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HOUSE DOCUMENTS

VOL. 7

UNITED STATES  
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1915

TWENTY-SIXTH ANNUAL REPORT  
OF THE  
GOVERNOR OF PORTO RICO

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MESSAGE  
FROM THE  
PRESIDENT OF THE UNITED STATES

TRANSMITTING

THE TWENTY-SIXTH ANNUAL REPORT OF THE GOVERNOR  
OF PORTO RICO, FOR THE FISCAL YEAR  
ENDED JUNE 30, 1926



JANUARY 3, 1927.—Referred to the Committee on Insular Affairs  
and ordered to be printed with illustrations

WASHINGTON  
GOVERNMENT PRINTING OFFICE  
1927

GOVERNMENT OF PORTO RICO

GOVERNMENT OF PORTO RICO  
ANNUAL REPORT  
1927

MESSAGE  
FROM THE  
PRESIDENT OF THE UNITED STATES

GOVERNOR

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## MESSAGE

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*To the Congress of the United States:*

As required by section 12 of the act of Congress of March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes," I transmit herewith, for the information of the Congress, the twenty-sixth annual report of the Governor of Porto Rico, including the reports of the heads of the several departments of the government of Porto Rico and that of the auditor, for the fiscal year ended June 30, 1926.

I recommend that the report of the Governor of Porto Rico without appendices be printed as a congressional document.

CALVIN COOLIDGE.

THE WHITE HOUSE,  
*December 22, 1926.*

MEMORANDUM

The following information was obtained from a review of the records of the Department of the Interior, Bureau of Land Management, regarding the proposed acquisition of certain lands in the State of California. The lands in question are situated in the County of [County Name], and are owned by [Owner Name]. The proposed acquisition is for the purpose of [Purpose]. The Department of the Interior, Bureau of Land Management, has determined that the acquisition of these lands is in the public interest and has approved the proposed acquisition. The acquisition of these lands will result in the [Result]. The Department of the Interior, Bureau of Land Management, has determined that the acquisition of these lands is in the public interest and has approved the proposed acquisition. The acquisition of these lands will result in the [Result].

# TWENTY-SIXTH ANNUAL REPORT OF THE GOVERNOR OF PORTO RICO

HON. HORACE M. TOWNER

GOVERNMENT HOUSE,  
*San Juan, P. R., October 1, 1926.*

To the SECRETARY OF WAR,  
*Washington, D. C.*

SIR: Pursuant to law, I have the honor to submit the following report of the Governor of Porto Rico covering the fiscal year beginning July 1, 1925, and ending June 30, 1926.

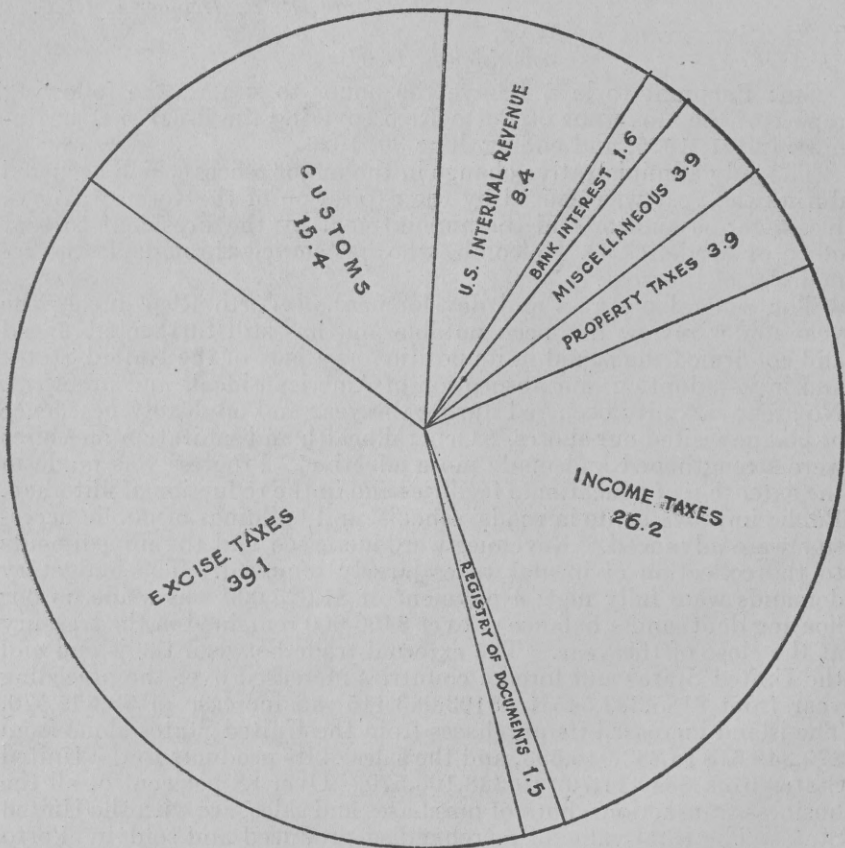
The only administrative change in the major offices which occurred during the year was caused by the expiration of the term of W. L. Kessinger as auditor and the appointment by the President to that office of Frederick G. Holcomb, who has served throughout the remainder of the year.

The general progress and development of Porto Rico during the year under review has been notable and has still further advanced and confirmed the island in its position as a part of the United States and in its adoption and absorption of American ideals and practices. No great calamity occurred during the year and no deadly pestilence or plague visited our shores. General health and sanitation measures were strengthened and made more effective. Progress was made in the extension of educational facilities and in the reduction of illiteracy. Public improvements in roads, schools, and buildings of public necessity were advanced. Revenues were increased and the impediments to the collection of insular taxes largely removed. The budgetary demands were fully met; a payment of \$1,025,000 was made on our floating debt, and a balance of over \$400,000 remained in the treasury at the close of the year. The external trade between the island and the United States and foreign countries increased over the preceding year from \$185,323,545 to \$193,983,115, an increase of \$8,659,570. The island increased its purchases from the United States alone from \$79,349,618 to \$83,046,553, and the sales of its products to the United States from \$84,411,792 to \$88,106,570. Over 88 per cent of all the business transactions, both of purchases and sales, are with the United States. The total value of merchandise produced and sold by Porto Rico to the United States and foreign countries increased from \$94,818,944 to \$98,724,851.

The shipments of sugar were larger than ever before, reaching 578,811 short tons, although the average price was lower than it had been for 10 years. The amount of coffee shipped and the amount received was larger than in any other year since 1921. The total value of tobacco, cigars, and cigarettes exported increased from

\$17,090,000 to \$21,203,000. The total value of fruits exported increased from \$4,923,000 to \$6,635,000. The bank clearings of San Juan increased from \$211,328,000 in 1925 to \$260,089,000 in 1926, an increase of \$48,761,000. The total amount of customs dues received increased from \$1,691,441 in 1925 to \$2,208,093, the largest amount ever collected and an increase of \$516,652 over the preceding year.

GOVERNMENT OF PORTO RICO  
OFFICE OF THE AUDITOR  
**INSULAR OPERATING REVENUE**  
FOR THE FISCAL YEAR ENDING JUNE 30, 1926



As to the existing conditions and needs of the island in the various departments of the government reference is made to the synopsis of the reports of the various heads of the departments, hereinafter inserted—matters relating to the health and sanitary condition and needs, of educational conditions, road extension and other public works, the policing of the island, the administration of justice, and other administrative activities of lesser importance.

## INSULAR REVENUE

The amount of insular revenue during the fiscal year ending June 30, 1926, was \$11,740,384. This was more than 5 per cent in excess of the treasurer's estimate and more than 38 per cent greater than the revenue of the previous year. The total insular revenue during the year 1924-25 was only \$8,476,015 and the net increase was \$3,264,369. The principal increases were in the items—customs \$445,037, excise taxes \$1,471,377, and income taxes \$1,630,966. An increase of customs was expected, but the amount exceeded the estimate by \$504,556. The increases of revenue received from excise and income tax laws were occasioned by amendments which were made to such laws and by decisions of the courts sustaining the validity of the laws, thus enabling the treasurer to enforce collections.

The insular auditor has prepared in graphic form a showing of the proportion which the revenues from each source bears to the total, which appears on page 2.

Excise taxes (39.1 per cent) .....	\$4, 596, 918. 90
Income taxes (26.2 per cent) .....	3, 079, 870. 38
Customs (15.4 per cent) .....	1, 804, 556. 09
United States internal revenues (8.4 per cent) .....	987, 849. 80
Property taxes (3.9 per cent) .....	456, 433. 23
Interest on bank balances (1.6 per cent) .....	189, 930. 53
Registration of documents (1.5 per cent) .....	176, 886. 30
Miscellaneous (3.9 per cent):	
Telegraph and telephone receipts (1.3 per cent) .....	\$152, 340. 20
Fees and fines, insular courts (0.7 per cent) ..	80, 095. 81
Inheritance taxes (0.6 per cent) .....	69, 169. 22
Taxes on insurance premiums (0.4 per cent) ..	49, 813. 38
Harbor and dock fees (0.3 per cent) .....	33, 354. 66
Interest on loans to municipalities (0.3 per cent) .....	31, 610. 99
Rent of government property (0.1 per cent) ..	11, 757. 46
Royalties on franchises (0.1 per cent) .....	8, 535. 29
Miscellaneous income (0.1 per cent) .....	5, 963. 49
Foreign corporation license fees (0.1 per cent) ..	3, 050. 00
Miscellaneous fees (0.1 per cent) .....	1, 403. 00
Interest on earthquake loans (0.1 per cent) ..	846. 10
	447, 939. 60
Total (100 per cent) .....	11, 740, 384. 83

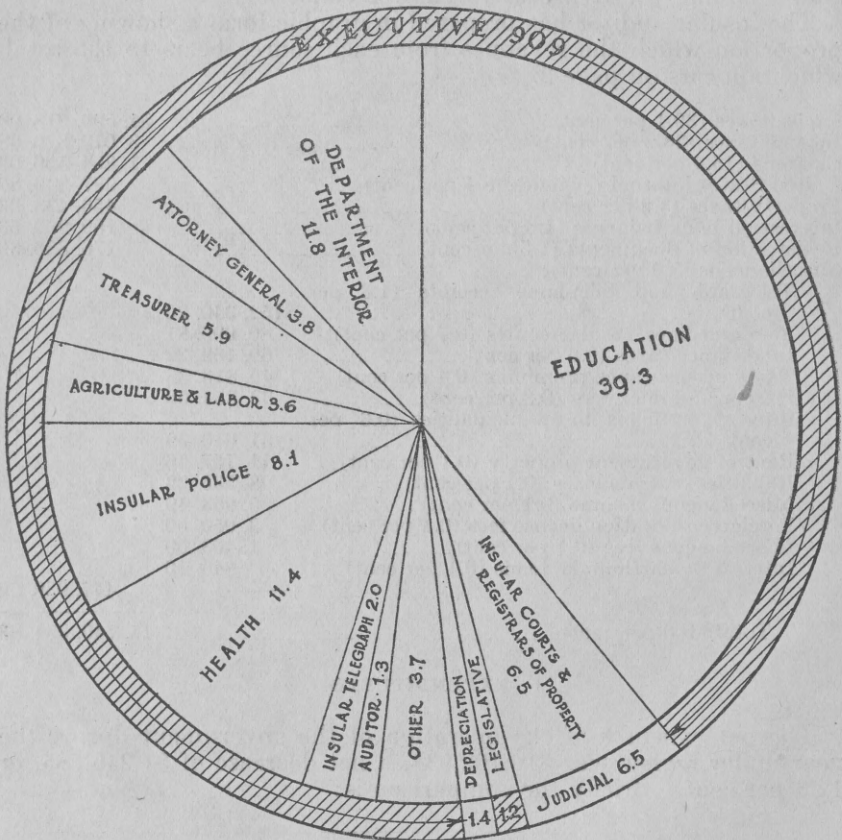
## EXPENDITURES

The net expenses of the operation of the government during the year under review was \$10,102,934, a net decrease of \$1,246,785, or 12.3 per cent. Briefly the comparison is:

	1925-26	1924-25	Difference (increase + or decrease -)
Legislative .....	\$118, 105. 62	\$244, 828. 65	-\$126, 723. 03
Executive .....	9, 187, 434. 03	10, 317, 913. 78	-1, 130, 479. 75
Judicial .....	652, 747. 87	641, 643. 20	+11, 104. 67
Depreciation .....	144, 646. 59	145, 334. 26	-687. 67
Total .....	10, 102, 934. 11	11, 349, 719. 89	-1, 246, 785. 78

The saving in legislative expense is explained by the fact that the regular session occurred during the year 1924-25 and only a short special session was held during the year 1925-26. Of the 20 departments of the government constituting the executive group, 15 show a saving of expenditures amounting to \$1,221,118 and 5 show increases amounting to \$90,639. The increase shown in

GOVERNMENT OF PORTO RICO  
OFFICE OF THE AUDITOR  
NET EXPENSES UNDER INSULAR REVENUE APPROPRIATIONS  
FISCAL YEAR ENDING JUNE 30, 1926



the judicial group was occasioned by an increase in the number of courts and judges and a corresponding increase of activities.

