed therein.

SEC. 5. The headman shall be the chief executive of his tribal ward. He shall:

(*a*) Cause the lawful ordinances of the district governor and the laws of the Philippine Islands and of the Moro Province, in so far as they may be applicable to his ward, to be executed therein.

(*b*) Issue orders relating to the police and to public safety, and orders for the purpose of avoiding conflagrations, floods, and the effects of storms or other public calamities.

(*c*) Assist all insular, provincial and district officers in the performance of their official duties within his ward, when so directed by the district governor.

(*d*) Report the commission of crimes and other unusual or untoward events occurring within his ward to the district governor.

(*e*) Through his deputies, keep the people of his ward informed of the ordinances of the district governor and of laws and governmental measures which concern them, in the manner hereinafter provided in section 6 of this act.

(*f*) Be the lawful deputy within his ward of the officer of every court whose jurisdiction extends over the territory occupied by his ward, and shall, when directed by the district governor, execute the lawful orders and process of such courts. He shall receive therefor from his principal the fees provided by law. He shall not be required to give bond to his principal for the proper performance of his duties; but the Moro Province shall be directly responsible for all liabilities arising through his malfeasance or nonfeasance as such deputy.

(*g*) Attend the regular and special meetings of the advisory council hereinafter created, when directed to do so by the district governor.

SEC. 6. The deputies of the headman shall constitute the police force of the ward, and shall exercise constant police surveillance over their respective districts. They shall immediately inform the headman of the commission of any offense or the occurrence of any unusual or untoward event within their districts. They shall, when directed by the headman, inform the people residing within their districts of any ordinance of the district governor or any law or governmental measure affecting them. To that end each deputy shall by means of criers or messengers call the residents of his district together in public conclave at a convenient hour and place, and cause the ordinance, law or governmental measure to be read aloud in the presence and hearing of the people thus assembled. The deputies shall perform such other duties as the headman shall lawfully direct.

SEC. 7. The district governor of each district may, under the general supervision of the Governor of the Moro Province, issue ordinances having the force of law among the inhabitants of the tribal wards in his district:

(*a*) Prohibiting or regulating the use of firearms, ammunition and edged weapons, and providing for the seizure and confiscation thereof when held or used contrary to law. The provisions of section 24 of act No. 175 of the Philippine Commission, as added by section 4 of act No. 610 and amended by section 1 of act No. 652 of the Philippine Commission, shall not apply to the inhabitants of tribal wards.

(*b*) Prohibiting or regulating the passage of one headman or any of his tribesmen through the tribal ward of another.

(*c*) Establishing fire limits in thickly settled districts, and prescribing the kind of buildings which may be constructed within the same.

(*d*) Providing for the enforcement of the sanitary regulations prescribed by the provincial or district board of health.

(*e*) Establishing or authorizing the establishment of slaughterhouses and markets and providing for the inspection and regulating the use of the same.

(*f*) Providing for the inspection of food products.

(*g*) Prescribing rules and regulations governing the performance of their duties by the ward police.

(*h*) Providing against the evils of gambling, gambling houses, and disorderly houses of whatsoever sort.

(*i*) Restraining riots, fighting, disorderly conduct or disorderly assemblages.

(*j*) Prohibiting or regulating the running at large of domestic animals within the limits of the ward.

(*k*) Prohibiting or regulating cockfighting and the keeping or training of fighting cocks.

(*l*) Prescribing the times and places of meeting of the advisory council hereinafter created, and the manner in which the meetings shall be conducted.

And such other ordinances and regulations, not in excess of the powers conferred upon municipal councils by the Municipal Code of the Moro Province, and not repugnant to law, as may be necessary and proper to provide for the health and safety, promote the prosperity, improve the morals, good order, peace, comfort and convenience of the tribal wards of his district and the inhabitants thereof and for the protection of property therein.

SEC. 8. Ordinances of the district governor shall take effect at the time fixed by him in the ordinance, subject to annulment or amendment by the Legislative Council. It shall be the duty of the district governor to forward a copy of every ordinance to the Secretary of the Moro Province by registered mail immediately after its passage. He shall also forward a copy of such ordinance to the headman of each tribal ward affected by it. Such copy shall be drafted in the language of the tribal ward if such language be a written language, and if not, in any language understood by the headman. A certified copy of each ordinance shall be filed among the records of the district secretary.

SEC. 9. The district governor may, in his discretion, enforce obedience to any ordinance by prescribing therein penalties for its violation; but no single penalty shall exceed a fine of fifty pesos or imprisonment for three months, or both such fine and imprisonment. Trials for the violation of ordinances shall be held before the court which may hereafter be vested with jurisdiction over other offenses committed by the inhabitants of tribal wards in which the penalties may be imposed; and the rules relating to process, pleading, practice, procedure, payment of fines and execution of sentence shall be the same as those provided for such court for the trial of other offenses.

SEC. 10. The headmen of the tribal wards of the district shall constitute an advisory council to the district governor in the exercise of the duties imposed

upon him by this act. When the tribal wards of a district are widely separated by natural boundaries, and those of one part of the district are without interests in common with those of other parts of the district, the district governor shall, for administrative convenience, divide the tribal ward of his district into groups, in which case the headman of the tribal wards of each of such groups shall constitute an independent advisory council. The advisory council of the district, or, in case the district is divided into groups, the advisory council of each group, shall hold regular meetings at least once during each semester, and such special meetings as the district governor may from time to time direct. The advisory council shall confer with the district governor upon matters of public concern, and the members may propose to the district governor such measures affecting the interest of their tribal wards as they may desire. At such meetings it shall be the special duty of the district governor to explain to the headmen assembled the purpose of the United States to establish among them a just, stable and sovereign government in which they shall be afforded the opportunity to manage their own local affairs to the fullest extent of which they are capable consistent with the maintenance of law, order and loyalty, and in which the exercise of their customs and religion will not be interfered with unless contrary to law or repugnant to the usages of civilized nations, to explain to them the advantages of civilized municipal government, and to endeavor to awaken and foster an interest in the construction and maintenance of buildings, school houses, roads, trails and other public works for the common use and benefit of the inhabitants of their respective districts.

SEC. 11. The advisory council of the district or of any group of tribal wards, may by a majority vote of all the headmen and with the approval of the district governor, by resolution provide:

(*a*) That the cedula or registration tax shall become due and payable among the inhabitants of the tribal wards of the district or group at any time prior to the time fixed therefor by section 8 of act No. 5 of the Legislative Council.

(*b*) That the system of taxation provided in the following section shall be put in force in the tribal wards of the district or group and levied, collected and disbursed in the manner provided by this act.

Upon the passage of such a resolution it shall be reduced to writing by the district governor and in his presence interpreted to each of the members present. It shall then be signed by the headmen voting in favor thereof in the presence of the district governor, the latter signing for those who are unable to do so. The district governor shall certify in writing on the resolution that the required formalities have been complied with and his approval of the resolution, and shall forward a certified copy thereof by registered mail to the Secretary of the Moro Province. The original resolution shall be filed among the records of the district secretary.

SEC. 12. Taxation shall be uniform in each district or group of tribal wards. The revenues of the tribal ward shall be derived from the following taxes only, which shall be put into effect within the tribal ward at such time as the Legislative Council of the Moro Province shall approve the resolution mentioned in the preceding section:

(*a*) Licenses for the privilege of fishing by use of nets, twenty-five centavos per annum for each square meter or part of a square meter of surface, to be levied on the net and assessed against the owner. *Provided*, that it shall not be necessary to procure such license to fish when the surface measure of the net is less than ten square meters.

(*b*) Licenses for the privilege of fishing by means of traps or corrals, one peso per annum for each lineal ten meters or part of ten meters of wall or fencing used in the construction of the trap or corral, measured horizontally along the surface of the water, except traps or corrals the total lineal horizontal measurement of which is less than ten meters, to be levied on the corral or trap and assessed against the owner.

No tribal ward license shall be granted for the privilege of pearl or shell fishing.

(*c*) Licenses for the use of public markets which may be authorized by the district governor, the license to be fixed in each case by the district governor and the headman of the tribal ward, and approved by the Treasurer of the Moro Province.

(*d*) Licenses for the privilege of establishing and maintaining such ferries as may be authorized by the district governor, twenty-five centavos per annum for each one passenger capacity, and fifty centavos per annum in addition for each one large cattle capacity of each boat or vessel employed. *Provided*, that the

fees to be charged the public by the licensee shall be regulated by the district governor.

(*e*) Licenses for the privilege of establishing and maintaining such slaughter-houses as may be authorized by the district governor, the license to be fixed by the district governor and the headman of the tribal ward and approved by the Treasurer of the Moro Province in each case. *Provided*, that the district governor shall regulate the fees to be charged the public by the licensee.

(*f*) Licenses for the privilege of establishing and maintaining such cockpits as may be authorized by the district governor, one hundred pesos per annum for each cockpit, the license to be fixed by the district governor and approved by the Treasurer of the Moro Province in each case.

(*g*) A tax of fifty centavos per annum upon each male dog and one peso per annum upon each bitch, to be assessed against the owner thereof.

(*h*) A tax of one peso per annum on each firearm or edged weapon, the use or possession of which shall have been authorized by the district governor, except tools for working purposes having blades less than fifteen inches in length. The tax shall be collected by the district treasurer by affixing, in the presence of the district governor or his authorized deputy, on the permit for each firearm or edged weapon an internal revenue stamp of the face value of one peso, Philippines currency, without which such permit shall not be valid.

(*i*) An annual personal tax of ten pesos upon each able-bodied male resident of the tribal ward between the ages of eighteen and fifty years. *Provided*, that every such resident who shall show to the satisfaction of the district treasurer that during the year preceding the date upon which the tax shall fall due he has been engaged in any lawful work, trade, occupation or profession to such an extent as to have provided a decent and sufficient livelihood for himself and the persons dependent upon him, shall be exempted from the payment of the tax. The district governor shall by ordinance provide for the working out of this tax by persons delinquent in the payment thereof after due trial and conviction for vagrancy by the proper court, on local public works in the tribal ward, under the supervision of the headman, at a rate of not less than fifty centavos for each day of labor.

(*j*) An addition to each tax or license specified in this section, in the nature of a penalty amounting to twenty per centum of the original tax or license, to be collected and accounted for in the same manner as the original tax or license, shall be imposed for a failure to pay the tax or license when due.

SEC. 13. Taxes and other revenues of the tribal ward shall not be leased or farmed, but shall in every instance be collected by the district treasurer or his authorized deputies. The provisions of the Municipal Code of the Moro Province relative to the assessment, collection and enforcement of municipal taxes shall apply to the assessment, collection and enforcement of the taxes provided by section 12; but the Treasurer of the Moro Province may, in his discretion, issue special rules and regulations having the force of law to be followed by the district treasurers and their deputies in cases arising in which the said provisions of the Municipal Code of the Moro Province are, owing to the peculiar conditions existing in any tribal ward impossible or difficult of application.

SEC. 14. The gross proceeds resulting from the collection of the taxes provided by section 12 shall be covered into the treasury of the Moro Province and shall constitute a special fund to be expended exclusively in the payment of the salaries of the officers of the tribal ward in which collected and for such other local public purposes of such ward as the Legislative Council of the Moro Province may, from time to time direct.

SEC. 15. For convenience in the assessment, collection and enforcement within tribal wards of the cedula, internal revenue and other general taxes from the payment of which the inhabitants of such ward are not exempted by law, the Treasurer of the Moro Province may, in his discretion, issue special rules and regulations having the force of law, which shall be followed by the district treasurers and their deputies, when the general provisions of law governing such assessments, collections and enforcements are, owing to the peculiar or unusual conditions existing in any tribal ward, impossible or difficult of application. The Treasurer of the Moro Province may authorize the headman to collect the cedula tax within his tribal ward as the agent or deputy of the district treasurer, under such restrictions as to the giving of bond or otherwise as he may deem necessary to secure the faithful performance of his duties by such headman, and may authorize the payment to the headman for such collection of a commission of not to exceed five per centum of the amount collected.

SEC. 16. The headman of each tribal ward shall receive an annual salary of not less than two hundred and forty nor more than eighteen hundred pesos, Philippines currency, and each deputy of a headman shall receive an annual salary of not less than ninety-six nor more than six hundred pesos, to be fixed in each case by the Legislative Council of the Moro Province, and to be paid from the special fund created by section 14 of this act. *Provided*, that no headman or any of his deputies shall be entitled to receive any salary for his services as such headman or deputy until it shall be made to appear to the satisfaction of the Legislative Council by the Treasurer of the Moro Province that the taxes authorized by section 12 of this act, as well as the cedula or registration tax, the internal revenue taxes, and all other general taxes from the payment of which the inhabitants of tribal wards are not exempted by law, are enforced and collected within the tribal ward of such headman by the district treasurer or his authorized deputies without opposition or hindrance from the inhabitants thereof and with the active aid and cooperation of such headman and his deputies.

SEC. 17. The district governor shall keep the Governor of the Moro Province continually informed as to the progress and working of the government created by this act among the inhabitants of the tribal wards of their respective districts. The Governor of the Moro Province shall, from time to time, make report thereon to the Legislative Council recommending such measures as he may deem conducive to the general welfare and prosperity of the inhabitants of the tribal wards of the Moro Province.

SEC. 18. It shall be the constant aim of the Governor of the Moro Province and of the district governors to aid the inhabitants of the several tribal wards to acquire the knowledge and experience necessary for local popular government and the exercise of the powers of supervision and control conferred upon them by this act shall be confined within the narrowest limits consistent with the requirement that the powers of government in the various tribal wards shall be honestly and effectively exercised, and that law and order and individual freedom shall be maintained. They shall in every case, if possible, in exercising such powers respect and conform to the local customs of the inhabitants of the various tribal wards, unless such customs are contrary to law or repugnant to the usages or moral sense of civilized peoples.

SEC. 19. Quesitons which may arise relative to the constitution or attributes of the government created by this act shall be submitted to the Attorney for the Moro Province for opinion.

SEC. 20. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, February 19, 1904.

Approved by the Philippine Commission March 11, 1904.

[ACT No. 38.]—AN ACT Providing for the organization and government of the municipalities of Jolo, Siassi, and Cagayan de Sulu.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. All that portion of the Island of Jolo comprised within the limits below described, including all wharves and buildings adjacent to the shore line shall constitute the Municipality of Jolo:

Beginning at the point M, which is on the shore and 3,091.2 feet from, and bears north 38 degrees 30′ east from the nearest angle of the wall, thence south 65 degrees 30′ east a distance of 7,733 feet to the point N, thence south 29 degrees west a distance of 8,730 feet to the point O, thence north 42 degrees west a distance of 10,033 feet to the point P, upon the shore line, thence meandering along the shore line a distance of approximately 7,577 feet to the point of beginning, all bearings being true bearings, and all distances and bearings being scaled from a map on file in the office of the Secretary of the Moro Province.

SEC. 2. All that portion of the Island of Siassi included within a circle of one mile radius, whose center is at the middle point of the shore or inner end of the timber portion of the public wharf, shall constitute the municipality of Siassi.

SEC. 3. The entire Island of Cagayan de Sulu and its dependencies shall constitute the municipality of Cagayan de Sulu.

SEC. 4. The municipalities of Jolo, Siassi and Cagayan de Sulu shall be recognized as municipal corporations. They may sue and be sued, contract and be contracted with, and acquire and hold real and personal property for the general interests of the municipality. All property and property rights vested in any of said municipalities under its former organization shall continue to be vested in the same municipality after its incorporation under this act. They shall be subject to and governed by the following provisions of the Municipal Code of the Moro Province: Section 17; section 18; subsections (*a*), (*b*), (*c*), (*d*), (*e*), (*f*), (*g*), (*h*), (*j*), (*n*), and (*o*) of section 19; subsections (*a*) and (*d*) of section 20; section 21; section 22; section 30; section 31; section 32; subsection (*a*) of section 33; section 35; section 36; subsection (*b*) of section 39; section 40; section 41; except subsection (*b*) thereof; section 42, except subsection (*a*) thereof; section 43; chapter V and section 73.

SEC. 5. In each of the municipalities of Jolo, Siassi and Cagayan de Sulu there shall be a president, a vice-president, a secretary, two councillors and a treasurer, all of whom shall be appointed by the Governor of the District of Sulu and hold office during his pleasure, except the treasurer as to whose appointment, removal, qualifications, salary and duties the provisions of subsection (*l*) of section 19 and subsection (*a*) of section 23 of the Municipal Code of the Moro Province shall apply. All other municipal officers and employees authorized by the municipal council shall be appointed and may be suspended, reinstated or removed by the president, subject in every instance to the approval of the District Governor. The president, vice-president, secretary and councillors and their lieutenants shall receive no compensation.

SEC. 6. The municipal council shall divide the municipality into two districts, which taken collectively shall include the entire territory of the municipality and shall place each of such districts under the direction and administrative control of one of the councillors. For convenience in administration the districts may be subdivided into barrios.

SEC. 7. The president, vice-president, secretary and councillors shall constitute the municipal council, and each member shall have a right to vote therein. The president, and in his absence the vice-president, shall be the presiding officer of the council.

SEC. 8. In cases of the violation of municipal ordinances within the limits of the municipality the process of the president while sitting as a municipal court at the trial thereof shall run through all that part of the district of Sulu not included in other municipalities.

SEC. 9. Every municipal officer and employee shall exercise the powers conferred upon him under the direct supervision and control of the District Governor.

SEC. 10. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, February 11, 1904.

Approved by the Philippine Commission March 11, 1904.

[ACT NO. 40.]—AN ACT Empowering the governor of the Moro Province to offer a reward of any sum not exceeding one thousand pesos, Philippines currency, for information leading to the arrest and conviction of the perpetrators of crime in the Moro Province.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The Governor of the Moro Province is hereby empowered to offer a reward of any sum not exceeding one thousand pesos, Philippines currency, for information leading to the arrest and conviction of the perpetrator or perpetrators of any crime in the Moro Province, or for information leading to the recapture of any convict escaped from any prison in the Moro Province; and to incur the expense of properly advertising the same.

SEC. 2. Claims for rewards shall be presented in writing to the Governor of the Moro Province within thirty days after the conviction or the recapture, as the case may be. They shall be supported by the affidavits of the claimant, the arresting officer and the prosecuting officer, when the reward claimed is for information leading to arrest and conviction, and by the affidavits of the claimant and the arresting officer, when the reward claimed is for information lead-

ing to recapture, and in every case by such further affidavits and proofs as the Governor of the Moro Province may require. The Governor of the Moro Province shall decide to what persons and in what respective proportions the reward shall be paid; and his decision shall be final. Whenever there are two or more claimants to a reward, each of whom has furnished a portion of the information desired, or whenever one or more claimants have furnished the information leading to the arrest, and one or more other claimants have furnished the information leading to the conviction of the perpetrator or perpetrators of a crime, the reward shall be equitably distributed among the several claimants in proportion to the importance of the information furnished by each.

SEC. 3. Rewards and the expenses incurred in advertising the same shall be paid out of the Treasury of the Moro Province upon appropriation duly made.

SEC. 4. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, February 23, 1904.

Approved by the Philippine Commission March 11, 1904.

[ACT No. 41.]—AN ACT Authorizing the governor of the Moro Province to designate not to exceed five civil service employees of the province to aid in the translation of public laws, and providing for the payment of an overtime wage to such employees.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The Governor of the Moro Province is hereby authorized to designate not to exceed five civil service employees of the province to aid in the translation of public laws and other governmental measures, outside of their regular office hours. Such employees shall receive an overtime wage, to be fixed by the Governor of the Moro Province, of not to exceed seventy-five cents, currency of the United States, for each hour of overtime service, the provisions of act No. 148 of the Philippine Commission to the contrary notwithstanding. They shall perform their duties under the supervision of the Attorney for the Moro Province at such times as he shall appoint.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, February 29, 1904.

Approved by the Philippine Commission April 4, 1904.

[ACT No. 42.]—An act to provide for the levy, assessment and collection of an ad valorem tax on land.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. There is hereby imposed upon all land in the Moro Province, except land belonging to the United States of America, the Central Government of the Philippine Islands, the Government of the Moro Province or any district or municipality thereof, and land situated within any tribal ward and owned by an inhabitant thereof, a uniform ad valorem tax, which shall be known as the land tax, of seven eighths of one per centum of the value of such land as assessed in accordance with law. For the purpose of this act the word "land" shall be construed to include improvements thereon, buildings and other constructions annexed to the soil, and, in general, all corporeal property actually or constructively annexed to land or buildings whether for the purpose of carrying on a trade or otherwise.

SEC. 2. Whenever the entire value of land, as defined in the preceding section, belonging to a single owner within any one district or subdistrict of the Moro Province shall not exceed the sum of fifty pesos, Philippines currency, the land tax shall not be assessed or collected upon such land. There shall also be exempted from taxation burying grounds, churches and their adjacent parsonages or *convenos*, and lands and buildings used exclusively for religious, charitable, scientific or educational purposes, and not for private profit; but

such exemption shall not extend to lands or buildings held for investment, though the income therefrom be devoted to religious, charitable, scientific or educational purposes. *Provided, however*, that all land exempted from the payment of the land tax by this section, shall be listed and valued as for taxation by the board of assessors as in the case of land not exempted therefrom.

SEC. 3. The land tax shall be levied against the owner or owners of the land, or, in case of doubt or dispute as to the ownership, against the person or persons actually in possession thereof. Should the property in the soil and the property in the buildings, improvements or fixtures thereon be vested in different persons, the tax shall be levied against all of such persons in proportion to the value of the property respectively owned by each. Whenever, after a proper investigation by the board of assessors, the owner or owners of land subject to taxation can not be discovered, the tax shall be levied against the unknown owner thereof. The tax shall be imposed upon the person against whom it shall be first lawfully assessed during the continuance in force of the general assessment, irrespective of prior or subsequent changes of ownership or possession, unless the interested parties shall cause a copy of the instrument of conveyance to be filed with the treasurer of the district to enable him to enter the necessary amendments on the tax list. *Provided, however*, that in every case the person against whom the tax shall be lawfully assessed on the day on which the lien for the taxes of any year attaches to the land shall remain liable for the payment of the tax of that year.

SEC. 4. Land situated within the limits of a municipality, and subject to the land tax, shall be listed, valued and assessed for taxation by a board, which shall be known as the municipal board of assessors, consisting of the municipal president, the municipal treasurer and a specially authorized deputy of the treasurer of the district. Land situated without the limits of a municipality, and subject to taxation, shall be listed, valued and assessed for taxation by the board of assessors of the most conveniently situated municipality when directed to do so by the treasurer of the district. The president of the municipality shall be the president of the board of assessors, and the municipal secretary shall be its secretary. The place of meeting of the board, except when viewing the land to be valued, shall be the office of the municipal secretary. All questions presented to the board for its determination shall be decided by a majority vote.

SEC. 5. Before entering upon their duties and the organization of the board, the members shall take and subscribe an oath before the municipal secretary, who is hereby given authority to take oaths for this purpose, in the following words:

Moro Province, District of ———.

Municipality of ———.

I, ——— ———, do solemnly swear (or affirm) that I will appraise all land subject to taxation in the municipality of ———, or in such other place or places as may be directed by the treasurer of the district of ———, so far as required by law, at its full true value in money, and will set the same in the tax list of said municipality at its true value in money, and will faithfully discharge all the duties imposed upon me by law. So help me God. (In case of affirmation the words "So help me God" should be stricken out.)

——— ———.

(Signature of the assessor.)

Sworn and subscribed to before me this —— day of ———, 190—.

——— ———.

(Signature of the municipal secretary.)

Such oath, when subscribed, shall be filed with the municipal secretary, who shall record the entire oath and certificate upon the records of the board.

SEC. 6. It shall be the duty of every owner of land not exempted from taxation by the provisions of section 1 of this act to prepare, or cause to be prepared, a statement of the amount of land, as defined in said section, which he owns, its present market value in Philippines currency, and a description sufficient in detail to enable the board of assessors to identify the same on examination. The basis of valuation on such land shall be its market value on the date on which the statement is made. He, or his duly authorized agent, in case it is impossible for the owner to appear in person, shall subscribe the statement and verify the same on oath before the municipal secretary of the municipality in which the land is situated, or if situated without the limits of a municipality, before the secretary of the municipality nearest or most convenient thereto. If

the owner of the land is not a resident of the municipality in which the land is situated or which is nearest or most convenient to the land when situated without the limits of a municipality, the statement will be sufficient if sworn and subscribed to before an officer authorized to take oaths in the municipality of which the owner is a resident. The statement shall be filed with the secretary of the board within two weeks after the organization of the board. It shall be the duty of the owner of buildings, improvements or fixtures erected or affixed to land after the assessment of the same to cause a statement covering such buildings, improvements or fixtures to be filed with the municipal secretary at least two weeks before the first yearly meeting of the municipal board of assessors thereafter. It shall be the duty of the secretary of the board to make immediate report to the treasurer of the district of the filing by any person of sworn statements relating to land situated without the limits of the municipality.

SEC. 7. On the first day of April, nineteen hundred and four, the board of assessors shall meet, take the oath of office and organize, and shall proceed to make a list of all land in the municipality, not exempted from taxation by the provisions of section 1 of this act, by barrios, and a separate list of the land situated without the limits of the municipality which it may be directed by the treasurer of the district to list, value and assess for taxation. The names of the owners in each barrio shall be arranged alphabetically, according to surnames, with a brief description opposite to their names of the land owned by them. In making this list the board of assessors shall take into consideration the sworn statement of the owners of the land, hereinbefore required to be filed, as to the ownership, amount, and value of such land; but it shall be its duty in each case to investigate all such evidence as may be obtainable on the subject. For this purpose the board is authorized to summon witnesses, administer oaths to them, and subject them to examination concerning the ownership, amount and value of land in each barrio or locality, and, in its discretion, to visit any land as to whose ownership, amount or value there exists any doubt, in a body or by committee, in order to make personal investigation of the facts. It shall be the duty of the board, so far as is necessary, to examine the records of the registry of property showing the ownership of land in the municipality or locality.

SEC. 8. The board of assessors shall include in the list the land of owners who are unknown, absent or have failed or neglected to present the sworn statement required by section 6, describing with sufficient accuracy the property thus listed, and including in the entry a statement that the owner is unknown, or if known, a statement of his absence, or neglect or failure to present the required statement, and his present postoffice address.

SEC. 9. After having completed the list, the board shall proceed to assess the value of each parcel of land, and the buildings, improvements or fixtures thereon, if any, separately at its or their true present market value stated in terms of Philippines currency. Where it shall appear that there are separate owners of the soil, the buildings, the improvements or the fixtures, a separate assessment of the property of each shall be made. The values so fixed shall be placed upon the tax list opposite the names of the owners and the description of the property taxed.

SEC. 10. The board of assessors shall complete their listing and valuation of land on or before the 30th day of May, 1904, and, when completed, shall authenticate the same by signing the following certificate at the foot of the list: "We hereby certify that the foregoing list contains a true statement of the aggregate amount of the taxable real estate belonging to each person named in the list, according to the best of our knowledge and belief." In succeeding years the listing and valuation of land brought before the board in accordance with the provisions of section 14 of this act shall be completed within a period to be fixed by the Treasurer of the Moro Province.