For the fiscal year 1925-26 the ratio of operating expenses to revenue was 86 per cent, while for the previous year it was 133 per cent, the difference being occasioned both by a decrease of operating expense and an increase of revenue.

The operating revenues of the government for the year under review amounted to \$11,740,384. Other items of income, such as bond redemption tax, harbor collections, and sales of government property were received, amounting to \$545,318, thus increasing total revenues to \$12,285,703 from all sources. Against this total income were the government's operating expenses of \$10,102,934, plus direct charges amounting to \$489,962, making a total outlay of \$10,592,896, thus leaving a surplus of \$1,692,807 for the year.

The relationship of the expenses of each department to the total is shown graphically by a chart prepared by the auditor and attached to his report. It may be found on page 4.

Executive (90.9 per cent)-----		\$9, 187, 434. 03
Department of education (39.3 per cent)---	\$3, 973, 014. 16	
Department of the interior (11.8 per cent)---	1, 190, 823. 82	
Department of health (11.4 per cent)-----	1, 149, 295. 71	
Insular police (8.1 per cent)-----	818, 946. 97	
Office of the treasurer (5.9 per cent)-----	596, 507. 07	
Office of the attorney general (3.8 per cent)---	384, 427. 76	
Department of agriculture and labor (3.6 per cent)-----	359, 839. 67	
Bureau of insular telegraph (2 per cent)---	205, 716. 76	
Office of the auditor (1.3 per cent)-----	126, 906. 48	
Other (3.7 per cent)-----		
General miscellaneous (1.1 per cent)-----	\$111, 244. 87	
Office of the executive secretary (0.7 per cent)---	70, 116. 10	
Bureau of supplies (0.6 per cent)-----	60, 749. 83	
Office of the governor (0.4 per cent)-----	40, 968. 73	
Public service commission (0.2 per cent)-----	25, 991. 48	
Translation bureau (0.2 per cent)-----	21, 470. 17	
Carnegie Library (0.2 per cent)-----	19, 944. 38	
Civil Service Commission (0.1 per cent)-----	12, 756. 69	
Government of Culebra (0.1 per cent)-----	8, 529. 94	
Historical archives of Porto Rico (0.1 per cent)-----	7, 487. 62	
Homestead commission---	2, 695. 82	
	<hr/>	381, 955. 63
Judicial (6.5 per cent):		
Insular courts (5.6 per cent)-----	562, 385. 26	
Registrars of property (0.9 per cent)-----	90, 362. 61	
	<hr/>	652, 747. 87
Legislative (1.2 per cent):		
Senate of Porto Rico (0.5 per cent)-----	50, 474. 80	
House of representatives (0.6 per cent)-----	53, 985. 15	
Insular board of elections (0.1 per cent)---	13, 645. 67	
	<hr/>	118, 105. 62
Total, exclusive of depreciation (98.6 per cent)-----		9, 958, 287. 52
Depreciation (1.4 per cent)-----		144, 646. 59
	<hr/>	10, 102, 934. 11
Total (100 per cent)-----		

A clear idea of the results of the year's activities may be shown by examining what use has been made of the taxpayer's dollar. A graphic presentation of the uses to which the revenue dollar was devoted is shown by a chart prepared by the auditor with accompanying data. It will be found on the following page.

Operation of the executive branches (74.8 per cent) -----	\$9, 187, 434. 03
Operation of the legislative branches (0.9 per cent) -----	118, 105. 62
Operation of the judicial branches (5.3 per cent) -----	652, 747. 87
Depreciation (1.2 per cent) -----	144, 646. 59
<hr/>	
Total cost of operation (82.2 per cent) -----	10, 102, 934. 11
Interest on bonded indebtedness (1.5 per cent) -----	187, 560. 25
Departmental accounts payable to bureau of supplies (1.8 per cent) -----	215, 638. 94
Adjustment of previous years and miscellaneous (0.7 per cent) --	86, 762. 89
<hr/>	
Total (86.2 per cent) -----	10, 592, 896. 19
Surplus for fiscal year (13.8 per cent) -----	1, 692, 807. 40
<hr/>	
Total (100 per cent) -----	12, 285, 703. 59
<hr/>	
Detail of "Other":	
Insular telegraph (1.7 per cent) -----	205, 716. 76
Office of the auditor (1 per cent) -----	126, 906. 48
General miscellaneous (0.9 per cent) -----	111, 244. 87
Office of executive secretary (0.6 per cent) -----	70, 116. 10
Bureau of supplies (0.5 per cent) -----	60, 749. 83
Office of the governor (0.3 per cent) -----	40, 968. 73
Public service commission (0.2 per cent) -----	25, 991. 48
Translation bureau (0.2 per cent) -----	21, 470. 17
Carnegie Library (0.2 per cent) -----	19, 944. 38
Civil Service Commission (0.1 per cent) -----	12, 756. 69
Government of Culebra (0.1 per cent) -----	8, 529. 94
Historical archives of Porto Rico -----	7, 487. 62
Homestead commission -----	2, 695. 82
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Total (5.8 per cent) -----	714, 578. 87

#### THE BUDGET

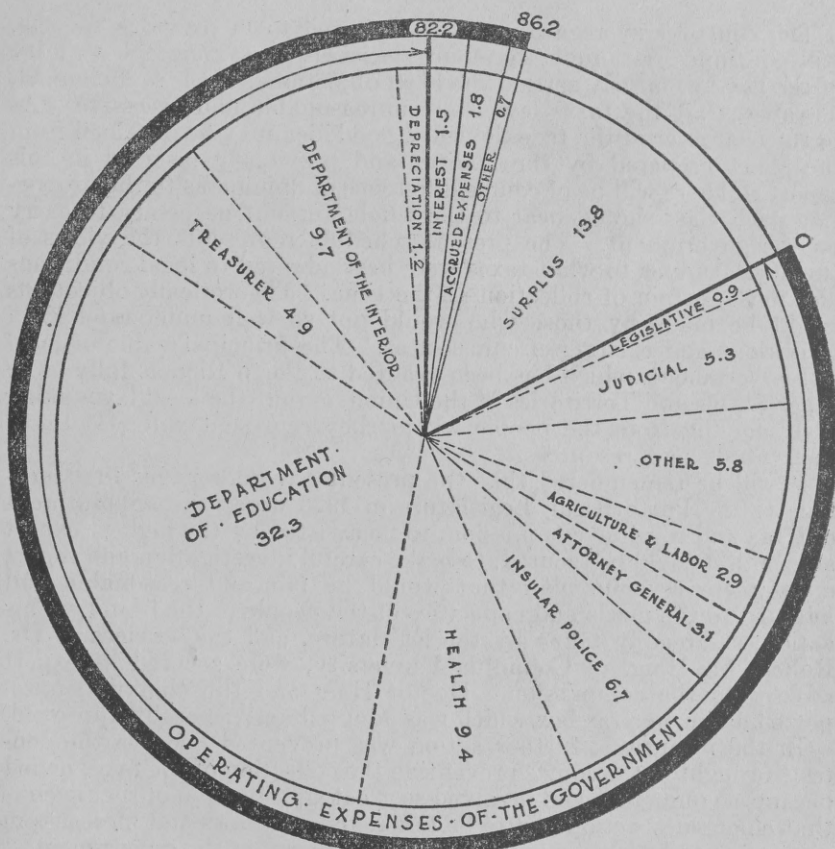
The insular budget under existing law is prepared in advance for two years and is submitted by the governor to the regular biennial session of the legislature. The budget for the fiscal years ending June 30, 1926 and 1927, was submitted to the regular session of the legislature which convened in February, 1925. The estimate of receipts for each year was placed at \$10,500,000. The governor sent to the legislature budgets of expenditures amounting to \$10,283,000, which was \$217,000 below the estimated revenue. The legislature passed budgets amounting to \$10,790,000, or \$290,000 in excess of the estimated revenue. The governor then exercised the power granted by the organic act by vetoing various items of the budgets, reducing the amounts to \$10,417,000, or \$83,000 below the estimated revenue.

Early in the calendar year 1926 the governor had new estimates made of the revenue for the fiscal year beginning July 1, 1926, and ending June 30, 1927. The final estimate made by the treasurer placed the revenue for that year at \$9,500,000, or \$1,000,000 less than the estimate made and acted upon by the legislature the previous year. The reductions made by Congress in the United States internal revenue schedules applicable to Porto Rico and which constituted a part of our insular revenue were reduced over \$400,000.

It was expected that the customs duties would be reduced \$200,000. It was also expected that the 4-cent sugar tax would be removed, amounting to a further reduction of over \$400,000. Other decreases in the revenue were expected according to the treasurer's estimates.

In view of these conditions the governor called a special session of the legislature and strongly recommended a corresponding reduction of the budget, which was \$10,451,000, to an amount below the estimated revenue, which was \$9,500,000.

GOVERNMENT OF PORTO RICO  
OFFICE OF THE AUDITOR  
**THE REVENUE DOLLAR**  
AND HOW IT WAS USED



The legislature met near the close of the fiscal year. It was found by them that at that time the revenues had largely increased above the treasurer's estimates, as shown in the preceding section of this report; that the customs dues instead of falling below the estimate amounted to \$500,000 above it, and that a balance of over \$400,000 was in the treasury. They found that during the year the university need not use \$300,000 of their fund, which they transferred to the

general revenue fund. They refused to repeal the 4-cent sugar tax, and they increased the motor-vehicle tax \$150,000. Under these conditions their estimate of revenue for the year was \$11,230,000, which would indicate a surplus of \$778,869 above the budget-authorized expenditures.

These considerations appeared to the legislature to justify refusing to reduce the budget and to insure full payment of the expenses of the government with a substantial surplus to apply on the reduction of the debt.

Administrative action, however, will bring about reductions of actual expenditures this year, as it did last year, so that every possible economy may be applied and an increased surplus secured.

#### TAXES

The controversy regarding taxes, referred to in previous reports, still continues, although the court decisions sustaining the validity of the law has largely settled the legal objections. It is still claimed, however, that the taxes levied are unreasonable and excessive. As to the character of the taxes levied, a good idea may be obtained from the chart prepared by the auditor and previously inserted in this report. There will be of course difference of opinion as to the proportion each class should bear to the whole amount necessary to carry on the government. The present schedule represents the views of the legislature as to what taxes were best adapted to local conditions and most certain of collection at the time. Theoretically objections might be made by those who would not so well understand local conditions and existing circumstances. The principal value of local self-government, which has been granted to Porto Rico as fully as to other States and Territories of the Union, is that the local lawmaking body coming from the people whom they represent will best know their needs and resources.