SEC. 11. When the list shall be completed in accordance with the foregoing section, it shall be filed in the office of the secretary of the board, and the board of assessors shall, by notice posted in a public and conspicuous place in each barrio of the municipality, in each locality without the limits of the municipality where land listed and assessed by it is situated, and at the main entrance of the municipal building, inform the public that the list has been completed and is on file in the office of the secretary of the board and may be examined by any person interested therein; and that during a period of thirty days for the year nineteen hundred and four and five days for succeeding years, to commence on a day at least ten days after the posting of said notice, the board will be in session for the purpose of hearing complaints as to the accuracy of the listing of

the property and the valuation thereof as assessed for taxation. After such notices have been posted the secretary shall certify to the fact of posting upon the records, which shall be deemed *prima facie* evidence thereof. During the period fixed in the posted notice the board shall hold daily sessions, except on public holidays, for the purpose of hearing all complaints then or theretofore filed by persons against whom taxes have been assessed as owners of land, and shall make and enter in each case a decision on its minutes. If the board shall determine that injustice has been done or errors have been committed, it shall have authority to amend the list in accordance with its findings.

SEC. 12. In case any complainant before the board of assessors shall feel aggrieved by its decision, either as to land assessed for taxation against himself or as to land assessed against others, he may, within ten days after the entry of the decision upon the minutes, appeal to the district board of revision hereinafter established. He shall perfect his appeal by filing a written notice of the same with the board of assessors.

SEC. 13. Tax lists shall be prepared in duplicate. Upon the expiration of a period of ten days after the expiration of the period provided in the preceding section for the hearing of complaints, it shall be the duty of the secretary of the board of assessors to forward one of such duplicates and a certified copy of all the proceedings of the board, including proceedings had upon complaints made, to the treasurer of the district. The remaining duplicate and the original record of the proceedings of the board shall be filed in the office of the municipal secretary.

SEC. 14. The board of assessors shall meet, after ten days' notice posted at the main entrance of the municipal building, in a public and conspicuous place in each barrio of the municipality, and in localities without the limits of the municipality where land subject to listing and assessment by it is situated, for such number of days as shall be fixed by the Treasurer of the Moro Province, in the month of December of each year, to add to the list of land the value of the buildings, improvements or fixtures placed on any property during the year preceding, and to reduce the assessments against any taxpayer whose buildings, improvements or fixtures, already assessed, have been destroyed or have appreciably depreciated in value, or whose land, already assessed, shall have suffered a permanent loss of value by reason of flood, storm or other casualty, during the preceding year. If it shall be discovered by the board or brought to its attention, or to the attention of any member thereof, that any taxable land in the municipality or locality has escaped listing, it shall be the duty of the board at once to list and value the same and charge against the owner thereof the taxes due for the current year and for all other years since the original assessment under this act was made by the board, and the taxes thus assessed shall be legal and collectible by all the remedies herein provided, and penalties and interest shall be added to the back taxes as if the same had been assessed at the time when they should have been assessed.

SEC. 15. The assessment first made under the provisions of this act shall continue in force for a period of five years, unless an earlier provision is made by law for another general assessment.

SEC. 16. No member of a board of assessors shall sit in the consideration of the assessment of property in which he or any member of his family, or any relative within the fourth degree of consanguinity or affinity shall have an interest. In cases where any member or members of the board shall be disqualified to act by reason of this section, the remaining member or members of the board shall be authorized to act as a full board.

SEC. 17. The board of assessors shall perform its duties under the general supervision and control of the treasurer of the district, whose duty it shall be to exercise constant surveillance over the performance of its duties by the board to the end that its services may be performed with the highest degree, of economy, speed and efficiency possible.

SEC. 18. There shall be paid from provincial funds to the municipal president and the specially authorized deputy of the treasurer of the district, while sitting as members of the board of assesors, for each day's session of the board, from the date of its organization each year until the expiration of the period fixed for hearing complaints, upon which they are in actual attendance for at least six hours, the sum of two pesos, Philippines currency. The municipal secretary shall receive two pesos, Philippines currency, per day, except Sundays and holidays, irrespective of the hours worked, from the date

of the organization of the board each year until the expiration of the time fixed for hearing complaints. The municipal treasurer shall receive no extra compensation for his services as member of such board. No payment shall be made to any member of the board until the completed tax list shall have been forwarded to the treasurer of the district and the latter shall have certified that the services of the members of the board have been faithfully performed and that the amount claimed by each are just and correct.

SEC. 19. The district board of each district shall constitute a permanent district board of revision, and shall exercise the powers conferred upon it by this act. The governor of the district shall be the chairman of the board of revision, and the secretary of the district shall be secretary and keep the record of the proceedings. The place of meeting of the board, except when viewing the land to be valued, shall be the office of the secretary of the district. All questions presented to the board for its determination shall be decided by a majority vote.

SEC. 20. Before organizing as such, the members of the district board of revision shall take and subscribe the following oath before any officer authorized to administer oaths:

Moro Province, District of ———

Municipality of ———

I, ——— ——— do solemnly swear (or affirm) that I will well and truly revise the assessments and valuations of land made by the municipal boards of assessors of the district of ———, assess new buildings, improvements and fixtures thereon not before assessed, and assess all land subject to assessment that has not hithero been assessed, all according to their true value in Philippines currency, that I will well and truly hear and determine all matters and issues between tax payers and municipal boards of assessors submitted for my decision, and that I will faithfully discharge all the duties imposed upon me by law. So help me God. (In case of affirmation, the words "So help me God" should be stricken out.)

(Signature of the member of the district board of revision.)

Sworn and subscribed to before me, this —— day of ——— 190—.

(Signature of officer administering oath.)

The oath of each member shall be filed by the secretary with the record of the proceedings of the board.

SEC. 21. The district board of revision shall be in continuous session for a period of fifty days, commencing on the twentieth day of July, 1904, and in succeeding years for a period of ten days, commencing on the fifteenth day of January of each year, and shall hold such number of meetings, daily or otherwise, as the proper performance of the duties imposed upon it by this act may require.

SEC. 22. It shall be the duty of the board of revision to hear and decide all appeals from the decisions of municipal boards of assessors duly transmitted to it. It may also, when it shall be made to appear to it that any taxpayer against whom land has been assessed for taxation, has, through ignorance of the methods to be pursued, inexperience of the members of the board of assessors, or lack of actual notice, failed to present his claim against the listing, assessment or valuation of such land, or has failed to perfect an appeal from the decision of the board of assessors, within the time required by law, hear and decide the complaints of such taxpayer in the same manner as though the matter had come regularly before it on appeal.

SEC. 23. The board of revision shall carefully investigate all cases in which it shall be alleged or in which it shall have reason to believe that the valuation placed upon any parcel of land by the board of assessors is less than the true value thereof, and shall list and assess for taxation all land subject to assessment which may be brought to its attention, which has escaped assessment.

SEC. 24. The board of revision shall hear and investigate all complaints which may be presented to it in regard to the general valuation placed upon the property of any municipality, barrio or locality by the board of assessors. If the board, on hearing, shall determine that the general valuations in any municipality, barrio or locality are excessive, it may make a pro rata reduction of such valuations so that they shall be just and fair and make an equality between the municipality, barrio or locality in question and other municipalities, barrios or localities of the district in which the general market value of land is the same, or nearly so. Should the board determine that the general valuations in any municipality, barrio or locality are less than the true general

market values, it shall increase such valuations pro rata so that they shall be just and fair valuations and make an equality between the municipality, barrio or locality in question and other municipalities, barrios or localities of the district in which the general market value of land is the same, or nearly so. Before the general valuation of the land of any municipality shall be increased or decreased, the municipal council, by its president, or its representative duly authorized for that purpose, shall be entitled to be heard upon the question of such increase or reduction.

SEC. 25. The board of revision shall investigate and decide what land is exempted from taxation under the provisions of sections 1 and 2 of this act, and shall cause the word EXEMPT with the signature of the secretary of the board to be stamped opposite each entry of land so exempt on the revised tax list, if the same shall have been assessed. The treasurer of the districts and his deputies in making collections of the land tax shall be governed as to exempted property by the decision of the board of revision, so expressed.

SEC. 26. The board of revision shall, in accordance with law, fix the just value, expressed in terms of Philippines currency, of all land which shall be brought before it for consideration in the manner in this act provided. When the revision of the assessed value of all land in the district shall have been completed by the board in accordance with the provisions of this act the members of such board shall, on or before the twentieth day of September, 1904, and on or before the twentieth day of January of each succeeding year, certify over their signatures a list of the changes made by them in the previous assessments, together with a list of the total assessments for the current year in each municipality and the localities attached to it for purposes of assessment, in duplicate, and transmit the same, together with a certified copy of the record of the proceedings of the board to the treasurer of the district. The original record of the proceedings of the board shall be filed among the records of the secretary of the district. One of the duplicates of the list of changes and the list of total assessments shall be forwarded by the treasurer of the district to the secretary of the municipality to which the same refers, who shall file the same among the records of his office. The remaining duplicates shall remain in the office of the treasurer of the district, who shall thereafter in making his collections be governed thereby. The revised tax lists of the general assessment of the year nineteen hundred and four and the revised tax lists of the succeeding years covering the property newly assessed in such years shall constitute the lawful assessment of land until another general assessment shall be provided by law.

SEC. 27. Each district board of revision shall perform its duties under the general supervision of the Treasurer of the Moro Province. To enable it to carry out the powers conferred upon it, the board is authorized to summon witnesses, administer oaths to them, and subject them to examination concerning the ownership, amount and value of land in question, and, in its discretion, to visit such land in a body or by committee, to make personal investigation of the facts. Members of the district board shall receive no extra compensation for services performed as members of the district board of revision.

SEC. 28. The land tax for the year nineteen hundred and four shall be payable at such times within the three months ending on the thirteenth day of December of said year, and in succeeding years at such times within the three months ending on the thirty-first of May of each year, as shall be fixed by the treasurer of the district by proclamation posted at the main entrance of the municipal building and also at a public and conspicuous place in each barrio or locality without the limits of the municipality in which lands subject to tax are situated. The tax shall be due and payable at the office of the treasurer of the district or his deputy in the municipality, and shall be collected by him or his deputy on every day except public holidays during the usual business hours for the collection period, which shall not be less than one week and shall be described in said proclamation by fixing the opening and closing days. A failure to pay the tax within the period specified shall subject the delinquent taxpayer the first month after the same shall become delinquent to the penalty of an additional five per centum of the original tax due, the second month after the same shall become delinquent to the penalty of an additional ten per centum of the original tax due, and thereafter to the penalty of an additional fifteen per centum of the original tax due, to be collected at the same time and in the same manner as the original tax, and the proclamation shall so announce. The penalty shall be accounted for in the same manner as the tax. The district treasurer shall fix the time of collection in the municipality with a view to economy

in the administration and discharge of his duties, and the convenience of the taxpayers of the municipality.

SEC. 29. Within six months after the tax shall become delinquent the district treasurer or his deputy shall prepare and sign a certified copy of the records of his office, showing the persons delinquent in the payment of their taxes, the amounts of tax and penalty respectively due from them, and a description of the land upon which the tax assessed is due. He shall as soon as practicable after the preparation of such delinquent list, proceed to seize the personal property of each delinquent, and, unless redeemed as hereinafter provided, to sell at public auction, either at the main entrance of the municipal building, or at the place where such property is seized, as he shall determine, so much of the same as shall satisfy the tax, penalty and costs of seizure and sale, to the highest bidder for cash, after due advertisement by notice posted for ten days at the main entrance of the municipal building and at a public and conspicuous place in the barrio or locality where the property was seized, stating the time, place and cause of sale. The certified copy of the record of delinquents shall be his warrant for his proceedings, and the purchaser at such sale shall acquire an indefeasible title to the property sold. As soon as practicable after the sale, the treasurer or his deputy shall make return of his proceedings and spread it upon his records. Any surplus from the sale, over and above the tax, penalty, interests and cost, shall be returned to the taxpayer on account of whose delinquency the sale has been made.

SEC. 30. The owner of the personal property seized may redeem the same from the collecting officer at any time after seizure and before sale by tendering to him the amount of the tax, penalty, interest and the costs incurred up to the time of tender. The costs to be charged in making such seizure and sale shall only embrace the actual expense of seizure and preservation of the property pending the sale, and no charge shall be imposed for the services of the collecting officer or his deputy.

SEC. 31. Except as otherwise provided in the land registration act, taxes and penalties assessed against realty shall constitute a lien thereon, which lien shall be superior to all other liens mortgages or incumbrances of any kind whatsoever, shall be enforceable against the property whether in the possession of the delinquent or any subsequent owner, and can only be removed by the payment of the tax and penalty, with interest on both at the rate of six per centum per annum from the date of the delinquency. Taxes assessed against land, and collectible within the three months ending on the thirty-first day of May of each year, shall be held to be taxes for that year, and the lien for the taxes and penalties assessed against land shall attach to the land from the first day of January preceding the thirty-first day of May upon which the taxes shall become delinquent. The lien for the taxes and penalties assessed against land for the year nineteen hundred and four shall attach to the land from the first day of April of said year.

SEC. 32. In the event that the treasurer of the district or his deputy shall be unable to find sufficient personal property of the delinquent out of which to collect all the taxes assessed against him upon his land, or, if the delinquent be unknown, the treasurer of the district or his deputy shall, upon the warrant of the certified record required in section 29, as soon as practicable after the delinquency, advertise the land of the delinquent for sale, or so much thereof as may be necessary to satisfy all taxes upon said property and costs of sale, for a period of thirty days. The advertisement shall be by posting a notice at the main entrance of the municipal building and in a public and conspicuous place in the barrio or locality in which the land is situated, and by publication once a week for three weeks in a newspaper of general circulation in the district, published in the province, if any there be. The advertisement shall contain a statement of the amount of the taxes and the penalties so due and the time and place of sale, the name of the taxpayer against whom the taxes are levied, and a description of the land to be sold. At any time before the day fixed for the sale the taxpayer may discontinue all proceedings by paying the taxes, penalties and interest to the treasurer or his deputy. If he does not do so the sale shall proceed and shall be held either at the main entrance of the municipal building, or on the premises to be sold, as may have been determined by the treasurer or his deputy in the notice of sale. Within fifteen days after the sale the treasurer of the district or his deputy shall make return of the proceedings and spread it on his records. The purchaser at the sale shall receive a certificate from the treasurer of the district or his

deputy, showing the proceedings of the sale, describing the property sold, stating the name of the purchaser and setting out the exact amount of all taxes, penalties and interest, to satisfy which the sale was made.

SEC. 33. Within one year from the date of sale, the delinquent taxpayer, or anyone for him, shall have the right of paying to the treasurer of the district, or any authorized deputy, the amount of the taxes penalties and interest thereon from the date of delinquency to the date of sale, together with interest on said purchase price at the rate of fifteen per centum per annum from the date of purchase to the date of redemption; and such payment shall entitle the person paying to the delivery of the certificate issued to the purchaser and a certificate from the treasurer of the district that he has thus redeemed the land, and the treasurer of the district shall forwith pay over to the purchaser the amount by which such land has been redeemed, and the land thereafter shall be free from the lien of such taxes and penalties.

SEC. 34. In case the taxpayer shall not redeem the land sold as above provided within one year from the date of sale, the treasurer of the district, or his deputy in the name of such treasurer, shall as grantor, execute a deed in form and effect sufficient in law to convey to the purchaser so much of the land against which the taxes have been assessed as has been sold, free from all liens of any kind whatsoever, and the deeds shall succinctly recite all the proceedings upon which the validity of the sale depends.

SEC. 35. In case there is no bidder at the public sale of such land who offers a sum sufficient to pay the taxes, penalties and costs, the treasurer of the district or his deputy shall declare the land forfeited to the Moro Province, and shall make, within fifteen days thereafter, a return of his proceedings and the forfeiture which shall be spread upon the records of his office.

SEC. 36. Within one year from the date of such forfeiture thus declared, the taxpayer, or anyone for him, may redeem said land, as above provided in cases where the land is sold. But, if the land is not thus redeemed within the year, the forfeiture shall become absolute and the treasurer of the district, or his deputy in his name, shall execute a deed, similar in form and having the same effect as the deed required to be made by him in case of a sale, conveying the land to the Moro Province. The deed shall be recorded as required by law for other land titles and shall be filed in the office of the district treasurer.

SEC. 37. The Treasurer of the Moro Province shall prepare such rules and regulations, to be followed by boards of assessors, boards of revision and collecting officers in carrying out the provisions of this act, as he may deem necessary. Whenever through lack of transportation, press of business or other unusual conditions it shall become impossible for collecting officers or the members of any board to perform the duties enjoined upon them by this act within the time provided therefor, the Treasurer of the Moro Province is authorized, in his discretion, to extend the time within which such duties may be performed as far as he may deem just and necessary. He may, with the consent of the Legislative Council, extend the time within which the land tax may be paid without becoming delinquent throughout the province, or in any district, municipality or locality thereof, when the prevalence of unusual or unforseen conditions render such action just and necessary.

SEC. 38. Every record or list required to be prepared and filed in the office of the treasurer of a district or secretary of a municipality by this act shall be a public record, open to the inspection of any person.

SEC. 39. The assessment of the land tax shall constitute a lawful indebtedness from the taxpayer to the Moro Province which may be enforced by the district treasurer by a civil action in any court of competent jurisdiction, and this remedy shall be in addition to all other remedies provided by this act.

SEC. 40. No court shall entertain any suit assailing the validity of a tax assessed under this act until the taxpayer shall have paid, under protest, the taxes assessed against him, nor shall any court declare any tax invalid by reason of irregularities or informalities in the proceedings of the officers charged with the assessment or collection of the taxes, or of a failure to perform their duties within the times herein specified for their performance, unless such irregularities, informalities or failures shall have impaired the substantial rights of the taxpayer, nor shall any court declare any tax assessed under the provisions of this act invalid except upon condition that the taxpayer shall pay the just amount of his tax, as determined by the court in the pending proceeding.

SEC. 41. No court shall entertain any suit assailing the validity of a tax sale of land under this act until the taxpayer shall have paid into court the amount

for which the land was sold, together with interest at the rate of fifteen per centum per annum upon that sum from the date of sale to the time of instituting suit, the money so paid into court shall belong to the purchaser at the tax sale if the deed is declared invalid, and shall be returned to the depositor should he fail in his action.

SEC. 42. No court shall declare any such sale invalid by reason of any irregularities or informalities in the proceedings of the officer charged with the duty of making the sale or by reason of failure by him to perform his duties within the time herein specified for their performance, unless such irregularities, informalities or failures shall have impaired the substantial rights of the taxpayer.

SEC. 43. Any person who shall wilfully and knowingly swear or testify falsely to any material matter before a municipal board of assessors or a district board of revision, while under oath, and any person who shall wilfully and knowingly submit or cause to be submitted the statement under oath required by section 6 of this act, knowing such sworn statement to contain any false assertion as to any material matter, shall be guilty of a misdemeanor and punishable by a fine not exceeding one thousand pesos or imprisonment not exceeding two years, or both, in the discretion of the court. Whenever it shall be proved that the true market value of the defendant's property at the time of submitting the statement under oath, required by section 6 of this act was three or more times the value declared by him in such sworn statement, such fact shall justify conviction unless the defendant shall explain the same to the satisfaction of the court.

SEC. 44. Any person charged with the duty of assessing real property, who shall wilfully omit from the tax lists real property which he knows to be lawfully taxable, shall be guilty of a misdemeanor and subject to the penalties provided in section 43.

SEC. 45. Any officer charged with any duty in connection with the assessment or collection of the land tax, who shall accept a bribe to influence his official action therein, shall be guilty of a misdemeanor and subject to the penalties provided in section 43.

SEC. 46. Any person offering a bribe to any officer charged with any duty in connection with the assessing or collecting of the land tax, for the purpose of influencing his official action, shall be guilty of a misdemeanor and subject to the penalties provided in section 43.

SEC. 47. The gross proceeds resulting from the collection of the land tax shall be covered into the Treasury of the Moro Province and shall constitute a part of the general funds of the province to be expended for provincial, district or municipal purposes,

SEC. 48. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, February 29, 1904.

Approved by the Philippine Commission April 4, 1904.

[ACT NO. 43.]—AN ACT To provide in part for the protection of pearl fisheries within the jurisdiction of the Moro Province.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. It shall be unlawful for any person to take from any waters within the jurisdiction of the Moro Province, or to have in his possession within the Moro province for the purpose of storage, transfer, sale, or for any other purpose whatsoever, any pearl shell or any bivalvular or lateral plate of any pearl shell of less than four and one-half inches in diameter, measured with a flat, rigid measuring rod along the line of the ligament which joins one bivalvular or lateral plate to the other at the hinge.

Any person violating the provisions of this act shall, upon conviction, be punished by a fine not exceeding five hundred dollars, or by imprisonment not exceeding one year, or both.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, February 29, 1904.

Approved by the Philippine Commission May 4, 1904.

[ACT No. 44.]—AN ACT To provide for the employment of one clerk, class H, in addition to the employees provided for in Act Numbered Twenty-three, in the office of the governor of the district of Cottabato, and fixing the salary thereof.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Subject to the provisions of Act No. 5 of the Philippine Commission, and its subsequent amendments, there shall be employed in the office of the Governor of the District of Cottabato, in addition to the employees provided for in Act No. 23 of the Legislative Council of the Moro Province, one clerk, class H.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, April 16, 1904.

Approved by the Philippine Commission May 24, 1904.

[ACT No. 45.]—AN ACT Appropriating the sum of sixty-five thousand six hundred and ninety-seven pesos and ninety-five centavos in Philippines currency, or so much thereof as may be necessary, in part compensation for the fiscal year nineteen hundred and four, and for other purposes.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The following sums in Philippines currency, or so much thereof as may be respectively necessary, are hereby appropriated out of any funds in the Treasury of the Moro Province not otherwise appropriated, in part compensation for the service of the Moro Province for the fourth quarter of the fiscal year nineteen hundred and four, unless otherwise stated.

GOVERNMENT OF THE MORO PROVINCE.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: Provincial Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one stenographer, class 7; one clerk, class H: one thousand seven hundred and eighty-five pesos,

Secretary's Office: Provincial Secretary, twenty per centum of his current proper yearly pay as an officer of the United States Army; one chief clerk, class 7; two stenographers, class 8; one clerk, class 10; one clerk, class H; one messenger, at two hundred and forty pesos per annum: three thousand two hundred and two pesos.

Attorney's Office: Provincial Attorney, at eight thousand pesos; Assistant Attorney, at three thousand two hundred pesos; one clerk, class D; one clerk, class K: three thousand two hundred and twenty pesos.

Treasurer's Office: Provincial Treasurer, at eight thousand pesos; one examiner, class 8; one clerk, class K: two thousand eight hundred and seventy pesos.

Engineer's Office: Provincial Engineer, twenty per centum of his current proper yearly pay as an officer of the United States Army; one chief clerk, class 8; one clerk, class 9; two clerks, class J: one thousand eight hundred and seventy-two pesos.

Office Superintendent of Schools: Superintendent of Schools, at eight thousand pesos; one clerk, class 8; one clerk, class 9; two translators, class A; one messenger, at one hundred and eighty pesos per annum: four thousand two hundred and forty-five pesos.

In all, for salaries, wages and allowances, Government of the Moro Province, seventeen thousand one hundred and ninety-four pesos.

CONTINGENT EXPENSES.

For the purchase of office furniture, fixtures and supplies, two thousand pesos; for rents for provincial offices and jail houses, nine hundred pesos; for miscellaneous expenses, including cablegrams, postage, doctor' fees, carrying out sanitary regulations, public surveys, advertising and other incidental expenses, two hundred pesos: three thousand one hundred pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of provincial officers and employees, four hundred pesos; for transportation of freight, purchase of horses, wagons and carabaos, five hundred pesos: nine hundred pesos.

SCHOOL DEPARTMENT.

Salaries: One teacher, class 8; fifteen teachers, class 9; seven teachers, class 10; two teachers, at one thousand eight hundred pesos per annum; one teacher, at one thousand two hundred pesos per annum; two teachers, at eight hundred and forty pesos per annum; six teachers, at six hundred pesos per annum; fifteen teachers, at four hundred and eighty pesos per annum; thirty teachers, at three hundred and sixty pesos per annum; twelve teachers, at three hundred pesos per annum; six employees, at one hundred and twenty pesos per annum: eighteen thousand four hundred and nineteen pesos and eighty-five centavos.

Contingent Expenses: For rents of school buildings, three hundred pesos.

Transportation: For the actual and necessary traveling expenses of teachers, two hundred pesos; for the transportation of freight, two hundred pesos: four hundred pesos.

Salary and Expense fund: For the payment of teachers engaged in teaching night schools under the provisions of act numbered seventeen, two hundred and fifty pesos.

In all, for the school department, nineteen thousand three hundred and sixty-nine pesos and eighty-five centavos.

In all, for the Government of the Moro Province, forty thousand five hundred and sixty-three pesos and eighty-five centavos.

DISTRICT OF ZAMBOANGA.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: District Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one interpreter, class C; one interpreter, class D; one messenger, at two hundred and forty pesos per annum: one thousand and twenty pesos.

Secretary's Office: District Secretary, twenty per centum of his current proper yearly pay as an officer of the United States Army; one chief clerk, class 9; one typewriter, class C; one interpreter, class D; one clerk, class K: one thousand six hundred and thirty pesos.

Treasurer's Office: Treasurer of the District, class 6; one deputy, class H; one deputy, class K; one employee, at two hundred and forty pesos per annum: one thousand three hundred and ninety pesos.

In all, for salaries, wages and allowances District of Zamboanga, four thousand and forty pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of district officers and employees, one hundred pesos; for the hire of the crew of the boat "Governor Finley" and other expenses incidental thereto, four hundred pesos: five hundred pesos.

CONTINGENT EXPENSES.

For expenses incidental to the administration of justice, six hundred pesos.

In all, for the District of Zamboanga, five thousand one hundred and forty pesos.

DISTRICT OF SULU.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: District Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one stenographer, class 8; one interpreter, class A; one messenger, at two hundred and forty pesos per annum: one thousand six hundred and ninety-five pesos.

Secretary's Office: District Secretary, twenty per centum of his current proper yearly pay as an officer of the United States Army; one clerk, class 10; one employee, at one hundred and ninety-two pesos per annum: eight hundred and eighty pesos.

Treasurer's Office: Treasurer of the District, class 7; one deputy, class J; one employee, at two hundred pesos per annum: nine hundred pesos.

In all, for salaries, wages and allowances, District of Sulu, three thousand four hundred and seventy-five pesos.

CONTINGENT EXPENSES.

For rent of district offices and court house, one hundred and twenty pesos; for expenses incidental to the administration of justice, four hundred pesos; for the repair of public buildings, two hundred pesos: seven hundred and twenty pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of District officers and employees, three hundred pesos.

In all, for the District of Sulu, four thousand four hundred and ninety-five pesos.