It will be remembered that the present governor in his first message to the Porto Rican Legislature in 1923 urged the appointment of a tax and revenue commission, to be assisted by the highest expert advice that could be secured, to make careful investigation and report a complete revenue plan that would be fair and reasonable and adapted to the needs and capacities of the people of the island. This action was readily taken by the legislature, and the services of Dr. Robert M. Haig, of Columbia University, were secured as expert adviser to the commission. Doctor Haig and the commission reported an income tax law which was adopted and generally approved.

In the meantime, further action was prevented because the contests brought in the courts preventing the collection of the taxes levied became so numerous and involved so great a proportion of the revenue that emergency action had to be taken and new laws and increases in existing laws had to be made in order to carry on the government.

It is evident that at present our revenue legislation is of an emergency character and should not be considered as an established and permanent system. It is hoped that as soon as the emergency is passed and the government can be relieved of its temporary burden the work of revising our revenue laws may be again taken up with a view to securing a system of taxation that will be fair to all the people of the island and to all its interests and which at the same time will furnish the government sufficient revenue to carry on

economical administrations in the interest of the people and without extravagance and waste.

Notwithstanding this reasonable and indeed unavoidable attitude of the government there continues to be complaints that taxation is excessive and beyond the resources of the people. I presume that this is to be expected and is generally the case everywhere. But the taxes imposed in Porto Rico are so much lower than in other modern nations or states that the complaints of the taxpayers in this case have little or no justification.

It should be understood that in Porto Rico we have only insular and municipal taxes, while in the States there are imposed many kinds of taxes, National, State, county, township, school, and municipal. In Porto Rico no national taxes are imposed and only what would be State or municipal taxes are paid. All the expenses of government are borne by the people of the island. All customs revenue and United States internal revenue collected here, less the expenses of collection, are paid into the insular instead of the United States Treasury. Porto Rico imposes its own income, excise, inheritance, and property taxes.

For these reasons the taxes imposed measured per capita, or on business, or on property valuations, are much lower than in the States.

The appropriations of the National Government for the present fiscal year are \$4,409,377,000, amounting to a per capita tax of about \$40. None of this amount are Porto Ricans required to pay, although they share to quite an extent in its benefits. In addition to national taxes the people of the United States are required to pay State and local taxes which now amount to \$43 per capita and which increase from year to year. So that the people of the United States now pay National, State, and local taxes each year of over \$83 per capita.

The taxes imposed this last year in Porto Rico were as follows:

Property taxes.....	\$7,031,000
Excise taxes.....	4,596,000
Income tax.....	3,079,000
Inheritance tax.....	69,000
Insurance tax.....	49,000
Total.....	14,824,000

With a population of about 1,400,000, this would mean a per capita tax of \$10.58. If it should be thought justified that other receipts, such as customs dues, United States internal revenue receipts, harbor and dock fees, etc., should be added to the tax collections, the total would be \$18,315,000 and the per capita tax but \$13.08. The property rate of taxation on rural property was on real \$2.19, on personal \$2.09, and on urban property it was on real \$2.25, and on personal \$2.15. The principal items to which the real and personal property taxes were applied were:

Insular share.....	\$457,690
Municipal share.....	2,761,472
Schools.....	317,238
Road loans.....	482,513
Municipal loans.....	1,652,172
Insular loans.....	321,675
University loans.....	631,351
Water power loans.....	245,278

An effort has been made in the foregoing to show what the tax burden really is in Porto Rico and for what purposes it is used, and to show that the taxes imposed, considering the needs of the island for health and sanitation, education, and the reduction of illiteracy, for roads and transportation, agriculture and rural improvement, and all the other necessities of an efficient and economical administration, is neither disproportionate nor excessive.

#### THE INSULAR DEBT

The bonded debt of the insular government at the close of the fiscal year was \$22,954,000. About \$14,000,000 is for general public improvements, for roads, schools, and other public buildings. Over half of the \$14,000,000 is for roads. A program of road extension was planned several years ago to connect all the principal towns of the island with permanent public highways. The only railway on the island is a belt line around the coastal plains near the sea and does not reach the interior mountainous regions. No other means of communication is possible except roads, and the development of the populous interior for communication, transportation, the locating and building of schools, and for other necessary purposes is dependent entirely on the extension of roads to the interior. It was planned to expend about \$1,000,000 each year on this program and to secure the funds by the issuance of bonds. The program as outlined will be completed in about four years.

The other public improvements include the completion of the capitol building, \$750,000; building an insane asylum, \$750,000; a penitentiary, \$750,000; a leper asylum; girls' reform school; hospitals; school buildings, principally in rural sections; and some other necessary public works.

About \$8,000,000 of the bonds issued are for irrigation works and harbor improvements. These bonds are paid principal and interest by a tax on the lands receiving the benefit and by the receipt of harbor dues and do not constitute a burden on the general public.

The insular bond redemption fund at the close of the year amounted to \$1,624,000. During the year bonds were redeemed in the amount of \$153,000, and interest was paid amounting to \$588,000. Taxes were collected in the amount of \$848,000. The net increase of the fund was \$155,000.

At the close of the fiscal year 1924-25, the floating debt of the insular government amounted to \$5,025,000, the causes of which have been fully explained in the governor's report of the year above stated.

The treasurer has been able to pay on this debt during the year the sum of \$1,025,000, thus reducing the debt at the commencement of the current year to \$4,000,000. It is expected to pay \$1,000,000 during the year 1926-27 from surplus revenue, and a large amount from collections of delinquent taxes. The collection of these delinquent taxes will be pressed as urgently as possible.

#### MUNICIPALITIES

The 76 municipalities of Porto Rico exercised their usual municipal powers throughout the year without much complaint except in a few cases. The budgets for 1925-26, including school appropriations,

amounted to \$4,715,000, an increase over the preceding year of \$349,000. The bonded indebtedness increased from \$14,942,000 to \$18,375,000. The increase of \$3,433,000 was in largest part for public works of necessity. Great care is being taken in reducing such loans to the minimum. All such loans must be approved by the executive council. When the preliminary application is made a careful review of the requirements, including sometimes public hearings, a personal investigation by a committee of the council, and an additional investigation as to the financial ability and resources by the auditor is made. No loans can be made by any municipality in excess of 10 per cent of its assessed property valuation. Considerable objection is made by property owners outside the limits of the towns which are the administrative centers of the municipality. A large part of the loans are for waterworks, sewers, electric lights, and other such improvements which while necessary for the towns the benefits are not shared by the rural sections which in many instances bear the greater burden of taxation. This is occasioned by the municipal plan of organization which should be reformed in this and other particulars. The matter is now receiving attention by the economy commission and other associations, and the municipal law will doubtless be amended to cure these defects.

The following are the chief items for which bonds have been issued by the municipalities:

Construction of waterworks.....	\$6,369,000
Construction school buildings, etc.....	3,399,000
Sewerage systems.....	1,669,000
Funded indebtedness.....	1,703,000
Municipal roads.....	1,449,000
Streets and plazas.....	1,188,000
Hospitals.....	827,000
Electric light plants.....	645,000
Markets and slaughterhouses.....	358,000

#### BANKING

The operations of the banks of Porto Rico during the year under review have been on the whole increasingly satisfactory both to the banks and to the people. Two small banks, that were barely maintaining a struggling existence have been placed in the hands of receivers, and their affairs are being settled as rapidly as possible. Their retirement from business was desirable, and has not in the least disturbed business or affected other banks in the island.

The number of banks doing business at the close of the fiscal year was 17, with 30 branches. The aggregate capital, surplus and undivided profits was \$9,543,000, an increase during the year of \$1,547,000. The amount of checking deposits was \$17,953,000, a decrease of \$3,414,000 over the preceding year. The savings deposits were \$12,276,000, an increase of \$1,033,000. The number of checking accounts increased from 23,466 to 25,262; and the number of savings depositors increased from 37,298 to 40,710. The amount of cash on hand increased from \$4,345,000 to \$4,699,000. Loans increased from \$36,000,000 to \$41,708,000, an increase of \$5,124,000. Bank clearings increased from \$211,328,000 in 1925, to \$260,089,000 in 1926, an increase of \$48,761,000.

## EXTERNAL TRADE

The growth of trade between Porto Rico and the United States and with foreign countries is shown in the following table:

	1900	1914	1925	1926
Brought from the United States.....	\$6,952,114	\$32,568,368	\$79,349,618	\$83,046,553
Shipped to the United States.....	3,350,577	34,423,180	84,411,792	88,106,570
Brought from foreign countries.....	3,037,391	3,838,419	11,154,983	12,211,711
Shipped to foreign countries.....	3,261,922	8,679,582	10,407,152	10,618,281
Total.....	16,602,004	79,509,549	185,323,545	193,983,115

The table shows the steady growth of the commerce of Porto Rico. The total external trade in 1900 was only, in round numbers, \$16,000,000. In 1926 it was \$193,000,000, or twelve times greater than at the commencement of American occupancy. The increase from 1925 to 1926 in money value was \$8,659,570, although the price of sugar, our principal product, had declined from an average of 4.66 cents per pound in 1925 to 4.16 in 1926. There was also a decrease in production of over 57,000 short tons, or over 114,000,000 pounds.

The increase in trade of Porto Rico with the United States was from \$11,000,000 in 1900 to \$171,000,000 in 1926.

The increase each year since the "boom years," 1920 and 1921, of the exports from the island to the United States and foreign countries has been steady and is generally indicative of the progress and prosperity of the island.

Total value:	
1923.....	\$82,293,050
1924.....	88,280,540
1925.....	94,818,944
1926.....	98,724,851

The value of purchases of Porto Rico from the United States and foreign countries during the same years was:

Total value:	
1923.....	\$71,944,505
1924.....	89,369,624
1925.....	90,504,601
1926.....	95,258,264

The total amount and value of sugar exported from Porto Rico to the United States and foreign countries is shown in Table No. 10, hereinafter inserted.

The average price of sugar for 1923 was 6.50 cents per pound; for 1924, 6.42 cents; for 1925, 4.66 cents; and for 1926, 4.16 cents. The average for the four years was 5.43 cents per pound.

The amount and value of the coffee exported from Porto Rico is shown in Tables Nos. 14 and 15, hereinafter inserted.

The price received for the last four years shows a marked increase, and is, for 1926, 7.10 cents higher than it was in 1923. The average price for the last year was 26 cents per pound, or a decrease of 2 cents under that of the previous year, while the production was larger than in any year since 1920. The increase in production as compared with last year was nearly 6,000,000 pounds.

The total receipts of customs for Porto Rico was, for the last three years, as follows:

1924	\$1,395,805
1925	1,715,996
1926	2,238,496

The total number of vessels which entered and cleared the ports of Porto Rico during the year was, according to the report of the division of harbors and docks of the department of the interior, 2,771, an increase of 106 over the previous year.