DISTRICT OF COTTABATO.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: District Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one interpreter, class H; one interpreter, class J; one clerk, class H; one messenger, at two hundred and forty pesos per annum: nine hundred pesos.

Secretary's Office: District Secretary, at three thousand pesos per annum, seven hundred and fifty pesos.

Treasurer's Office: Treasurer of the District, class 6; one deputy, class J; one employee, at two hundred pesos per annum: nine hundred and seventy pesos.

In all, for salaries, wages and allowances for the District of Cottabato, two thousand six hundred and twenty pesos.

CONTINGENT EXPENSES.

For rents of district offices and court house, three hundred pesos; for expenses incidental to the administration of justice, four hundred pesos: seven hundred pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of district officers and employees, one hundred and fifty pesos.

In all, for the District of Cottabato, three thousand two hundred and ninety pesos.

DISTRICT OF DAVAO.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: District Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one clerk, class A: six hundred and seventy-five pesos.

Secretary's Office: District Secretary, at two thousand four hundred pesos per annum: six hundred pesos.

Treasurer's Office: Treasurer of the District, class 7; one deputy, class J; one employee, at an annual salary of two hundred pesos: nine hundred and seventy pesos.

In all, for salaries, wages and allowances, District of Davao, two thousand two hundred and forty-five pesos.

CONTINGENT EXPENSES.

For expenses incidental to the administration of justice, three hundred pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of district officers and employees, four hundred pesos.

In all, for the District of Davao, two thousand nine hundred and forty-five pesos.

District of Lanao.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: District Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one clerk, class A; one interpreter, class B; one messenger, at an annual salary of two hundred and forty pesos: one thousand and forty pesos.

Secretary's Office: District Secretary, at three thousand pesos per annum; seven hundred and fifty pesos.

Treasurer's Office: District Treasurer, class 8; one deputy, class J; one employee, at an annual salary of two hundred pesos: eight hundred and seventy pesos.

In all, for salaries, wages and allowances, District of Lanao, two thousand six hundred and sixty pesos.

CONTINGENT EXPENSES.

For rent of district offices, court house and jail, one hundred and twenty pesos; for expenses incidental to the administration of justice, two hundred pesos: three hundred and twenty pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of district officers and employees, three hundred pesos.

In all, for the District of Lanao, three thousand two hundred and eighty pesos.

MISCELLANEOUS.

Provincial Salary and Expense Fund: For the payment of the Civil Service employees engaged in translating public documents under the provisions of act No. 41 of the Legislative Council, at not to exceed seventy-five cents, currency of the United States, per hour, five hundred pesos; for the payment of Datto Sakilan for services rendered as Moro Interpreter to the Commanding Officer at Bongao, District of Sulu, in civil affairs, in full for the period from the fifteenth day of July, nineteen hundred and three, to the first day of April, nineteen hundred and four, the date on which he ceased to render such services, one hundred and fifty pesos: six hundred and fifty pesos.

Repair of Public Building at Davao: For the repair of the public building at Davao, used for district offices, one thousand five hundred pesos, to be expended under the direction of the Provincial Engineer with the approval of the Legislative Council, and to remain available until expended.

Municipality of Siassi: To defray the current expenses of the municipality of Siassi for the months of April, May and June, nineteen hundred and four, five hundred pesos. The said sum may be expended for any purpose for which municipal funds may be expended, upon authorization by the Municipal Council. The municipal president shall issue warrants on the Treasurer of the District of Sulu, who shall make all disbursements and shall render accounts therefor as for provincial funds disbursed by him for district purposes.

Total appropriation for all purposes, sixty-five thousand six hundred and ninety-seven pesos and ninety-five centavos, in Philippines currency, or so much thereof as may be necessary.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, April 16, 1904.

Approved by the Philippine Commission, (with the exception of the third paragraph under the head of "Miscellaneous," which was declared null and void) May 24, 1904.

[ACT No. 46.]—AN ACT Appropriating the sum of five thousand pesos, Philippines currency, for the repair and reconstruction of the government wharf at Zamboanga.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. There is hereby appropriated, out of any funds in the treasury of the Moro Province not otherwise appropriated, the sum of five thousand pesos, Philippines currency, for the purpose of repairing and reconstructing the Government wharf at Zamboanga, District of Zamboanga, to remain available until expended. Said sum shall be expended under the direction of the Provincial Engineer, *in accordance with the provisions of section twenty-three of act numbered seven hundred and eighty-seven of the Philippine Commission.*[a]

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, May 4, 1904.

Approved by the Philippine Commission as amended May 27, 1904.

[ACT No. 47.]—AN ACT Subjecting the use, licensing and registration of boats of Moro or pagan construction to the provisions of the general customs administrative law.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The use, registration and licensing of boats of Moro or pagan construction of less than ten tons burden shall be governed by the provisions of the general customs administrative law of the Philippine Islands and the regulations of the Insular Collector of Customs. *Provided*, that collectors of customs may, in their discretion, when they shall have reason to believe that any Moro or other non-Christian making unauthorized use of such boats has acted in good faith and through excusable ignorance of the law, remit the penalty imposed for the first offense.

SEC. 2. The governors of districts, the headmen of tribal wards, and any person who shall be authorized in writing by the Governor of the Moro Province, are authorized to seize boats of Moro or pagan construction of less than ten tons burden found engaged in the coasting trade in violation of law, without warrant, and to deliver the same immediately to the collector of customs at the nearest open port. The headman of each tribal ward shall receive for each boat belonging to a resident of his tribal ward which shall be voluntarily presented for admeasurement and licensing during the year nineteen hundred and four, the sum of fifty centavos, Philippines currency, to be paid by appropriation from provincial funds, under such regulations as the Treasurer of the Moro Province shall prescribe.

SEC. 3. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, May 4, 1904.

Approved by the Philippine Commission May 27, 1904.

[ACT No. 48.]—AN ACT To amend Act Numbered Thirty-five of the Legislative Council, entitled "The Municipal Code of the Moro Province."

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Act No. 35 of the Legislative Council, entitled "The Municipal Code of the Moro Province," is hereby amended by striking out of the first paragraph of subsection (*i*) of section 45 the last sentence, as follows: "One-half of the proceeds of such tax shall be paid into the municipal treasury and one-half shall be paid into the Provincial treasury."

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, May 31, 1904.

Approved by the Philippine Commission July 11, 1904.

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[a] The words in italics were added by resolution of the Philippine Commission of May 27, 1904.

[ACT No. 49.]—AN ACT Appropriating the sum of one thousand nine hundred and ninety-eight pesos and ninety-three centavos, Philippines currency, or so much thereof as may be necessary, for sundry expenses of the government of the Moro Province for the third and fourth quarters of the fiscal year nineteen hundred and four.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The following sums, in Philippines currency, or so much thereof as may be respectively necessary, are hereby appropriated out of any funds in the treasury of the Moro Province not otherwise appropriated, in part compensation for the service of the Moro Province for the third and fourth quarters of the fiscal year nineteen hundred and four:

For repair of public buildings, District of Cottabato, fifty-one pesos and sixty centavos.

For the municipality of Jolo, District of Sulu, in reimbursement of municipal funds expended during the period from February first to April thirtieth, nineteen hundred and four, for repair of public road "Astorias", Island of Sulu, damaged by flood, seven hundred and seventy-one pesos and thirty-three centavos; for clearing the jungle and making a trail from Patical to Tandah, Island of Sulu, one hundred and seventy-six pesos: nine hundred and forty-seven pesos and thirty-three centavos, which sum shall be disbursed by the Treasurer of the District of Sulu upon the presentation of proper vouchers approved by the Governor of the District of Sulu and the president of the municipality of Jolo. The action of the municipality of Jolo in making the disbursements herein referred to is hereby approved.

For the payment of a commission of five per centum of amounts collected to municipal treasurers and Moro headmen while acting as deputies of the district treasurers in the collection of the cedula tax, one thousand pesos, to be transferred by the Treasurer of the Moro Province to the district treasurers for disbursement in such amounts as he shall, in his discretion, deem necessary.

Total appropriation, for all purposes, one thousand nine hundred and ninety-eight pesos and ninety-three centavos, in Philippines currency, or so much thereof as may be necessary.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, May 31, 1904.

Approved by the Philippine Commission July 11, 1904.

[ACT No. 50.]—AN ACT Creating district boards.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. There shall be in each district of the Moro Province a district board, to be composed of the district governor, who shall be the presiding officer thereof, the district secretary, who shall be the secretary of the board and keep its minutes, and the district treasurer. In the absence of the district governor the district secretary shall also act as the presiding officer of the board. The district board shall hold weekly meetings upon a day to be fixed by the board, and special meetings upon the call of the presiding officer; and shall perform such duties and exercise such powers as are or hereafter shall be provided by law.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, May 31, 1904.

Approved by the Philippine Commission July 11, 1904.

[ACT No. 51.]—AN ACT Regulating the fishing for shells of marine mollusca, and amending Act Numbered Forty-three of the legislative council.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Except as provided by this act, it shall be unlawful for any person to take any shell of the pearl oyster or of other marine mollusca from the sea within a radius of three marine leagues from any land within the territorial limits of the Moro Province.

SEC. 2. No license to engage in the fishing for or the gathering of shells of marine mollusca within the waters described in section 1 of this act shall be issued to any vessel (*a*) not built in the Philippine Islands or in the United States, and (*b*) not wholly owned by citizens of the United States, honorably discharged soldiers or sailors of the Army or Navy of the United States, natives of the Philippines Islands, or persons who have, under and by virtue of the Treaty of Paris, acquired the political rights of natives of the Philippine Islands. *Provided*, that any vessel built in a foreign country, owned wholly by persons mentioned in subsection (*b*) of this section, and actually engaged in fishing for shells of marine mollusca in the waters described in section 1 of this act at any time during a period of one year prior to the passage of this act, may, if application for a license therefor be made within sixty days from the passage of this act, continue in such industry for a period of five years, unless sooner excluded by act of Congress or of the Philippine Commission.

SEC. 3. No license to engage in the fishing for or the gathering of shells of marine mollusca within the waters described in section 1 of this act shall be issued to any vessel (*a*) when two convictions of the same or different persons shall have been had for two distinct violations of any law of the Philippine Commission or of the Legislative Council governing such industry committed by such person or persons while engaged on or about the vessel, or (*b*) which is owned or operated in whole or in part by, or upon which there is employed, any person who has twice been convicted of such violations.

SEC. 4. Licenses shall be issued by the Treasurer of the district in the waters of which the vessel carries on the major part of its operations; but such licenses shall entitle the vessel to operate in any of the waters described in section 1 of this act. Licenses shall remain in force for a period of one year from the date on which they are issued, unless sooner revoked by the treasurer who issued the same, for any of the causes mentioned in subsections (*a*) and (*b*) of the preceding section. When a license is revoked no part of the sum paid therefor shall be refunded. *Provided*, that first class licenses may be issued for a period of six months upon the payment of one-half of the sum mentioned in section 6 if this act.

SEC. 5. The Treasurer of the Moro Province shall cause the proper forms for licenses to be prepared, and shall issue such instructions to the district treasurers as may be necessary to carry out the provisions of this act relating to the issuance of licenses.

SEC. 6. A license to engage in the fishing for or the gathering of shells of marine mollusca of all species, with the aid of submarine armor, may be issued to a vessel upon the payment of the sum of five hundred pesos, Philippine currency, for each of the greatest number of divers clad in such armor to be employed by the vessel beneath the surface of the water at any one time. It shall be unlawful to employ at any one time beneath the surface of the water a greater number of such divers than is authorized by the license. A license of this class shall be known as a "first class shell license."

SEC. 7. A license to engage in the fishing for or the gathering of shells of marine mollusca of all species, without the aid of submarine armor, may be issued to a vessel upon the payment of the sum of five pesos, Philippine currency, for each of the greatest number of unarmored divers to be employed by the vessel during any voyage, and the same sum for each of the greatest number of submarine dredges or rakes to be employed by the vessel beneath the surface of the water at any one time. It shall be unlawful to employ during a voyage a greater number of divers or to employ beneath the surface of the water at any one time a greater number of submarine dredges or rakes than is authorized by the license. A license of this class shall be known as a "second class shell license."

SEC. 8. The fishing for or the gathering of shells of marine mollusca of all species without the aid of boats, vessels, submarine dredges or rakes, or submarine armor, and the fishing for or the gathering of marine mollusca whose shells have a market value of less than twenty-five pesos, Philippine currency, per ton, shall be unrestricted.

SEC. 9. It shall be the duty of district treasurers upon issuing any license under this act to deliver to the person receiving the same a copy of act No. 43 of the Legislative Council, a copy of this act, and a copy of all other acts governing the fishing for or the gathering of shells of marine mollusca which may hereafter be enacted. The master of the licensed vessel shall preserve the same in a conspicuous place on the vessel open to the inspection of all persons. Every master of a vessel licensed under this act who fails to comply with the provi-

sions of this section shall be punished by a fine of not exceeding one hundred pesos, Philippine currency, for each offense.

SEC. 10. The provisions of this act shall not apply to vessels of less than fifteen tons burden owned, manned and operated wholly by Moros or other non-Christians, not transported by or used in connection with other vessels, and not employing submarine armor, until the first day of January nineteen hundred and six. *Provided*, that the provisions of act No. 43 of the Legislative Council and such provisions of this act as relate to the prosecution of violations of said act No. 43 shall apply and be enforced without distinction of persons.