The following tables indicate the relative values and quantities of imports and exports during the fiscal year 1925-26 and previous years:

TABLE NO. 1.—*Merchandise shipped from Porto Rico to the United States and foreign countries*

Years	To the United States	To foreign countries	Total	Years	To the United States	To foreign countries	Total
1901	\$5,581,288	\$3,002,679	\$8,583,967	1918	\$65,514,989	\$8,779,033	\$74,294,022
1910	32,095,645	5,864,574	37,960,219	1919	71,015,351	8,480,689	79,496,040
1911	34,765,409	5,152,958	39,918,367	1920	133,207,608	17,603,941	150,811,449
1912	42,873,401	6,832,012	49,705,413	1921	103,388,227	8,890,348	112,278,575
1913	40,538,623	8,564,942	49,103,565	1922	66,229,771	5,942,800	72,172,571
1914	34,423,180	8,679,582	43,102,762	1923	77,007,257	5,285,793	82,293,050
1915	42,311,920	7,044,987	49,356,907	1924	80,754,975	7,525,565	88,280,540
1916	60,952,768	5,778,805	66,731,573	1925	84,411,792	10,407,152	94,818,944
1917	73,115,224	7,855,693	80,970,917	1926	88,106,570	10,618,281	98,724,851

TABLE NO. 2.—*Merchandise shipped into Porto Rico from the United States and foreign countries*

Years	From the United States	From foreign countries	Total	Years	From the United States	From foreign countries	Total
1901	\$6,965,408	\$1,952,728	\$8,918,136	1918	\$58,945,758	\$4,443,524	\$63,389,282
1910	27,097,654	3,537,201	30,634,855	1919	57,898,085	4,502,275	62,400,360
1911	34,671,958	4,115,039	38,786,997	1920	90,724,259	5,604,275	96,388,534
1912	38,470,963	4,501,928	42,972,891	1921	97,074,399	8,405,304	105,479,703
1913	33,155,005	3,745,057	36,900,062	1922	57,400,028	6,775,121	64,175,149
1914	32,568,368	3,838,419	36,406,787	1923	64,743,462	7,201,043	71,944,505
1915	30,929,831	2,954,465	33,884,296	1924	80,590,021	8,779,603	89,369,624
1916	35,892,515	3,058,641	38,951,156	1925	79,349,618	11,154,983	90,504,601
1917	49,539,249	4,005,975	53,545,224	1926	83,046,553	12,211,711	95,258,264

TABLE NO. 3.—*Merchandise shipped into and from Porto Rico in trade with the United States*

Years	Imports	Exports	Total trade with United States	Years	Imports	Exports	Total trade with United States
1901	\$6,965,408	\$5,581,288	\$12,546,696	1918	\$58,945,758	\$65,514,989	\$124,460,747
1910	27,097,654	32,095,645	59,193,299	1919	57,898,085	71,015,351	128,913,436
1911	34,671,958	34,765,409	69,437,367	1920	90,724,259	133,207,608	223,931,767
1912	38,470,963	42,873,401	81,344,364	1921	97,074,399	103,388,227	200,462,626
1913	33,155,005	40,538,623	73,693,628	1922	57,400,028	66,229,771	123,629,799
1914	32,568,368	34,423,180	66,991,548	1923	64,743,462	77,007,257	141,750,719
1915	30,929,831	42,311,920	73,241,751	1924	80,590,021	80,754,975	161,344,996
1916	35,892,515	60,952,768	96,845,283	1925	79,349,618	84,411,792	163,761,410
1917	49,539,249	73,115,224	122,654,473	1926	83,046,553	88,106,570	171,153,123

TABLE NO. 4.—*Merchandise shipped into and from Porto Rico in trade with foreign countries*

Years	Imports	Exports	Total foreign trade	Years	Imports	Exports	Total foreign trade
1901	\$1,952,728	\$3,002,679	\$4,955,407	1918	\$4,443,524	\$8,779,033	\$13,222,557
1910	3,537,201	5,864,574	9,401,755	1919	4,502,275	8,480,689	12,982,964
1911	4,115,039	5,152,958	9,267,997	1920	5,664,275	17,603,941	23,268,216
1912	4,501,928	6,832,012	11,333,940	1921	8,405,304	8,890,348	17,295,652
1913	3,745,157	8,564,942	12,309,999	1922	6,775,121	5,942,800	12,717,921
1914	3,838,419	8,679,582	12,518,001	1923	7,201,043	5,285,793	12,486,836
1915	2,954,465	7,044,987	9,999,452	1924	8,779,603	7,525,565	16,305,168
1916	3,058,641	5,778,805	8,837,446	1925	11,154,983	10,407,152	21,562,135
1917	4,005,975	7,855,693	11,861,668	1926	12,211,711	10,618,281	22,829,992

TABLE NO. 5.—*Statement showing annual trade balance resulting from the commerce between Porto Rico and other countries*

Year	Imports	Exports	Balance—		Total imports and exports
			In favor of the island	Against the island	
1901	\$8,918,136	\$8,583,967		\$334,169	\$17,502,103
1910	30,634,855	37,960,219	\$7,325,364		68,595,074
1911	38,786,997	39,918,367	1,131,370		78,705,364
1912	42,972,891	49,705,413	6,732,522		92,678,304
1913	36,900,062	49,103,565	12,203,503		86,003,627
1914	36,406,787	43,102,762	6,695,975		79,509,549
1915	33,884,296	49,356,907	15,472,611		83,241,203
1916	38,951,156	66,731,573	27,780,417		105,682,729
1917	53,545,224	80,970,917	27,425,693		134,516,141
1918	63,389,282	74,294,022	10,904,740		137,683,304
1919	62,400,360	79,496,040	17,095,680		141,896,400
1920	96,388,534	150,811,449	54,422,915		247,199,983
1921	105,479,703	112,278,575	6,798,872		217,758,278
1922	64,175,149	72,172,571	7,997,422		136,347,720
1923	71,944,505	82,293,050	10,348,545		154,237,555
1924	89,369,624	88,280,540		1,089,084	177,650,164
1925	90,504,601	94,818,944	4,314,343		185,323,545
1926	95,258,264	98,724,851	3,466,587		193,983,115

TABLE NO. 6.—*Merchandise brought into Porto Rico from the United States during the fiscal year ended June 30, 1926*

Commodities	Unit	Quantity	Value
<b>GROUP 0.—ANIMALS AND ANIMAL PRODUCTS, EXCEPT WOOL AND HAIR</b>			
<b>Animals:</b>			
Cattle	Number	1,503	\$157,622
Other animals			5,919
<b>Meats:</b>			
Hams and shoulders, cured	Pound	6,706,940	1,333,128
Beef and veal, fresh	do	1,992,483	250,041
Pork, pickled	do	8,662,645	1,267,349
Sausages, canned or uncanned	do	1,961,955	447,362
Beef and meats, canned	do	838,153	130,428
Other meats			784,210
Eggs	Dozen	80,956	29,999
<b>Dairy products:</b>			
Milk, condensed or prepared	Pound	3,716,111	532,267
Butter	do	588,454	282,583
Cheese	do	2,709,737	485,217
<b>Fish:</b>			
Smoked, salted, or dry-cured	do	5,264,268	418,866
Salmon, canned	do	858,708	83,951
All other fish	do	15,223,644	1,331,673
Lard and lard compounds	do	13,811,065	2,938,893
Animal oils and fats	do	938,020	167,573
<b>Leather and manufactures of:</b>			
Upper leather	Square foot	703,785	117,641
All other leather	Pound	9,345	4,055
Boots and shoes	Pair	1,680,150	2,998,641
Other leather manufactures			193,116
Fur and other animal products			101,030

TABLE NO. 6.—*Merchandise brought into Porto Rico from the United States during the fiscal year ended June 30, 1926—Continued*

Commodities	Unit	Quantity	Value
<b>GROUP 1.—VEGETABLE FOOD PRODUCTS, OILSEEDS, EXPRESSED OILS AND BEVERAGES</b>			
Grains and preparations of:			
Corn meal and flour	Barrel	93, 285	\$449, 468
Oats	Bushel	270, 280	149, 144
Rice	Pound	169, 707, 597	9, 522, 353
Wheat flour	Barrel	392, 824	2, 902, 122
Bread, biscuits, and crackers	Pound	4, 798, 442	651, 469
Other grains and preparations of			295, 006
Fodders and feeds			700, 126
Vegetables:			
Beans and peas, dried	Bushel	525, 500	2, 017, 742
Potatoes	do	402, 811	641, 468
Onions	do	111, 337	205, 714
Canned vegetables	Pound	2, 268, 042	187, 533
Other vegetables	do	2, 416, 726	189, 714
Fruits:			
Apples	Box	15, 390	47, 147
Other fresh or dried fruits	Pound	1, 266, 852	152, 718
Canned and preserved fruits	do	2, 091, 808	255, 961
	do	150, 158	34, 832
Nuts:			
Oils, expressed:			
Cottonseed oil	do	208, 317	28, 466
Linseed oil	do	921, 382	123, 452
Other vegetable oils and fats	do	1, 677, 896	242, 508
All other food and vegetable products:			
Cocoa and chocolate	do	662, 881	202, 898
Sugar, refined	do	3, 144, 413	176, 822
Confectionery	do	3, 077, 600	533, 182
Beverages and fruit juices	Gallon	408, 051	374, 881
Other vegetable products			72, 408
<b>GROUP 2.—OTHER VEGETABLE PRODUCTS, EXCEPT FIBER AND WOOD</b>			
Rubber manufactures:			
Canvas shoes with rubber soles	Pair	474, 341	312, 426
Auto tires and tubes	Number	106, 571	973, 045
Other rubber manufactures			171, 731
Naval stores: Tar, turpentine, etc.			13, 778
Seeds: Field and vegetable			5, 820
Tobacco and manufactures of:			
Tobacco leaf	Pound	3, 613, 208	833, 289
Cigarettes	Thousand	275, 971	928, 232
Other tobacco manufactures			60, 677
Other vegetable products n. e. s.			69, 001
<b>GROUP 3.—TEXTILES</b>			
Cotton:			
Sewing, crochet, and embroidery	Pound	250, 659	358, 853
Cotton cloth—			
Unbleached	Square yard	11, 862, 151	2, 456, 431
Bleached	do	6, 314, 112	917, 527
Printed	do	4, 202, 743	604, 824
Piece dyed	do	13, 088, 480	2, 327, 014
Yarn	do	6, 285, 304	903, 130
Other cotton fabrics			119, 184
Other cotton clothing—			
Hosiery	Dozen pair	323, 514	544, 806
Cotton knit goods			242, 141
All other			1, 854, 394
Laces and embroideries	Yard	2, 367, 061	134, 677
Other cotton manufactures			2, 014, 845
Fiber:			
Bags of jute	Pound	8, 141, 343	664, 345
Cordage and twines	do	1, 249, 219	185, 553
Other manufactures of vegetable fiber			457, 615
Wool and manufactures of			559, 548
Silk manufactures			401, 645
Other textiles and manufactures of			243, 573
<b>GROUP 4.—WOOD AND PAPER</b>			
Wood and manufactures of:			
Logs and timber	M feet	793	30, 527
Boards, planks, and deals	do	66, 231	2, 137, 896
Box shooks			425, 851
Furniture	Pound	4, 196, 670	839, 792
Other wood and manufactures of			949, 337
Cork	Pound	70, 078	27, 065
Paper:			
Newsprint paper	do	779, 619	34, 029
Wrapping paper	do	7, 158, 070	453, 409
Other paper and manufactures of			776, 172
Books, pictures, and other printed matter			460, 764

TABLE No. 6.—*Merchandise brought into Porto Rico from the United States during the fiscal year ended June 30, 1926—Continued*

Commodities	Unit	Quantity	Value
GROUP 5.—NONMETALLIC MINERALS			
Coal.....	Ton.....	55, 661	\$307, 468
Mineral oils:			
Crude oil.....	Gallon.....	382, 384	13, 892
Gasoline, naphtha, etc.....	do.....	9, 580, 256	1, 243, 985
Illuminating oil.....	do.....	2, 755, 785	455, 488
Gas and fuel oil.....	do.....	8, 399, 424	294, 142
Lubricating oils.....	do.....	1, 144, 975	459, 697
Other petroleum products.....			41, 934
Cement, hydraulic.....	Barrel.....	92, 576	219, 263
Glass:			
Window and plate glass.....	Square foot.....	372, 799	61, 835
Other glassware.....			295, 381
China and porcelain ware.....	Pound.....	517, 645	88, 405
Earthenware and stoneware.....	do.....	6, 545, 367	354, 974
Other clay products.....			88, 918
Other nonmetallic mineral products.....			448, 068
GROUP 6.—METALS AND MANUFACTURES OF, EXCEPT MACHINERY AND VEHICLES			
Iron and steel:			
Iron and steel bars.....	Pound.....	10, 728, 793	256, 793
Galvanized sheets.....	do.....	22, 206, 224	888, 122
Structural forms.....	Ton.....	1, 231	106, 797
Rails for railway and railway track material.....	do.....	3, 535	121, 760
Cast-iron pipe and fittings.....	do.....	9, 200, 185	375, 923
Wire.....	do.....	5, 280, 999	278, 314
Nails.....	do.....	4, 103, 546	161, 711
Cutlery.....	do.....	157, 449	112, 646
Tin and galvanized hollow ware and other ware.....	do.....	3, 082, 567	215, 009
Metal furniture.....			362, 328
Tools.....	Pound.....	467, 850	163, 870
Builder's hardware and other hardware.....	do.....	458, 699	139, 310
Other iron and steel manufactures.....			1, 694, 552
Aluminum manufactures.....	Pound.....	37, 350	23, 060
Copper and copper manufactures.....			192, 462
Brass and bronze manufactures.....			106, 452
Other metals and manufactures.....			231, 184
GROUP 7.—MACHINERY AND VEHICLES			
Steam engines and parts of.....			358, 830
Internal-combustion engines.....			38, 243
Electrical machinery and appliances.....			651, 612
Sugar machinery.....	Pound.....	3, 669, 740	576, 989
Pumps and pumping machinery.....			135, 526
Other machinery and parts, except agricultural.....			772, 476
Agricultural machinery and implements.....			268, 474
Vehicles:			
Motor trucks and busses.....	Number.....	730	741, 084
Passenger automobiles.....	do.....	2, 778	2, 210, 098
Auto parts and accessories.....			466, 746
Bicycles.....	Number.....	672	21, 024
Cars for railways.....	do.....	293	142, 191
Other vehicles and parts of.....			159, 549
GROUP 8.—CHEMICALS AND ALLIED PRODUCTS			
Chemicals:			
Medicinal and pharmaceutical preparations, including tar.....			674, 028
Acids.....	Pound.....	1, 124, 504	41, 651
Other chemicals.....			850, 013
Paints, pigments and varnishes.....			496, 447
Fertilizers:			
Nitrate of soda.....	Ton.....	4, 007	238, 279
Prepared fertilizers.....	do.....	12, 586	422, 373
Other fertilizers.....	do.....	36, 079	1, 390, 620
Sulphate of ammonia.....	do.....	9, 213	511, 890
Explosives.....	Pound.....	76, 538	17, 688
Soap, perfumery, and cosmetics:			
Toilet or fancy soap.....	do.....	565, 652	162, 242
Other soap.....	do.....	16, 893, 255	1, 016, 102
Perfumery, cosmetics, and other toilet preparations.....	do.....	773, 934	363, 962
GROUP 9.—MISCELLANEOUS			
Motion-picture films.....	Foot.....	1, 477, 487	81, 376
Scientific instruments and apparatus.....			83, 646

TABLE No. 6.—*Merchandise brought into Porto Rico from the United States during the fiscal year ended June 30, 1926—Continued*

Commodities	Unit	Quantity	Value
GROUP 9.—MISCELLANEOUS—Continued			
Musical instruments:			
Pianos.....	Number.....	365	\$125,814
Phonographs.....	.....	.....	100,304
Other musical instruments and parts of.....	.....	.....	35,348
Pencils, pens, and penholders.....	Dozen.....	257,073	48,884
Toys.....	.....	.....	223,833
Candles.....	Pound.....	1,943,869	184,033
All other articles.....	.....	.....	829,232
Total value of imports from the United States.....	.....	.....	83,046,553

The value of the importations from the United States this year aggregated \$83,046,553, which represents an increase of \$3,696,935 over the preceding year's figures. Among the principal items of import largely contributing to the above-mentioned increase in the value of the importations, mention may be made of the following: Meats increased by \$144,921; lard and lard compounds by \$525,558, although there was a decrease in quantity of 1,191,660 pounds; grains, and preparations of, represent an increase of \$924,728, rice and wheat flour being the items showing the largest increases, viz, rice, an increase in quantity of 274,633 pounds and in value of \$751,022, and wheat flour, although showing a decrease in quantity of 15,937 pounds, nevertheless it shows an increase in value of \$170,376; tobacco and tobacco manufactures increased by \$563,351, tobacco leaf contributing to said increase by \$187,958 and cigarettes by \$365,721; wood and wood manufactures by \$991,026, the largest increase under this heading being boards, planks, and deals, which represent an increase of \$465,107 in value; vehicles, by \$199,814; and fertilizers, which increased by \$345,500.

Importations of cotton manufactures from the United States decreased by \$281,570; fiber manufactures, by \$272,322; fish, by \$390,397; cast-iron pipes and fittings, by \$600,973; and machinery, by \$211,688. There was also a decrease in the amount of refined sugar of \$159,923 and in quantity of 1,971,541 pounds.

TABLE No. 7.—*Merchandise brought into Porto Rico from foreign countries during the fiscal year ended June 30, 1926*

Commodities	Unit	Quantity	Value
GROUP 0.—ANIMALS AND ANIMAL PRODUCTS, EXCEPT WOOL AND HAIR			
Animals, living:			
Horses.....	Number.....	10	\$3,000
Other animals.....	.....	.....	5,833
Meats:			
Canned meats.....	Pound.....	1,430,619	190,226
Meats, prepared.....	do.....	1,205,757	159,443
Dairy products:			
Condensed or evaporated milk.....	do.....	27,692	3,505
Butter.....	do.....	200,994	148,900
Cheese.....	do.....	1,956,194	389,096
Fish:			
Dried fish—			
Codfish.....	do.....	17,826,016	1,455,676
Herring.....	do.....	666,882	25,265
Hake.....	do.....	206,012	14,605
Other dried fish.....	do.....	2,828,326	207,728

TABLE NO. 7.—*Merchandise brought into Porto Rico from foreign countries during the fiscal year ended June 30, 1926—Continued*

Commodities	Unit	Quantity	Value
<b>GROUP 0.—ANIMALS AND ANIMAL PRODUCTS, EXCEPT WOOL AND HAIR—Continued</b>			
Fish—Continued.			
Fish in oil—			
Sardines.....	Pound.....	145, 159	\$22, 446
All other.....	do.....	52, 014	9, 467
Other fish and fish products.....	do.....	129, 602	15, 616
Hides and skins, except furs.....	do.....	44, 729	4, 811
Leather: Sole leather.....	do.....	39, 693	11, 020
Leather manufactures:			
Boots and shoes.....	Pair.....	3, 749	8, 820
Other leather manufactures.....			6, 525
Other animal products and manufactures.....			1, 483
<b>GROUP 1.—VEGETABLE FOOD PRODUCTS, OILSEEDS, EXPRESSED OILS AND FATS</b>			
Grains and preparations:			
Corn.....	Bushel.....	234, 416	263, 940
Rice, cleaned.....	Pound.....	13, 622, 903	630, 121
Broken rice.....	do.....	869, 045	29, 765
Biscuits.....	do.....	28, 964	13, 578
Macaroni.....	do.....	138, 276	16, 476
Other grains and preparations of.....			31, 122
Fodders and feeds: Oil cake and oil-cake meal.....	Pound.....	864, 646	12, 721
Vegetables:			
Beans and peas, dried.....	do.....	468, 407	18, 687
Potatoes.....	do.....	9, 414, 074	198, 735
Garlics.....	do.....	2, 370, 841	145, 862
Onions.....	do.....	1, 013, 509	15, 779
Other fresh vegetables.....			928
Canned or prepared vegetables, etc.....			29, 404
Fruits and nuts:			
Fruits—			
Olives.....	Pound.....	56, 029	18, 992
Dried fruits.....	do.....	132, 067	20, 389
Preserved or prepared fruits.....	do.....	159, 326	16, 511
Nuts—			
Almonds.....	do.....	10, 725	4, 808
All other.....			11, 929
Vegetable oils and fats:			
Olive oil.....	Pound.....	1, 587, 424	250, 375
Other vegetable oils and fats.....			2, 511
Cocoa, tea, and spices:			
Cocoa and cacao beans.....	Pound.....	136, 976	13, 122
Cocoa or chocolate.....	do.....	28, 153	4, 555
Spices—			
Red pepper or paprika.....	do.....	84, 234	15, 893
All other.....	do.....	45, 200	5, 700
Molasses and confectionery:			
Molasses.....	Gallon.....	2, 773, 786	94, 326
Sugar.....	Pound.....	9, 652	483
Confectionery.....	do.....	134, 968	55, 898
Beverages:			
Mineral waters.....	Gallon.....	10, 196	6, 389
Other beverages.....			8, 016
<b>GROUP 2.—OTHER VEGETABLE PRODUCTS, EXCEPT FIBER AND WOOD</b>			
Rubber manufactures and substitutes.....			63, 060
Crude vegetable drugs and essential oils.....			2, 334
Miscellaneous vegetable products:			
Unstemmed leaf tobacco.....	Pound.....	575, 723	394, 661
Sugar cane.....	Ton.....	218, 000	705, 560
Other vegetable products.....			20, 642
<b>GROUP 3.—TEXTILES</b>			
Cotton:			
Sewing thread, crochet cotton.....			62, 529
All other cotton manufactures.....			18, 419
Jute:			
Plain woven fabrics of jute.....	Pound.....	320, 870	57, 156
Jute bags.....	do.....	12, 068, 484	1, 429, 585
Flax:			
Woven fabrics of flax.....	do.....	181, 144	167, 852
Other flax manufactures.....			4, 729
Other manufactures of vegetable fiber.....			18, 725
Wool and hair, and manufactures of.....			4, 923
Silk and manufactures of.....			5, 026
Miscellaneous vegetable products: Fur hats.....	Number.....	792	2, 351

TABLE NO. 7.—*Merchandise brought into Porto Rico from foreign countries during the fiscal year ended June 30, 1926—Continued*

Commodities	Unit	Quantity	Value
GROUP 4.—WOOD AND PAPER			
Wood:			
Softwood boards.....	M feet.....	352	\$12,307
Cabinet woods.....			53,766
Railroad ties.....	Number.....	251,089	124,986
All other woods.....			4,578
Wood furniture and other wood manufactures.....			15,765
Paper, except printed matter:			
Newsprint paper.....	Pound.....	1,050,487	32,988
Cigarette paper.....	do.....	65,060	17,078
Other paper and paper products.....			16,332
Books and other printed matter.....			29,961
GROUP 5.—NONMETALLIC MINERALS AND PRODUCTS			
Coal and petroleum:			
Charcoal.....			15,814
Crude and fuel oil.....	Gallon.....	30,568,982	1,038,937
Gasoline.....	do.....	3,826,829	503,008
Illuminating oil.....	do.....	2,052,772	257,864
Cement.....	Ton.....	62,921	561,450
Glassware.....			18,094
Clay and clay products.....			12,652
Salt.....	Pound.....	8,391,361	10,530
Other nonmetallic mineral products.....			4,641
GROUP 6.—ORES, METALS, AND MANUFACTURES OF, EXCEPT MACHINERY AND VEHICLES			
Iron and steel:			
Castings and forgings.....	Pound.....	283,805	14,958
Rails and bars for railways.....	do.....	1,204,836	16,223
Tools.....			7,105
Other manufactures of iron and steel.....			53,194
Other metals and manufactures of.....			31,973
GROUP 7.—MACHINERY			
Electrical machinery and apparatus.....			11,150
Other machinery, except agricultural.....			15,609
Agricultural machinery.....			260,774
GROUP 8.—CHEMICALS			
Coal, tar and products of.....	Pound.....	4,941	14,189
Medical and pharmaceutical preparations.....	do.....	81,855	59,044
Other chemicals.....			36,274
Pigments and paints:			
Zinc oxide.....	Pound.....	178,402	21,458
Other pigments and paints.....			2,408
Fertilizers:			
Nitrogenous fertilizers—Sodium nitrate.....	Ton.....	1,544	76,375
Phosphates—Bone phosphates.....	do.....	506	16,933
Potash—			
Potash chloride crude.....	do.....	2,963	95,558
Sulphate of potash, crude.....	do.....	2,926	122,948
Other fertilizers.....	do.....	1,670	70,907
Miscellaneous chemical products:			
Soap—			
Toilet.....	Pound.....	34,009	15,944
Other soap.....			279
Perfumery.....	Pound.....	32,669	21,605
Cosmetics and toilet preparations.....	do.....	9,479	6,991
GROUP 9.—MISCELLANEOUS			
Positive films.....	Linear foot.....	157,043	4,889
Musical instruments.....			5,695
Toys and sporting goods and apparatus.....			8,357
Art works.....			8,605
Matches.....			16,680
Miscellaneous:			
Personal effects.....			10,105
Articles imported under bond for exportation within 6 months.....			21,944
Articles of American manufacture returned.....			755,590
Articles from the Virgin Islands, free.....			50,657
All other articles.....			43,495
Total value of imports from foreign countries.....			12,211,711