SEC. 11. The Governor of the District of Sulu shall immediately investigate the alleged claims of certain Moros residing within his district to property rights in the shells of marine mollusca in the seas adjacent to their places of residence, and shall report to the Governor of the Moro Province the extent and comparative richness, so far as known, of the deposits of shells which are recognized by tribal custom as belonging to each of such Moros. A sum equal to one-half of the gross proceeds resulting from the issuance of licenses under this act by the Treasurer of the District of Sulu during the years nineteen hundred and four and nineteen hundred and five shall be set aside by appropriation and disbursed among such Moros in a proportion to be determined by the Governor of the Moro Province, based upon the relative importance of the claims of each so recognized by tribal custom; and such payment shall be understood to be in full and final settlement of the supposed property rights of the Moros of the District of Sulu in such shells of marine mollusca.

SEC. 12. It shall be unlawful for any Moro or any other person to intermeddle with or exact or attempt to exact any payment or tribute from any person engaged in the fishing for or the gathering of shells of marine mollusca, by virtue of this act, or to prevent or attempt to prevent any person or vessel from lawfully engaging in such industry.

SEC. 13. It shall be unlawful for any vessel engaged in the fishing for or the gathering of shells of marine mollusca under a first class shell license to discharge any portion of the shells, taken, or to leave the waters described in section 1 of this act, except by reasons of stress of weather or other necessity, without first proceeding to the port of Jolo or Zamboanga and making the statement required by the following section.

SEC. 14. Every master of a vessel operating under a first class shell license shall accurately enter in a log or record book the date of every operation and the number and weight of the shells of the pearl oyster taken each day. Upon entering the port of Jolo or Zamboanga, and before landing any of the cargo, the master shall verify, on oath, before the collector of customs such log or record book as containing a true statement of the operations of the vessel in gathering or fishing for the shells of the pearl oyster; and for any false statement so made he shall be liable to the penalties provided by section 17, of this act.

SEC. 15. Every master of a vessel licensed under this act, and every person on board such vessel in charge of the fishing for or the gathering of shells of marine mollusca, shall be criminally liable for all violations of the law governing such industry, to the same extent as the persons actually guilty thereof, when such violations are committed by members of the crew or persons employed on or about the vessel in his presence or with his knowledge and consent.

SEC. 16. If any unlicensed vessel shall be found within the waters to which this act applies, having on board shells mentioned in this act, or submarine armor suitable for taking shells, or if any vessel operating under a second class shell license shall be found in such waters having on board submarine armor suitable for taking shells, it shall be presumed that the master of the vessel and the owner of the submarine armor, if on board, were engaged in gathering or fishing for shells in violation of this act until it is otherwise sufficiently proved.

SEC. 17. Every person guilty of the commission of an act declared to be unlawful by this act shall, upon conviction, be punished by imprisonment not exceeding six months or by a fine of not less than fifty and not more than one thousand pesos, Philippine currency, or by both such fine and imprisonment, for each offense.

SEC. 18. Violations of act No. 43 of the Legislative Council and of this act may be prosecuted in any court of first instance of the Moro Province; but the court first lawfully taking cognizance thereof shall have jurisdiction of the same to the exclusion of all other courts.

SEC. 19. In prosecutions for violations of act No. 43 of the Legislative Council and of this act the court may, in its discretion, when it shall have reason to believe that any person guilty of such violation has acted through excusable ignorance of the law, remit the penalties imposed by law therefor.

SEC. 20. For the purpose of enforcing this act and act No. 43 of the Legislative Council the governors of the districts, collectors of customs and masters of vessels of the Insular Government when authorized thereto by the heads of their respective bureaus, and any person authorized in writing by the Governor of the Moro Province, are hereby made peace officers. It shall be their duty to seize and arrest all vessels found engaged, used or employed in the waters described in section 1 of this act in violation of the law governing the fishing for or gathering of shells of marine mollusca, without warrant, and to take the same with all persons on board thereof to the most convenient open port, there to be dealt with according to law.

SEC. 21. A reward of five hundred pesos, Philippine currency, to be claimed, determined and paid in accordance with the provisions of sections 2 and 3 of act No. 40, of the Legislative Council, shall be paid for information leading to the arrest and conviction of persons guilty of violations of this act or of act No. 43 of the Legislative Council.

SEC. 22. Act No. 43 of the Legislative Council is hereby amended by inserting after the word "hinge" in the first section thereof the following: "unless the lateral plate of such shell shall be more than seven inches in diameter, measured with a flat, rigid measuring rod from the outer edge of the horny lip to the center of the hinge, the rod being so placed as to form a right angle with the line of the hinge. *Provided*, that, should such shell be removed from the water through accident or excusable negligence, no penalty shall be incurred if the shell be returned to the water immediately, without opening or attempting to open the same. It shall also be unlawful to open or attempt to open in the water any shell of the pearl oyster which it is unlawful to take from the water." The words "waters within the jurisdiction of the Moro Province" as used in said section shall be construed to mean the waters described in section 1 of this act.

SEC. 23. The words "pearl shell" and "shell of the pearl oyster", as used in act No. 43 of the Legislative Council and in this act, shall be construed to mean the shell of the oyster of the species of marine bivalve mollusca of the genus *Meleagrina margaritifera*, commonly known as the pearl oyster.

SEC. 24. All laws or parts of laws relating to the gathering of or the fishing for shells of marine mollusca are hereby repealed in their application to the waters described in section 1 of this act.

SEC. 25. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage; but no penalty shall be imposed for the commission, prior to the first day of August, nineteen hundred and four, of any act herein declared to be unlawful, unless the prosecution shall affirmatively prove knowledge on the part of the accused of the unlawful nature of such act.

Enacted, June 7, 1904.

Approved by the Philippine Commission July 19, 1904.

[ACT No. 52.]—AN ACT To provide for the payment of the costs of criminal prosecutions and preliminary investigations before justices of the peace appointed in accordance with the provisions of section twenty-seven of act numbered seven hundred and eighty-seven of the Philippine Commission, as amended by act numbered eleven hundred and sixty-four of the Philippine Commission.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. In criminal prosecutions and preliminary investigations before justices of the peace appointed in accordance with the provisions of section 27 of act No. 787 of the Philippine Commission, as amended by act No. 1164 of the Philippine Commission, the costs of the proceeding, including the fees of the justice, shall be paid from the treasury of the municipality in which the action arises in accordance with the provisions of law governing the subject in other provinces.

SEC. 2. In addition to the detailed statements required by section 71 of act No. 136 of the Philippine Commission and section 1 of act No. 302 of the Philippine Commission, the justice of the peace shall, on the first day of each month,

present to the treasurer of the municipality in which his court is situated, or if situated without the limits of an organized municipality, to the treasurer of the muncipality within the district most convenient of access, a separate detailed statement of the fines and costs collected by him and of the fees accruing to him and to officers of courts by reason of criminal prosecutions and preliminary investigations arising without the limits of the municipality during the preceding month. He shall at the same time pay into the municipal treasury the fines and costs collected by him in such criminal prosecutions during the same period. The accounts thus rendered shall be audited and payment made from the municipality as in the case of actions arising within the municipality. On the first day of each quarter of the fiscal year the municipal treasurer shall render to the Treasurer of the Moro Province an account with proper vouchers of the accounts collected and paid out by reason of criminal prosecutions and preliminary investigations arising without the limits of the municipality during the preceding quarter. Should such account, as audited and approved by the Treasurer of the Moro Province, show an excess of disbursements over collections, the municipality shall be reimbursed the amount of the excess from the regular appropriation for the district for "expenses incidental to the administration of justice"; but should the account show an excess of collections over disbursements, then the municipality shall pay into the provincial treasury, a sum equivalent to such excess.

SEC. 3. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, June 7, 1904.

Approved by the Philippine Commission July 19, 1904.

[ACT NO. 53.]—AN ACT Amending section one of Act Numbered Twelve of the Legislative Council, entitled "An act to provide for the employment of certain subordinate employees in the office of the Engineer of the Moro Province and fixing the salaries thereof."

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Sub-section (*b*) of section 1 of act No. 12 of the Legislative Council, entitled "An act to provide for the employment of certain subordinate employees in the office of the Engineer of the Moro Province and fixing the salaries thereof", is hereby amended to read as follows:

(*b*) One clerk, Class H.
One clerk, Class K.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, June 7, 1904.

Approved by the Philippine Commission July 26, 1904.

[ACT NO. 54.]—AN ACT Appropriating the sum of three thousand one hundred and fifty-four pesos and ten centavos, Philippines currency, or so much thereof as may be necessary, for the construction of bridges at Jolo.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

The Philippine Commission having, by resolution adopted on the twenty-fourth day of May, nineteen hundred and four, annulled the paragraph entitled, "Construction of bridges at Jolo," under the head of miscellaneous appropriations in section 1 of act No. 45 of the Legislative Council, the following is enacted in lieu thereof:

SECTION 1. There is hereby appropriated out of the proceeds derived from the sale of congressional relief fund rice deposited in the provincial treasury in accordance with the provisions of section 3 of act No. 786 of the Philippine Commission, as amended by act No. 814 of the Philippine Commission, the sum of three thousand one hundred and fifty-four pesos and ten centavos, Philippines currency, or so much thereof as may be necessary, for the construction of three wagon bridges within the municipal limits of the municipality of Jolo, known

as the "Tulai", "Astorias" and "La Reina" Bridges, recently destroyed by flood. Said sum shall remain available until expended.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, June 8, 1904.

Approved by the Philippine Commission as amended July 26, 1904.

[ACT No. 55.]—AN ACT Appropriating the sum of one thousand eight hundred and fifty pesos, Philippine currency, or so much thereof as may be necessary, for the construction in the municipality of Zamboanga of a public market for the especial use of the Moro and other non-Christian inhabitants of the district of Zamboanga, and providing for the administration thereof.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. There is hereby appropriated out of any funds in the Treasury of the Moro Province not otherwise appropriated the sum of one thousand eight hundred and fifty pesos, in Philippine currency, or so much thereof as may be necessary, for the construction, in the barrio of Magay, municipality of Zamboanga, of a public market.

SEC 2. The market referred to in the preceding section, when completed, shall be placed under the control of the Governor of the District of Zamboanga, to be administered for the especial use and benefit of the Moro and other non-Christian inhabitants of said district, and shall be exempt from taxation by the municipality. The Governor of the District of Zamboanga may, in his discretion, establish rules and regulations governing the use and sanitation of said market, and may, with the approval of the Treasurer of the Moro Province, fix licenses for the use of the same. Licenses shall be collected and accounted for under such rules and regulations as shall be prescribed by the Treasurer of the Moro Province, and shall accrue to a special fund to be expended solely for the maintenance, improvement and repair of said market.

SEC. 3. The district Governor may also, with the approval of the Legislative Council, lease gratuitously or for a valuable consideration the use of such market to an association or corporation to be composed of Moros and other non-Christian inhabitants of the district, and in such case the association or corporation shall be entitled to the profits accruing from the use of the same. *Provided*, that the articles of association or incorporation of such association or corporation shall provide for the general supervision and control of the affairs of the association or corporation by the Governor of the District of Zamboanga, and shall be submitted to the Legislative Council for approval, and it shall be a condition to the use of the market that the Legislative Council may at any time by resolution terminate the lease. The object of the District Governor in exercising supervision and control over the affairs of the association or corporation shall be to instruct the Moro and other non-Christian inhabitants of his district in modern and legitimate business methods to the end that they may secure a fair remuneration for the products of their labor, and such supervision and control shall be confined within the narrowest limits compatible with the object sought.

SEC. 4. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, June 14, 1904.

Approved by the Philippine Commission July 26, 1904.

[ACT No. 56.]—AN ACT To provide for the employment of temporary clerks to aid in the preparation of the tax list of the municipality of Zamboanga for the year nineteen hundred and four, and to authorize the payment of extra compensation to native teachers on vacation so employed.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The Governor of the Moro Province is hereby authorized to employ not to exceed ten temporary clerks at a salary of not to exceed one peso, Philippine currency, per day, to aid in the preparation of the tax list of

the municipality of Zamboanga for the year nineteen hundred and four. Native teachers on vacation may be employed under the provisions of this act and shall receive compensation for the services so rendered by them, anything in the provisions of act No. 148 of the Philippine Commission to the contrary notwithstanding. Such temporary clerks shall perform their services under the supervision of the Treasurer of the District of Zamboanga, and shall be paid by appropriation from provincial funds. *Provided*, that the period of employment shall in no case exceed thirty days.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, June 14, 1904.

Approved by the Philippine Commission July 26, 1904.

[ACT No. 57.]—AN ACT Authorizing the employment, under certain conditions, of enlisted men of the United States Army as skilled laborers on public works.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. When and for such periods only as it shall be impossible or impracticable otherwise to secure sufficient skilled labor on public works of the Moro Province, the Engineer of the Moro Province is authorized to employ, with the consent of the Department Commander first had, enlisted men of the United States Army as skilled laborers on such public works. Enlisted men so employed shall receive for their services from the appropriation for the public work on which they are employed, a daily or hourly wage to be fixed by the Engineer with the advice and consent of the Legislative Council, anything in act No. 148 of the Philippine Commission to the contrary notwithstanding. This act is made retroactive to authorize the payment of wages to enlisted men previously employed on public works of the Province.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, June 14, 1904.

Approved by the Philippine Commission July 26, 1904.

[ACT No. 58.]—AN ACT Appropriating the sum of one hundred and sixty-four pesos, Philippine currency, or so much thereof as may be necessary, for the payment of the salaries of the temporary clerks appointed under the provisions of Act Numbered Fifty-six of the Legislative Council.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The sum of one hundred and sixty-four pesos, Philippine currency, or so much thereof as may be necessary, is hereby appropriated out of any funds in the Treasury of the Moro Province not otherwise appropriated, for the payment of the salaries of the temporary clerks appointed under the provisions of act No. 56 of the Legislative Council.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, June 29, 1904.

Approved by the Philippine Commission August 5, 1904.