The importations from foreign countries this year amounted to \$12,211,711, or an increase over last year of \$1,056,728. The following are the items of import showing the largest increases during the year: Meats increased by \$105,489; codfish, by \$106,202 and in quantity by 3,137,653 pounds; grains and preparations of, by \$789,839, corn representing an increase of \$118,657, and rice of \$656,259 and in quantity of 14,393,585 pounds; vegetables, by \$221,587, potatoes showing the largest increase, i. e., \$189,586 and in quantity of 9,035,173 pounds; jute bags, by \$256,437; cement, by \$175,550; and agricultural machinery, by \$158,391. On the other hand, cotton manufactures decreased by \$125,315; petroleum products, by \$202,134; iron and steel manufactures, by \$105,663; and fertilizers, by \$53,540.

TABLE No. 8.—*Merchandise shipped from Porto Rico to the United States during the fiscal year ended June 30, 1926*

Commodities	Unit	Quantity	Value
Beeswax.....	Pound.....	37, 375	\$10, 457
Coffee:			
Raw.....	do.....	623, 581	170, 062
Other.....	do.....	464	139
Cotton and manufactures of:			
Unmanufactured cotton.....	do.....	498, 730	256, 797
Handkerchiefs.....	Dozen.....	1, 233, 920	1, 233, 920
Wearing apparel for women and children.....	Pound.....	2, 580, 994	6, 744, 861
Wearing apparel for men and boys.....	do.....	8, 741	19, 731
Other cotton manufactures.....	do.....	145, 134	154, 994
Fruits:			
Grapefruit.....	Box.....	809, 038	2, 479, 487
Oranges.....	do.....	453, 709	1, 196, 430
Pineapples.....	Crate.....	506, 415	1, 533, 373
Other fruits.....	Pound.....	332, 397	14, 350
Prepared fruits:			
Canned grapefruit.....	do.....	6, 348, 020	605, 666
Canned pineapples.....	do.....	1, 806, 574	162, 099
Other fruits prepared.....	do.....	15, 965	3, 092
Nuts:			
Coconuts.....	M.....	18, 000	611, 977
Copra.....	Pound.....	91, 680	4, 912
Hides and skins:			
Cattle hides and skins.....	do.....	403, 357	44, 533
Other hides and skins.....	do.....	81, 464	36, 426
Honey.....	do.....	1, 970, 573	127, 895
Manganese ore.....	Ton.....	2, 608	78, 508
Perfumery and cosmetics:			
Bay oil.....	Pound.....	9, 547	18, 550
Bay rum.....	Gallon.....	1, 132	1, 632
Seeds:			
Annato.....	Pound.....	212, 154	17, 583
Other.....	do.....	51, 786	6, 681
Roots and plants:			
Ginger root.....	do.....	84, 597	5, 612
Other.....	do.....	50, 055	5, 953
Denatured alcohol.....	Gallon.....	418, 586	186, 320
Straw and manufactures of:			
Hats.....	Dozen.....	59, 565	237, 783
Baskets.....	do.....	218	2, 792
Other manufactures of.....	Pound.....	22, 358	6, 847
Sugar and molasses:			
Sugar, raw.....	do.....	1, 157, 210, 705	48, 201, 883
Molasses.....	Gallon.....	23, 802, 778	1, 107, 884
Tobacco and manufactures of:			
Unstemmed leaf tobacco.....	Pound.....	4, 178, 252	1, 920, 254
Stemmed leaf tobacco.....	do.....	16, 335, 342	11, 204, 389
Scraps, stems, etc.....	do.....	4, 007, 491	820, 248
Cigars and cheroots.....	M.....	214, 546	7, 196, 365
Cigarettes.....	do.....	3, 820	35, 527
Vegetables.....	Pound.....	1, 214, 159	77, 523
Wood and manufactures of:			
Unmanufactured wood.....	do.....	42, 047	4, 046
Manufactures of.....	do.....	3, 676	2, 009
Miscellaneous products:			
Artificial flowers.....	do.....	9, 421	11, 584
Fresh fish.....	do.....	42, 301	14, 574
Buttons.....	do.....	27, 619	113, 023

TABLE No. 8.—*Merchandise shipped from Porto Rico to the United States during the fiscal year ended June 30, 1926—Continued*

Commodities	Unit	Quantity	Value
Miscellaneous products.—Continued.			
Crude cottonseed oil.....	Pound.....	122, 897	\$12, 121
All other articles.....	do.....	38, 441	36, 777
Total value of products of Porto Rico.....			86, 737, 669
Value of American goods returned.....			1, 363, 683
Value of foreign merchandise reexported to the United States.....			5, 218
Total value of shipments to the United States.....			88, 106, 570

The value of the exportations to the United States this year exceeded that of the previous year by \$3,694,778. Although the value of the exportations of sugar to the United States, our largest item of export, show a considerable decrease this year, the loss sustained is somewhat compensated by the improvement made in other items of export. The exportations of coffee show an increase of \$103,328 and in quantity of 362,859 pounds. Cotton and cotton manufactures increased by \$2,462,131, wearing apparel for women and children representing an increase of \$1,815,424. The increase in fruits over last year was \$1,708,833, in manufactures of straw, \$146,395, and in tobacco and tobacco manufactures, \$4,138,147, or \$4,107,300 in unmanufactured and \$30,847 in manufactured; while the exportations of raw sugar show a falling off of \$5,038,597, and an increase in quantity of 14,438,631 pounds. Molasses decreased by \$206,667 and the quantity increased by 2,482,029 gallons; and denatured alcohol decreased by \$47,816 and in quantity by 105,932 gallons.

TABLE No. 9.—*Merchandise shipped from Porto Rico to foreign countries during the fiscal year ended June 30, 1926*

Commodities	Unit	Quantity	Value
GROUP 0.—ANIMALS AND ANIMAL PRODUCTS, EXCEPT WOOL AND HAIR			
Animals:			
Horses.....	Number.....	17	\$11, 595
Other living animals.....			7, 374
Meats:			
Pork and beef, fresh or cured.....	Pound.....	57, 887	8, 129
Hams and shoulders, cured.....	do.....	60, 023	16, 528
Bacon.....	do.....	59, 860	8, 806
Pickled pork.....	do.....	95, 305	13, 729
Sausages, canned or uncanned.....	do.....	47, 917	11, 999
Other meats and meat products.....	do.....	45, 799	6, 681
Eggs in the shell.....	Dozen.....	4, 853	2, 204
Dairy products:			
Milk, condensed or prepared.....	Pound.....	52, 090	6, 489
Butter.....	do.....	27, 470	12, 756
Cheese.....	do.....	40, 716	11, 152
Fish:			
Salmon, canned.....	do.....	111, 636	11, 689
Salted and dry-cured fish.....	do.....	273, 256	23, 481
Other fish and fish products.....			7, 872
Animal and fish oils, fats, and greases:			
Tallow, inedible.....	Pound.....	217, 774	23, 492
Lard.....	do.....	1, 216, 736	180, 146
Lard compounds and substitutes.....	do.....	248, 087	34, 987
Oleomargarine and other animal fats.....	do.....	34, 397	6, 822
Hides and skins:			
Leather, cattle, lamb, etc.....	Square feet.....	76, 013	14, 160
Other leather.....			2, 374
Leather manufactures:			
Boots and shoes—			
For men and boys.....	Pair.....	27, 671	72, 890
For women and children.....	do.....	114, 805	162, 019
Other leather manufactures.....			9, 945
Other miscellaneous animal products.....			1, 359

TABLE No. 9.—*Merchandise shipped from Porto Rico to foreign countries during the fiscal year ended June 30, 1926—Continued*

Commodities	Unit	Quantity	Value
<b>GROUP 1.—VEGETABLE FOOD PRODUCTS, OILSEEDS, EXPRESSED OILS, AND BEVERAGES</b>			
Grains and preparations of:			
Corn.....	Bushel.....	5, 672	\$8, 113
Cornmeal and flour.....	Barrel.....	7, 161	35, 956
Oats.....	Bushel.....	1, 632	1, 264
Oatmeal.....	Pound.....	28, 420	1, 672
Rice.....	do.....	221, 677	12, 592
Rye flour.....	Barrel.....	410	2, 585
Wheat flour.....	do.....	15, 224	130, 879
Bread and biscuits.....	Pound.....	82, 203	12, 267
Macaroni.....	do.....	86, 947	7, 066
Other grains and preparations of.....			1, 883
Fodders and feeds.....			12, 944
Vegetables:			
Beans and peas, dried.....	Bushel.....	2, 787	13, 016
Potatoes.....	do.....	5, 991	11, 628
Onions.....	do.....	19, 555	4, 659
Other fresh vegetables.....	Pound.....	36, 135	3, 540
Other vegetable preparations.....			10, 597
Fruits and nuts:			
Fresh fruits—			
Grapefruit.....	Box.....	828	2, 636
Oranges.....	do.....	723	1, 270
Pineapples.....	Crate.....	295	800
Other fresh fruits.....			3, 052
Canned and prepared fruits.....	Pound.....	57, 542	7, 585
Nuts—			
Peanuts.....	do.....	10, 665	993
Other nuts (coconuts).....	do.....	533, 937	14, 012
Oilseeds and vegetable oils and fats:			
Refined cottonseed oil.....	do.....	19, 992	2, 925
Other oils and fats.....			2, 236
Cocoa, coffee, and spices:			
Cocoa and chocolate.....	Pound.....	92, 364	15, 632
Coffee, raw.....	do.....	12, 969, 042	3, 588, 831
Other coffee.....	do.....	2, 143	616
Spices.....	do.....	1, 645	416
Sugar, molasses, and confectionery:			
Sugar.....	do.....	410, 483	21, 375
Confectionery.....	do.....	89, 265	13, 846
Molasses and sirups.....	Gallon.....	405, 990	28, 341
Beverages.....			6, 308
<b>GROUP 2.—OTHER VEGETABLE PRODUCTS, EXCEPT FIBER AND WOOD</b>			
Rubber:			
Rubber footwear.....	Pair.....	37, 532	28, 694
Tires and tubes.....	Number.....	1, 240	8, 426
Other rubber manufactures.....			3, 577
Naval stores and resins.....			18, 122
Crude drugs, essential oils and dyeing material.....			1, 792
Seeds for sowing.....			952
Tobacco manufactures:			
Cigarettes.....	M.....	6, 442	19, 390
Other tobacco manufactures.....			6, 873
Cornstarch and other miscellaneous vegetable products.....			7, 887
<b>GROUP 3.—TEXTILES</b>			
Cotton:			
Cotton cloth—			
Unbleached cotton duck and cloth.....	Square yard.....	129, 913	18, 590
Bleached cotton duck and cloth.....	do.....	265, 825	45, 947
Printed cotton cloth.....	do.....	821, 027	143, 462
Dyed-piece cotton cloth.....	do.....	509, 254	130, 153
Yarn or stock dyed cotton cloth.....	do.....	280, 849	56, 540
Cotton blankets.....	Pound.....	18, 786	12, 563
Other cotton fabrics.....			1, 852
Cotton wearing apparel:			
Hosiery.....	Dozen.....	20, 042	41, 490
Wearing apparel for men, women, and children.....			108, 389
All other cotton manufactures.....			33, 013
Jute and flax, and manufactures of:			
Bags of jute.....	Pound.....	486, 711	31, 875
Straw hats.....	Number.....	52, 216	15, 530
Other manufactures of vegetable fibers.....			32, 931
Wool and manufactures of.....			20, 821
Silk and manufactures of.....			22, 170
Miscellaneous textile products:			
Hats, except of straw.....	Number.....	6, 733	3, 976
All other manufactures of.....			7, 688

TABLE NO. 9.—*Merchandise shipped from Porto Rico to foreign countries during the fiscal year ended June 30, 1926—Continued*

Commodities	Unit	Quantity	Value
GROUP 4.—WOOD AND PAPER			
Unmanufactured or partly manufactured wood:			
Wood, timber, and logs.....			\$3, 525
Southern yellow-pine rough boards.....	M feet.....	364	15, 046
Southern yellow-pine dressed boards.....	do.....	472	22, 999
Other lumber.....			2, 317
Wood manufactures.....			36, 327
Paper, except printed matter:			
Newsprint paper.....	Pound.....	24, 278	1, 827
Wrapping paper.....	do.....	63, 474	4, 931
Other paper and paper products.....			19, 045
Books and other printed matter.....			9, 176
GROUP 5.—NONMETALLIC MINERAL PRODUCTS			
Coal and petroleum products:			
Crude petroleum.....	Gallon.....	190, 000	9, 500
Bituminous coal and coke.....	Ton.....	221	2, 151
Gasoline.....	Gallon.....	2, 953, 135	698, 039
Illuminating oil.....	do.....	53, 602	11, 894
Lubricating oils and greases.....	Pound.....	23, 155	7, 178
Paraffin wax.....	do.....	532, 070	32, 197
Stone, cement, and plasters:			
Cement.....	Barrel.....	928	2, 778
Lime and plasters.....	do.....	10, 149	15, 715
Glassware.....			7, 676
Clay products.....			9, 412
Other nonmetallic mineral products:			
Salt.....	Pound.....	116, 520	681
All other.....			1, 825
GROUP 6.—ORES, METALS AND MANUFACTURES OF, EXCEPT MACHINERY AND VEHICLES			
Iron and steel:			
Iron and steel bars.....	Pound.....	522, 486	12, 240
Iron and steel galvanized sheets.....	do.....	441, 879	19, 223
Enameled householdware.....			7, 867
Metal furniture.....			11, 085
Other manufactures of iron and steel.....			130, 860
All other metals and manufactures of.....			15, 520
GROUP 7.—MACHINERY AND VEHICLES			
Power generating machinery, except electrical.....			
Electric machinery and apparatus.....			30, 906
Sugar mill machinery.....	Pound.....	422, 419	3, 778
All other machinery and parts, except agricultural.....			52, 680
Agricultural machinery.....			40, 777
Vehicles:			
Motor trucks, except electric.....	Number.....	45	4, 246
Passenger cars.....	do.....	129	71, 744
Other vehicles and parts of.....			94, 799
			25, 525
GROUP 8.—CHEMICALS AND ALLIED PRODUCTS			
Medical and pharmaceutical preparations.....			
			9, 093
Other chemicals:			
Pure or denatured alcohol.....	Gallon.....	56, 658	14, 477
All other chemicals.....			6, 805
Pigments, paints, and varnishes.....			
			14, 477
Miscellaneous chemical products:			
Toilet preparations, including toilet soap.....			6, 805
Laundry soap and all other soap.....	Pound.....	724, 281	12, 676
All other chemical products.....			51, 144
			371
GROUP 9.—MISCELLANEOUS			
Motion-picture films.....			
	Linear foot.....	3, 398, 134	49, 772
Scientific instruments and apparatus.....			1, 954
Musical instruments.....			1, 277
Miscellaneous office supplies.....			2, 337
Toys and athletic and sporting goods.....			22, 169
All other articles.....			59, 240
Total value of direct shipments to foreign countries.....			
			7, 171, 061
Value of foreign merchandise reexported.....			
			135, 461
Coffee exported to foreign countries via New York.....	Pound.....	12, 737, 536	3, 311, 759
Total value of exports to foreign countries.....			
			10, 618, 281

Our exportations to foreign countries this year show an increase of \$211,129 over the figures of the previous year. The exportations of animal and fish oils, fats, and greases increased by \$111,358 over last year, lard representing an increase of \$97,320; coffee increased in quantity by 2,186,726 pounds and in value by \$392,469; cotton goods represent an increase of \$90,955, and gasoline of \$149,777 and in quantity of 1,142,933 gallons; while, on the other hand, iron and steel manufactures decreased by \$498,043, grains and preparations of by \$59,721, leather manufactures by \$50,236, and tobacco and tobacco manufactures by \$25,439.

TABLE No. 10.—*Sugar exports*

Fiscal year	Short tons	Value	Average price per ton	Fiscal year	Short tons	Value	Average price per ton
1901-----	68,909	\$4,715,611	\$68.43	1918-----	336,788	\$41,362,229	\$122.81
1910-----	284,522	23,545,922	82.75	1919-----	351,910	48,132,419	136.77
1911-----	322,919	24,479,346	75.81	1920-----	419,388	98,923,750	235.88
1912-----	367,145	31,544,063	85.92	1921-----	409,407	72,440,924	176.94
1913-----	382,700	26,619,158	69.55	1922-----	469,859	40,820,333	86.86
1914-----	320,633	20,240,333	63.12	1923-----	355,423	46,207,276	130.01
1915-----	294,475	27,278,754	92.64	1924-----	372,041	47,838,687	128.58
1916-----	424,955	45,809,445	107.79	1925-----	571,559	53,261,895	93.20
1917-----	488,943	54,015,903	110.47	1926-----	578,811	48,223,258	83.30

The total exportations of sugar this year amounted to 578,811 short tons, valued at \$48,223,258, of which 578,605½ short tons, valued at \$48,201,883, were shipped to the United States and the remainder, 205½ short tons, with a value of \$21,375, were shipped to foreign countries. Although there was an increase in quantity of 7,252 short tons over the preceding year, the total value of the exportations decreased by \$5,038,637, which represents a decline of \$9.90 per ton.

TABLE No. 11.—*Cigars*

Fiscal year	Withdrawn for consumption	Withdrawn for export	Total output	Fiscal year	Withdrawn for consumption	Withdrawn for export	Total output
1907-----	74,698,430	132,669,823	207,368,253	1917-----	-----	210,399,365	-----
1908-----	76,983,830	103,781,719	180,765,549	1918-----	106,646,685	181,779,519	288,426,204
1909-----	84,933,260	140,302,271	225,235,531	1919-----	94,334,802	149,124,690	243,459,492
1910-----	92,700,160	151,724,438	244,424,598	1920-----	98,023,748	223,316,450	321,340,198
1911-----	101,064,495	174,743,098	275,807,593	1921-----	105,728,125	152,323,916	258,052,041
1912-----	111,682,615	169,765,656	281,448,271	1922-----	77,513,408	140,504,000	218,017,408
1913-----	119,038,300	165,768,512	284,806,812	1923-----	75,017,877	184,625,596	259,643,473
1914-----	112,711,543	150,363,991	263,075,534	1924-----	75,928,681	175,289,000	251,217,681
1915-----	101,423,083	174,275,407	275,698,490	1925-----	70,019,209	196,560,000	266,579,209
1916-----	109,130,296	159,248,855	268,379,151	1926-----	108,576,901	214,546,000	323,122,901

<sup>1</sup> Treasury figures.

TABLE No. 12.—Cigarettes

Fiscal year	Withdrawn for consumption	Withdrawn for export	Total output	Fiscal year	Withdrawn for consumption	Withdrawn for export	Total output
1907	347,722,000	10,460,000	358,182,000	1917		9,571,250	
1908	354,467,900	11,232,424	365,640,324	1918	340,077,040	6,439,600	346,516,640
1909	365,525,500	11,244,500	376,770,000	1919	426,582,000	20,111,600	446,693,600
1910	393,844,300	13,142,000	406,986,300	1920	576,424,970	5,123,850	581,548,820
1911	459,710,045	11,760,000	471,470,045	1921	411,716,960	5,738,000	417,454,960
1912	532,431,000	11,293,350	543,724,350	1922	434,652,520	2,056,000	436,708,520
1913	464,861,210	18,907,600	473,768,810	1923	417,306,900	2,996,500	420,303,400
1914	376,695,120	16,195,000	382,890,120	1924	461,134,100	7,734,000	468,868,100
1915	339,080,165	112,020,750	351,100,915	1925	410,101,820	14,006,000	424,107,820
1916	308,025,865	111,785,430	319,811,295	1926	365,260,320	10,262,000	375,522,320

<sup>1</sup> Treasury figures.

TABLE No. 13.—Tobacco leaf and scrap exported

Fiscal year	Pounds	Value	Fiscal year	Pounds	Value
1907	4,344,659	\$1,232,058	1917	9,408,723	\$3,850,670
1908	8,402,286	1,996,055	1918	17,196,323	8,982,130
1909	4,539,320	1,250,237	1919	17,859,559	8,420,583
1910	4,176,172	1,258,317	1920	20,507,565	13,416,388
1911	4,450,012	1,554,783	1921	14,667,932	13,568,249
1912	5,456,751	2,320,130	1922	22,452,588	9,002,767
1913	8,536,776	3,188,227	1923	19,911,979	19,647,063
1914	9,244,490	3,206,610	1924	23,343,048	13,142,136
1915	9,285,353	3,204,423	1925	22,957,569	9,870,076
1916	8,084,914	3,033,149	1926	24,521,085	13,944,891

<sup>1</sup> Treasury figures.

The value of the exportations of tobacco and tobacco manufactures to the United States and foreign countries this year aggregated \$21,203,046, of which amount \$21,176,783 went to the United States and the remainder \$26,263 to foreign countries, the total value representing an increase over last year's figures of \$4,112,708. The quantity of tobacco leaf and scrap exported to both the United States and foreign countries show an increase over that of last year of 1,563,516 pounds and in value of \$4,074,815; the number of cigars exported increased by 17,986,000 and in value by \$90,857; while cigarettes decreased in number by 3,744,000 and in value by \$53,731.