[ACT No. 59.]—AN ACT Appropriating the sum of eleven thousand pesos, Philippine currency, from the three hundred thousand pesos of the Congressional relief fund allotted the Moro Province, for the emergency improvement of the Iligan-Lake Lanao road.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The sum of eleven thousand pesos, in Philippine currency, or so much thereof as may be necessary, is hereby appropriated, out of the sum of three hundred thousand pesos, Congressional Relief Fund, allotted the Moro

Province and not otherwise appropriated, for the continuance of the emergency improvement of the Iligan-Lake Lanao road, to remain available until expended.

SEC. 2. The amount herein appropriated shall be available for payment for work performed and material purchased subsequent to June 10, 1904, as well as for the payment for material and labor to be hereafter required.

SEC. 3. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, July 5, 1904.

Approved by the Philippine Commission August 5, 1904.

[ACT No. 60.]—AN ACT Appropriating the sum of one thousand five hundred pesos, Philippine currency, for the repair and reconstruction of the government wharf at Zamboanga.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. There is hereby appropriated, out of any funds in the treasury of the Moro Province not otherwise appropriated, the sum of one thousand five hundred pesos, Philippine currency, for the purpose of repairing and reconstructing the government wharf at Zamboanga, District of Zamboanga, to remain available until expended.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, July 12, 1904.

Approved by the Philippine Commission August 5, 1904.

[ACT No. 61.]—AN ACT Appropriating the sum of eighty-one thousand nine hundred and thirty-eight pesos and eighty-five centavos in Philippine currency, or so much thereof as may be necessary, in part compensation for the fiscal year nineteen hundred and five, and for other purposes.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The following sums in Philippine currency, or so much thereof as may be respectively necessary, are hereby appropriated out of any funds in the Treasury of the Moro Province not otherwise appropriated, in part compensation for the service of the Moro Province for the first quarter of the fiscal year nineteen hundred and five, unless otherwise stated.

GOVERNMENT OF THE MORO PROVINCE.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: Provincial Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one stenographer, class 7; one clerk, class H: one thousand eight hundred and eighty-five pesos.

Secretary's Office: Provincial Secretary, twenty per centum of his current proper yearly pay as an officer of the United States Army; one chief clerk, class 7; two stenographers, class 8; one clerk, class 10; one clerk, class H; one messenger, at two hundred and forty pesos per annum: three thousand two hundred and two pesos.

Attorney's Office: Provincial Attorney, at eight thousand pesos; Assistant Attorney, at three thousand two hundred pesos; one clerk, class D; one clerk, class K: three thousand three hundred and twenty pesos.

Treasurer's Office: Provincial Treasurer, at eight thousand pesos; one examiner, class 8; one clerk, class K: two thousand eight hundred and seventy pesos.

Engineer's Office: Provincial Engineer, twenty per centum of his current proper yearly pay as an officer of the United States Army; one chief clerk, class 8; one clerk, class 9; one clerk, class H; one clerk, class K: two thousand one hundred and seventy-two pesos.

Office Superintendent of Schools: Superintendent of Schools, at eight thousand pesos; one clerk, class 8; one clerk, class 9; two translators, class A; one messenger, at one hundred and eighty pesos per annum: four thousand two hundred and forty-five pesos.

In all, for salaries, wages and allowances, Government of the Moro Province, seventeen thousand six hundred and ninety-four pesos.

CONTINGENT EXPENSES.

For the purchase of supplies, three thousand pesos; for repairs to office furniture, three hundred pesos; for rents for provincial offices and jail houses, one thousand pesos; for expenses incidental to the administration of justice, one thousand pesos; for miscellaneous expenses, including cablegrams, postage, doctor fees, carrying out sanitary regulations, public surveys, advertising and other incidental expenses, two hundred pesos: five thousand five hundred pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of provincial officers and employees, seven hundred pesos; for transportation of freight, purchase of horses, wagons, and carabaos, three hundred pesos: one thousand pesos.

SALARY AND EXPENSE FUND.

For translating public laws, four hundred pesos; for premium on bonds of bonded employes, two thousand four hundred pesos: two thousand eight hundred pesos.

SCHOOL DEPARTMENT.

Salaries: One teacher, class 8; fifteen teachers, class 9; seven teachers, class 10; two teachers, at one thousand eight hundred pesos per annum; one teacher, at one thousand two hundred pesos per annum; two teachers, at eight hundred and forty pesos per annum; six teachers, at six hundred pesos per annum; fifteen teachers, at four hundred and eighty pesos per annum; thirty teachers, at three hundred and sixty pesos per annum; twelve teachers, at three hundred pesos per annum; six employes, at one hundred and twenty pesos per annum: eighteen thousand four hundred and nineteen pesos and eighty-five centavos.

Contingent Expenses: For supplies, eight thousand pesos; for rents of school building, one thousand pesos; for repair and construction of buildings, two thousand pesos: eleven thousand pesos.

Transportation: For the actual and necessary traveling expenses of teachers, four hundred pesos.

Salary and Expense Fund: For the payment of teachers engaged in teaching night schools under the provisions of act numbered seventeen, five hundred pesos.

In all, for the school department, thirty thousand three hundred and nineteen pesos and eighty-five centavos.

In all, for the Government of the Moro Province, fifty-seven thousand three hundred and thirteen pesos and eighty-five centavos.

DISTRICT OF ZAMBOANGA.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: District Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one interpreter, class C; one interpreter, class D; one messenger, at two hundred and forty pesos per annum: one thousand and twenty pesos.

Secretary's Office: District Secretary, twenty per centum of his current proper yearly pay as an officer of the United States Army; one chief clerk, class 9; one typewriter, class C; one interpreter, class D; one clerk, class K: one thousand six hundred and thirty pesos.

Treasurer's Office: Treasurer of the District, class 6; one deputy, class H; one employee, at two hundred and forty pesos per annum: one thousand three hundred and ninety pesos.

In all, for salaries, wages and allowances, District of Zamboanga, four thousand and forty pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of district officers and employes, one hundred and fifty pesos; for the hire of the crew of the boat "Governor Finley" and other expenses incidental thereto, four hundred pesos: five hundred and fifty pesos.

CONTINGENT EXPENSES.

For expenses incidental to the administration of justice, six hundred pesos.

SALARY AND EXPENSE FUND.

For temporary employes assisting Registrar of Deeds, one hundred and fifty pesos; for payment of commission on the collection of cedulas, four hundred pesos; for board of assessors, four hundred pesos; information fund, two hundred pesos: one thousand one hundred and fifty pesos.

In all, for the District of Zamboanga, six thousand three hundred and forty pesos.

DISTRICT OF SULU.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: District Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one stenographer, class 8; one interpreter, class A; one messenger, at two hundred and forty pesos per annum: one thousand six hundred and ninety-five pesos.

Secretary's Office: District Secretary, twenty per centum of his current proper yearly pay as an officer of the United States Army; one clerk, class 10: one employee, at one hundred and ninety-two pesos per annum: eight hundred and eighty pesos.

Treasurer's Office: Treasurer of the District, class 7; one deputy, class J; one employee, at two hundred pesos per annum: nine hundred pesos.

In all, for salaries, wages and allowances, District of Sulu, three thousand four hundred and seventy-five pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of district officers and employees, three hundred pesos: for the transportation of freight, one hundred and fifty pesos: four hundred and fifty pesos.

CONTINGENT EXPENSES.

For rent of district offices and court house, one hundred and ninety-five pesos; for expenses incidental to the administration of justice, four hundred pesos: five hundred and ninety-five pesos.

SALARY AND EXPENSE FUND.

For information fund, two hundred pesos; for board of assessors, one hundred pesos: three hundred pesos.

In all, for the District of Sulu, four thousand eight hundred and twenty pesos.

DISTRICT OF COTTABATO.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: District Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one interpreter, class H; one interpreter, class J; one clerk, class 8; one messenger, at two hundred and forty pesos per annum: nine hundred pesos.

Secretary's Office: District Secretary, at three thousand pesos per annum; seven hundred and fifty pesos.

Treasurer's Office: Treasurer of the District, class 6; one deputy, class J; one employee, at two hundred pesos per annum: one thousand and seventy pesos.

In all, for salaries, wages and allowances, District of Cottabato, two thousand seven hundred and twenty pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of district officers and employees, two hundred and fifty pesos; for the transportation of freight, one hundred and fifty pesos: four hundred pesos.

CONTINGENT EXPENSES.

For rent of district offices and court house, one hundred and twenty pesos; for expenses incidental to the administration of justice, five hundred pesos: six hundred and twenty pesos.

SALARY AND EXPENSE FUND.

For commission on cedulas, six hundred pesos; for information fund, two hundred pesos; for board of assessors, two hundred pesos: one hundred pesos.

In all, for the District of Cottabato, four thousand seven hundred and forty pesos.

DISTRICT OF DAVAO.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: District Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one clerk, class A: six hundred and seventy-five pesos.

Secretary's Office: District Secretary, at two thousand four hundred pesos per annum: six hundred pesos.

Treasurer's Office: Treasurer of the District, class 7; one deputy, class J; one employee, at an annual salary of two hundred pesos: one thousand and seventy pesos.

In all, for salaries, wages and allowances, District of Davao, two thousand, three hundred and forty-five pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of district officers and employees, four hundred pesos; for transportation of freight, one hundred and fifty pesos: five hundred and fifty pesos.

CONTINGENT EXPENSES.

For expenses incidental to the administration of justice, four hundred pesos.

SALARY AND EXPENSE FUND.

For commission on cedulas, four hundred pesos; for board of assessors, five hundred pesos; for information fund, two hundred pesos; one thousand one hundred pesos.

In all, for the District of Davao, four thousand three hundred and ninety-five pesos.

DISTRICT OF LANAO.

SALARIES, WAGES AND ALLOWANCES.

Governor's Office: District Governor, twenty per centum of his current proper yearly pay as an officer of the United States Army; one clerk, class A; one interpreter, class B; one messenger, at an annual salary of two hundred and forty pesos: one thousand and forty pesos.

Secretary's Office: District Secretary, at three thousand pesos per annum, seven hundred and fifty pesos.

Treasurer's Office: District Treasurer, class 8; one deputy, class J; one employee, at an annual salary of two hundred pesos: nine hundred and seventy pesos.

In all, for salaries, wages and allowances, District of Lanao, two thousand seven hundred and sixty pesos.

TRANSPORTATION.

For the actual and necessary traveling expenses of district officers and employees, three hundred pesos; for the transportation of freight, one hundred and fifty pesos: four hundred and fifty pesos.

CONTINGENT EXPENSES.

For rent of District offices, court house and jail, one hundred and twenty pesos; for expenses incidental to administration of justice, three hundred pesos: four hundred and twenty pesos.

SALARY AND EXPENSE FUND.

For commission on cedulas, one hundred pesos; for board of assessors, four hundred pesos; for information fund, two hundred pesos: seven hundred pesos.

In all, for the District of Lanao, four thousand three hundred and thirty pesos.

Total appropriation for all purposes, eighty-one thousand nine hundred and thirty-eight pesos and eighty-five centavos, in Philippine currency, or so much thereof as may be necessary.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, July 27, 1904.

Approved by the Philippine Commission September 12, 1904.

[ACT No. 62.]—AN ACT Amending section one of act numbered twelve of the Legislative Council, entitled "An act to provide for the employment of certain subordinate employes in the office of the Engineer of the Moro Province and fixing the salaries thereof."

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Section 1 of act No. 12 of the Legislative Council, entitled "An act to provide for the employment of certain subordinate employes in the office of the Engineer of the Moro Province, and fixing the salaries thereof," as amended by act No. 53 of the Legislative Council is hereby amended by adding thereto the following:

"(*c*) One draftsman, class D."

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, July 27, 1904.

Approved by the Philippine Commission September 12, 1904.

[ACT No. 63.]—AN ACT Appropriating the sum of twenty-five thousand four hundred and ninety pesos and seventy centavos, Philippine currency, or so much thereof as may be necessary, for certain public works and permanent improvements of the Government of the Moro Province.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The following sums in Philippine currency, or so much thereof as may be respectively necessary, are hereby appropriated out of any funds in the Treasury of the Moro Province not otherwise appropriated, for certain public works and permanent improvements of the Government of the Moro Province.

DISTRICT OF ZAMBOANGA.

For repairs to Santa Maria bridge, three hundred pesos; for repair of streets, roads, and bridges in Zamboanga and vicinity, six thousand pesos; for completion of the Moro Exchange, one thousand five hundred and fifty pesos; for bridges over canal, two thousand pesos: nine thousand eight hundred and fifty pesos.

DISTRICT OF SULU.

For completion of "Asturias" Bridge, one thousand three hundred and forty-five pesos and ninety centavos; for repair and construction of wharf, Jolo, one thousand five hundred pesos: two thousand eight hundred and forty-five pesos and ninety centavos.

DISTRICT OF COTTABATO.

For repairs to Parang wharf, one thousand pesos; for repairs to bridge, Parang-Cottabato road, forty-four pesos and eighty centavos: one thousand and forty-four pesos and eighty centavos.

DISTRICT OF DAVAO.

For construction of wharf at Davao, six thousand pesos; for construction and repair of road and bridges, Santa Cruz road, three thousand pesos; for reconstruction of the telegraph line from Davao to Santa Cruz, seven hundred and fifty pesos; for completing repairs to government building, five hundred pesos; for completion of school house, Davao, one thousand five hundred pesos: eleven thousand seven hundred and fifty pesos.

In all, for public works, twenty-five thousand four hundred and ninety pesos and seventy centavos, to remain available until expended.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, August 4, 1904.

Approved by the Philippine Commission September 12, 1904.

[ACT NO. 64.]—AN ACT Making additional appropriations for sundry expenses of the government of the Moro Province for the first quarter of the fiscal year ending June thirtieth, nineteen hundred and five, and for other purposes.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The following sums in Philippine currency, or so much thereof as may be respectively necessary, are hereby appropriated out of any funds in the Treasury of the Moro Province not otherwise appropriated, in part compensation for the service of the Moro Province for the first quarter of the fiscal year nineteen hundred and five, unless otherwise stated.

GOVERNMENT OF THE MORO PROVINCE.

SALARIES, WAGES AND ALLOWANCES.

Engineer's Office: One draughtsman, class "D", two hundred pesos.

Treasurer's Office: One clerk, class 9, four hundred pesos.

SCHOOL DEPARTMENT.

Salaries: For payment of salary of Cirilo Marquez for services as school teacher, rendered at Siassi during the period from April first nineteen hundred and four to July fifteenth, nineteen hundred and four at forty pesos, Philippine currency, per month, this in addition to compensation received by said Cirilo Marquez from U. S. Army funds for services rendered Military Department as interpreter, the provisions of Act No. 148 of the Philippine Commission to the contrary notwithstanding: one hundrd and forty pesos.

Salary and Expense Fund: For the payment of teachers engaged in teaching night schools under provisions of act numbered seventeen, five hundred pesos.

DISTRICT OF ZAMBOANGA.

SALARIES, WAGES AND ALLOWANCES.

For payment of temporary clerks appointed under the provisions of act numbered fifty-six of the Legislative Council, eighty-nine pesos and fifty centavos.

Total appropriation for all purposes, one thousand three hundred and twenty-nine pesos and fifty centavos, in Philippine currency, or so much thereof as may be necessary.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, August 4, 1904.

Approved by the Philippine Commission September 12, 1904.

[ACT NO. 65.]—AN ACT To provide for the employment of one clerk, class nine, in addition to those provided for in Act Numbered One in the office of the Provincial Treasurer, and fixing the salary thereof.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Subject to the provisions of Act No. 5 of the Philippine Commission and its subsequent amendments, there shall be employed in the office of the Provincial Treasurer, in addition to the employees provided for in Act No. 1 of the Legislative Council, one clerk, class 9.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, August 4, 1904.

Approved by the Philippine Commission September 12, 1904.

[ACT NO. 66.]—AN ACT Amending section one of Act Numbered Twenty-one of the Legislative Council, entitled "An act providing for the establishment of the municipalities of Mati, Davao, Makar, Cottabato, Malabang, Dapitan, Cateel, Baganga and Caraga, and enlarging the municipalities of Iligan and Zamboanga."

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Sections 1, 6 and 11 of Act No. 21 of the Legislative Council, entitled "An Act providing for the establishment of the municipalities of Mati, Davao, Makar, Cottabato, Malabang, Dapitan, Cateel, Baganga and Caraga, and enlarging the municipalities of Iligan and Zamboanga," are hereby amended to read as follows:

"SECTION 1. The municipalities of Mati, Davao, Makar, Cottabato, Malabang, Dapitan, Cateel, Baganga and Caraga are hereby established with boundaries as prescribed for each in sections 2, 3, 4, 5, 6, 7, 8, 9 and 10, and the municipalities of Iligan and Zamboanga are hereby enlarged with boundaries as prescribed in sections 11 and 12, all longitudes herein mentioned being referred to the meridan of San Fernando, which is 6 degrees, 12 minutes, 20 seconds west of Greenwhich, a map showing these boundaries being deposited in the office of the Secretary of the Moro Province. The provisions of the Municipal Code now in force in the Philippine Islands, except as hereinafter modified, are extended to the municipalities established by this act."

"SEC. 6. The municipality of Malabang shall include all territory lying north and west of the eastern boundary of the Lanao district, south of the watershed of the mountains which run approximately northwest, following the watershed to its intersection with the meridian 130 degrees east of San Fernando, and east of the latter meridian, including also all the islands within the three marine league limit. The municipal town shall be Malabang."

"SEC. 11. The limits of the municipality of Iligan are hereby extended to include all territory of the Moro Province north of the 8th parallel of N. Lat., and east of the Mipangi River, its boundaries being the 8th parallel of N. Lat. on the south, the waters of the Panquil and Iligan Bays on the west, the parallel of latitude through Salinbal Point on the north, and the meridian 130 degrees, 38 minutes east of San Fernando on the east. All islands within the three marine league limit shall also be included. The municipal town shall be Iligan."

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted August 4, 1904.

Approved by the Philippine Commission September 12, 1904.

[ACT NO. 67.]—AN ACT To prevent the further introduction into the Moro Province of epidemic dieases of large cattle, and to provide measures for the suppression of the present epidemic of such diseases, and making appropriation for the expenses thereof.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. The term "large cattle" for the purposes of this act shall be held to include cattle, carabaos, horses and mules.

SEC. 2. The Governor of the Moro Province is authorized to designate in each district as many employees of the province or district to act as veterinary inspectors as may be necessary, and such veterinary inspectors shall perform the duties imposed upon them by this act without extra compensation. The Governor of the Moro Province may also appoint as veterinary inspectors under this act not more than five veterinarians of the United States Army, who shall receive a per diem allowance not to exceed five pesos, Philippine currency, for each day of service performed by them, or a monthly compensation of not to exceed one hundred and fifty pesos, Philippine currency. Should veterinarians of the Insular Government be temporarily assigned to the province as veterinary inspectors under this act, their salaries for their period of service in the province shall be reimbursed the Insular Treasury from provincial funds. Veterinary inspectors shall perform their duties under the supervision of the Governor of the Moro Province until such time as a provincial board shall have been established, and thereafter under the supervision of the president of such board.

SEC. 3. All large cattle coming into any port of the Moro Province from any other port of the province or of the Philippine Islands, or from any foreign port, shall, subject to the provisions of the customs administrative laws and regulations, be discharged under the supervision of the veterinary inspector stationed at such port, if any there be. It shall be the duty of the veterinary inspector to subject such large cattle to a rigid quarantine for a period of seven days, at a place designated by him, unless it shall be made to appear to his satisfaction that the animals in question have not been recently exposed to any epidemic disease destructive to large cattle either prior to embarcation or en route, in which case quarantine shall not be necessary. Large cattle brought into the province for the use of the United States Army shall be delivered to the proper military authorities for quarantine under their supervision.

SEC. 4. At the end of the period of quarantine, should no symptoms of epidemic disease destructive to large cattle have appeared among the large cattle in quarantine, and should their condition be such as in no way to render liable the spread of any destructive disease among the large cattle of the province, they shall be removed from quarantine and delivered to the person entitled thereto. Should symptoms of epidemic disease destructive to large cattle appear during the period of quarantine, the veterinary inspector shall cause the separation from the other large cattle of all animals showing such symptoms, and shall so isolate them as to guard against the transmission of infection by insects or otherwise. This procedure shall be repeated, if necessary, until the herd in quarantine is pronounced free from disease.

SEC. 5. Large cattle held in quarantine in accordance with the provisions of this act shall be cared for and fed by and at the expense of the owner or person entitled to the possession thereof. Should the owner or person entitled to the possession fail or refuse properly to feed and care for large cattle so held in

quarantine, the veterinary inspector shall do so at the expense of the province. The amounts so expended by the province shall constitute a lien in favor of the province upon all the personal property of the owner or person entitled to the possession of the large cattle, which lien may be enforced by the district treasurer by any method provided by law for the enforcement of a lien arising from delinquent internal revenue taxes.

SEC. 6. When it shall appear to the satisfaction of any veterinary inspector that any large cattle within the district are afflicted with surra, glanders or rhinderpest, it shall be his duty to summarily seize such large cattle and cause them to be killed and the bodies destroyed in such manner as may be prescribed by the Governor of the Moro Province, or the president of the provincial board of health, as the case may be; and such proceedings shall not give rise to any claim, or any cause of action, civil or criminal, against the Moro Province or any of its agents. He shall at once report his action in detail to the district governor, stating the number and kind of animals seized and destroyed and the disposition made of the bodies.

SEC. 7. It shall be the duty of every owner of large cattle and of every person having large cattle in his possession or under his charge, who has reasonable cause to believe that any of such large cattle exhibit symptoms of surra, glanders or rhinderpest, immediately to isolate such animals by confining them in an enclosure to which uninfected large cattle have no access, and to make immediate report thereof to the councillor of his barrio. Failure to comply with the provisions of this section shall be punished by a fine of not lesss than ten nor more than fifty pesos, Philippine currency, or by imprisonment of not more than thirty days, or by both such fine and imprisonment.

SEC. 8. It shall be the duty of the councillor of each barrio to whom a report is made in accordance with the provisions of the preceding section, or who has reasonable cause to believe that any large cattle within his barrio show symptoms of surra, glanders or rhinderpest, immediately to make or cause to be made an examination of the suspected animals. If, in his opinion, such animals show symptoms of any of the diseases mentioned he shall cause the owner or person having charge thereof to isolate and securely hold them by placing them in an enclosure not accessible to other large cattle until the symptoms shall have disappeared, or a veterinary inspector shall have ordered the quarantine removed, or until the animals shall have died or been destroyed; but the period of isolation shall in no case be less than fifteen days, unless otherwise ordered by a veterinary inspector. He shall at once report his action to the municipal presidente, who shall, in turn, report to the district governor. Every municipal officer who fails or refuses to comply with the duties imposed upon him by this section shall be dismissed from office. Every owner of large cattle isolated by order of his councillor or every person in charge of such large cattle who shall fail or refuse to keep such large cattle in isolation during the time and in the manner required by this section, shall be subject to the penalties provided by section 7 of this act.

SEC. 9. It shall be the duty of the owners of large cattle or the person having charge thereof, who shall have reasonable cause to believe that any animal has died of surra, glanders or rhinderpest, to cause the body of such animal to be cremated, or buried at once at a depth of not less than eight feet from the surface of the ground, within the corral or enclosure in which the animal has been isolated during its sickness, if such isolation shall have taken place, unless a contrary disposition of the body shall have been ordered by a veterinary inspector. Such burial must be made at a point at least thirty feet distant from any well, running stream or body of standing water. Failure to comply with the provisions of this section shall be punished by the penalty provided by section 7 of this act.

SEC. 10. District governors shall submit to the Governor of the Moro Province, or to the president of the provincial board of health, as the case may be, a quarterly report concerning the presence of surra, glanders, rhinderpest and other diseases destructive of large cattle in their districts, which report shall set forth in detail the number and kind of animals affected, and the action taken in each case.

SEC. 11. There is hereby appropriated, out of any funds in the Treasury of the Moro Province not otherwise appropriated, the sum of two thousand pesos, Philippine currency, or as much thereof as may be necessary, for the payment of the expenses incurred in carrying out the provisions of this act, including the building of government corrals, the feeding and care of animals in quarantine, the payment of salaries and all incidental expenses. Said sum shall be apportioned to the several districts by resolution of the Legislative Council, and shall be disbursed by the district treasurers as in the case of other funds appropriated for district purposes.

SEC. 12. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage; but no penalty shall be imposed for the commission, prior to the first day of October, nineteen hundred and four, of any act herein declared to be unlawful, unless the prosecution shall affirmatively prove knowledge on the part of the accused of the unlawful nature of such act.

Enacted, August 17, 1904.

Approved by the Philippine Commission October 7, 1904.

[ACT No. 68.]—AN ACT To provide for the employment of a temporary clerk in the registry of property, and making appropriation for the payment of the salary thereof.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Pending the appointment of a registrar of property for the Moro Province, the Governor of the Moro Province is authorized to employ a temporary clerk to assist the Treasurer of the District of Zamboanga in his duties as acting registrar of property. Such temporary clerk shall receive a compensation not to exceed fifty centavos, Philippine currency, for each hour of service, and may be appointed from suitable persons in the public service, the provisions of act No. 148 of the Philippine Commission to the contrary notwithstanding. This act is made retroactive to authorize the payment of the temporary clerk employed in such capacity since the first day of May, nineteen hundred and four.

SEC. 2. The sum of two hundred pesos, Philippine currency, or so much thereof as may be necessary, is hereby appropriated out of any funds in the Treasury of the Moro Province not otherwise appropriated, for the payment of the salary of the temporary clerk appointed in accordance with the provisions of the preceding section.

SEC. 3. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, August 20, 1904.

Approved by the Philippine Commission September 23, 1904.

[ACT No. 69.]—AN ACT Authorizing the governor of the Moro Province to establish harbor lines for the preservation and protection of the harbors, bays and navigable lakes and rivers of the province.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Whenever it shall be essential to the preservation and protection of the harbors, bays, and navigable lakes and rivers of the province to establish harbor lines, the Governor of the Moro Province may, by executive order, establish such harbor lines, beyond which no piers, wharves, bulkheads, or other works shall be extended or deposits made, except under such regulations as may be prescribed from time to time by him.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect on its passage.

Enacted, August 31, 1904.

Approved by the Philippine Commission September 23, 1904.

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[ACT No. 70.]—AN ACT To provide for the employment of one teacher, in addition to those provided for in acts numbered seventeen and thirty-two of the Legislative Council of the Moro Province, in the public school system of the Moro Province.

By authority of the Philippine Commission, be it enacted by the Legislative Council of the Moro Province, that:

SECTION 1. Subject to the provisions of act No. 5 of the Philippine Commission, and its subsequent amendments, there shall be employed in the public school system of the Moro Province, in addition to those provided for in acts numbered seventeen and thirty-two of the Legislative Council of the Moro Province, one teacher of English, class 7.

SEC. 2. Subject to annulment or amendment by the Philippine Commission, this act shall take effect as of July First, 1904.

Enacted, August 31, 1904.

Approved by the Philippine Commission September 23, 1904.

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