TABLE No. 14.—Coffee exports

Fiscal year	Pounds	Value	Average price	Fiscal year	Pounds	Value	Average price
1901	12,157,240	\$1,678,765	\$0.137	1918	37,618,631	\$5,505,316	\$0.146
1910	45,209,792	5,669,602	.125	1919	27,897,771	6,065,573	.217
1911	33,937,021	4,992,779	.147	1920	32,776,754	9,034,028	.276
1912	40,146,365	6,754,913	.168	1921	26,731,648	5,352,924	.200
1913	49,774,197	8,511,316	.171	1922	23,402,127	4,316,859	.141
1914	50,211,947	8,193,544	.163	1923	16,821,939	3,188,002	.189
1915	51,125,620	7,082,791	.138	1924	21,859,215	4,595,811	.210
1916	32,144,283	5,049,283	.157	1925	23,781,007	6,574,983	.280
1917	39,615,146	5,892,081	.149	1926	26,330,159	7,070,652	.260

TABLE No. 15.—*Coffee exports, by countries, during the fiscal years ending June 30, 1924, to June 30, 1926*

Countries	1924		1925		1926	
	Quantity	Value	Quantity	Value	Quantity	Value
United States	318,086	\$71,158	261,155	\$66,862	623,581	\$170,062
Europe:						
Belgium	177,689	36,986	190,936	53,391	227,194	59,070
Denmark	33,070	6,945	11,125	3,070	97,546	25,362
France	954,112	206,541	465,161	130,604	409,495	106,135
Germany	1,647,051	353,734	4,581,818	1,273,395	5,030,549	1,308,263
Gibraltar	62,686	13,164	99,593	27,512	61,847	16,080
Italy	2,472,398	519,377	2,552,190	705,232	3,688,325	958,964
Netherlands	607,157	131,701	925,425	259,424	1,568,587	409,258
Spain	2,531,726	571,136	2,392,642	661,593	3,264,186	962,953
Sweden	193,979	40,739	360,893	100,178	417,537	108,560
England	5,153	1,082	250	75	7,813	2,033
Switzerland			10,141	2,900		
Finland					58,108	15,108
Austria					27,016	7,024
Czechoslovakia					75,502	19,630
North America:						
Cuba	12,514,062	2,560,679	11,454,050	3,153,698	10,467,245	2,819,144
Virgin Islands	12,117	2,382	8,437	2,277	23,354	5,461
Dutch West Indies			54,333	16,090	10,244	3,330
British West Indies	1,000	220	13,715	4,097	100	26
Dominican Republic	288,460	71,333	248,972	72,299	28,316	8,475
South America: Argentina	15,522	3,260	93,793	26,292	129,358	33,634
Africa:						
Morocco	13,229	2,838	31,556	8,946	44,714	12,866
Canary Islands	2,348	568	6,634	1,895	6,843	1,982
Spanish Africa	9,370	1,968	18,188	5,153	62,699	17,232
Total	21,859,215	4,595,811	23,781,007	6,574,983	26,330,159	7,070,652

NOTE.—Value of coffee shipped via New York to foreign countries also included.

As will be seen in the above tables, the total exportations of coffee from Porto Rico this year aggregated 26,330,159 pounds, with a value of \$7,070,652, from which amount 25,706,578 pounds, valued at \$6,900,590, were shipped to foreign countries, and the remainder, 623,581 pounds, with a value of \$170,062, to the United States, the total exportations representing an increase over last year's figures of 2,549,152 pounds and in value of \$495,669. There was a decline in the average price per pound of 2 cents.

TABLE No. 16.—*Value of fruit exports*

Fiscal year	Oranges	Pineapples	Canned pineapples and others	Coconuts	Grapefruit	Other fruits	Total
1901	\$84,475	(1)	(1)	\$3,334	(1)	\$16,992	\$109,801
1910	582,716	\$555,044	\$106,587	218,870	\$162,749	9,851	1,635,817
1911	703,969	641,291	149,744	258,168	309,698	11,123	2,073,995
1912	534,414	684,774	258,671	308,883	525,048	15,972	2,377,762
1913	740,091	1,142,348	147,564	353,690	726,811	10,415	3,120,919
1914	752,180	1,246,001	175,534	451,882	751,769	23,537	3,400,903
1915	378,181	1,723,863	84,735	410,378	834,440	9,660	3,441,157
1916	790,797	1,176,406	122,876	413,573	837,014	14,619	3,355,285
1917	1,009,737	916,415	139,765	438,564	939,677	18,411	3,459,569
1918	1,231,551	617,496	75,216	572,600	1,120,330	11,021	3,628,214
1919	770,203	458,675	148,662	757,649	739,106	24,185	2,988,580
1920	833,575	479,461	99,172	1,142,412	1,332,742	13,568	3,890,930
1921	447,426	574,640	99,247	690,895	2,019,557	4,389	3,836,154
1922	926,329	600,514	112,909	489,657	1,102,020	115,314	3,346,743
1923	1,750,641	726,091	691,737	583,931	1,384,201	17,689	5,154,290
1924	474,429	811,925	477,028	616,484	2,000,721	59,642	4,440,229
1925	839,906	1,046,503	528,799	720,189	1,757,235	30,897	4,923,029
1926	1,197,700	1,534,173	778,442	625,989	2,482,123	17,402	6,635,829

<sup>1</sup> Shipments included under "Other fruits."

The total value of fruit exports to both the United States and foreign countries this year was \$6,635,829, or an increase over the figures for last year of \$1,712,800. The exportations of oranges show an increase of \$357,794; pineapples, of \$487,670; canned pineapples and others, of \$249,643; grapefruit, of \$724,888. The only two items showing decreases were coconuts, of \$94,200, and other fruits, of \$12,995.

TABLE NO. 17.—Statement by countries of value of merchandise brought into Porto Rico from the United States and foreign countries for the past five years ending June 30, 1926

Countries	Shipped into Porto Rico				
	1922	1923	1924	1925	1926
United States.....	\$57,400,028	\$64,743,462	\$80,590,021	\$79,349,618	\$83,046,553
Europe:					
Austria.....	3,079	12,365	19,137	11,493	13,310
Belgium.....	27,425	42,706	425,567	109,254	80,050
Czechoslovakia.....	597	2,843	1,304	4,423	5,007
Denmark.....	172,838	345,697	660,921	541,619	732,287
France.....	223,731	197,636	134,099	139,824	215,534
Germany.....	218,661	256,240	290,941	474,305	563,438
Italy.....	38,025	32,127	37,420	40,188	56,749
Hungary.....	54	-----	1,499	156	-----
Netherlands.....	258,089	282,042	440,268	537,610	685,204
Norway.....	2,388	4,351	4,320	21,741	3,609
Portugal.....	-----	-----	252	10	2,532
Spain.....	774,727	674,191	631,694	767,575	1,149,020
Sweden.....	54,551	17,138	30,595	11,504	-----
Switzerland.....	6,626	3,972	4,746	5,312	6,771
Turkey in Europe.....	-----	-----	71	-----	-----
United Kingdom.....	325,603	531,388	565,949	750,797	780,029
Gibraltar.....	-----	3,264	-----	48	-----
Rumania.....	-----	328	-----	-----	2,937
Latvia.....	-----	347	-----	459	-----
Irish Free State.....	-----	-----	-----	1,269	12,682
Poland and Danzig.....	-----	-----	-----	1,733	2,291
Finland.....	-----	-----	-----	142	202
Ukraine.....	-----	-----	-----	346	-----
Russia in Europe.....	-----	-----	-----	-----	286
North America:					
Canada.....	1,286,953	1,134,332	847,481	881,810	853,319
Panama.....	16,760	4,251	3,154	1,465	1,840
Mexico.....	425,843	514,582	534,148	770,481	767,226
Newfoundland.....	208,016	269,719	499,051	665,221	732,499
West Indies—					
Cuba.....	148,790	136,541	78,198	437,477	505,286
British.....	35,294	92,061	146,822	171,509	294,037
Jamaica.....	4,316	-----	-----	-----	-----
Dominican Republic.....	555,969	561,259	911,689	1,570,276	1,845,055
Dutch.....	915,920	993,493	1,464,700	1,688,836	864,564
French.....	1,264	841	689	13,312	2,122
Haiti.....	3,439	16,527	12,757	18,936	37,419
Virgin Islands.....	89,234	185,533	95,266	65,927	84,650
South America:					
Argentine Republic.....	7,078	8,807	37,856	46,011	45,202
Chile.....	88,000	131,616	87,244	1,456	76,800
Colombia.....	614	949	5,345	537	-----
Peru.....	1,448	-----	-----	-----	-----
Ecuador.....	2,247	615	-----	-----	-----
Uruguay.....	328,460	311,401	280,267	171,535	279,032
Venezuela.....	126,824	78,812	40,049	72,903	28,665
British Guiana.....	-----	-----	1,139	-----	889
Nicaragua.....	-----	-----	1,755	19	337
Guatemala.....	-----	-----	-----	-----	101
Costa Rica.....	-----	-----	-----	-----	168
Asia:					
China.....	-----	-----	-----	-----	1,000
British India.....	385,674	330,248	471,511	1,145,224	1,425,077
Japan.....	-----	2,076	3,313	1,922	14,187
Palestine, Syria.....	-----	831	-----	30	-----
Philippine Islands.....	-----	185	-----	-----	31
Siam.....	-----	-----	-----	-----	250
Egypt.....	-----	-----	-----	-----	1,935
Africa:					
British South Africa.....	256	-----	-----	-----	-----
Canary Islands.....	36,028	19,729	8,386	10,288	8,073
Total.....	64,175,149	71,944,505	89,369,624	90,504,601	95,258,264

TABLE NO. 18.—Statement by countries of value of merchandise exported from Porto Rico to the United States and foreign countries for the past five years ending June 30, 1926

Countries	Shipped into Porto Rico				
	1922	1923	1924	1925	1926
United States	\$66,229,771	\$77,007,257	\$80,754,975	\$84,411,792	\$88,106,570
Europe:					
Belgium	35,172	6,714	37,011	54,591	60,140
Denmark			6,945	5,756	25,362
France	320,466	7,586	205,910	131,747	106,135
Germany	37,310	8,402	369,491	1,274,605	1,308,263
Italy	13,041		519,377	705,387	958,964
Gibraltar	1,736		13,164	29,142	16,080
Netherlands	13,896	388	132,989	288,284	409,258
Spain	1,085,309	772,841	589,034	694,196	1,004,339
Norway	1,882			100	
Sweden	32,856	3,600	40,739	103,078	108,560
United Kingdom	10,563	76	1,082	19,075	2,093
Finland					15,108
Austria					7,024
Czechoslovakia					19,630
North America:					
Canada	2,879		30,582		
Panama	3,857	1,580	1,038	645	
West Indies—					
British	25,979	31,559	82,515	105,529	109,331
Cuba	2,870,977	2,503,333	2,736,492	3,282,942	2,910,937
Virgin Islands	376,047	464,559	610,274	726,224	812,949
Dutch	306,336	461,184	678,982	710,552	362,850
French	2,552	1,301	1,833	2,062	2,432
Haiti	1,342	447	3,411	21,931	68,185
Dominican Republic	773,406	881,259	1,269,835	1,927,879	1,994,096
Mexico	21				
Honduras				385	
South America:					
Colombia	1,000	2,400	210	367	1,402
Argentine Republic		2,125	3,269	26,292	33,634
Venezuela	20,660	83,081	144,582	279,643	113,738
Dutch Guiana			7,000		
Bolivia				161	
Africa:					
Canary Islands	5,513	9,931	1,802	2,480	2,182
Morocco		3,949	2,838	8,946	12,866
Spanish Africa			1,968	5,153	17,262
<b>Total</b>	<b>72,172,571</b>	<b>82,253,472</b>	<b>88,247,339</b>	<b>94,818,944</b>	<b>98,589,390</b>

NOTE.—Value, foreign merchandise reexported (1926), \$135,461. Value of coffee shipped via New York to foreign countries also included.

TABLE NO. 19.—Exports of sugar, cigars and coffee

Fiscal year	Sugar	Cigars	Coffee	Fiscal year	Sugar	Cigars	Coffee
1901	\$4,715,611	\$306,115	\$1,678,765	1918	\$41,362,229	\$7,134,693	\$5,505,316
1910	23,545,922	4,488,030	5,669,602	1919	48,132,419	6,657,522	6,065,573
1911	24,479,346	5,355,223	4,992,779	1920	98,923,750		9,034,028
1912	31,544,063	5,086,711	6,754,913	1921	72,440,924	8,103,601	5,352,924
1913	26,619,158	5,800,686	8,511,316	1922	40,820,333	6,279,054	4,316,859
1914	20,240,335	5,597,276	8,193,544	1923	46,207,276	6,911,510	3,188,002
1915	27,278,764	6,016,122	7,082,791	1924	47,838,687	5,460,119	4,595,811
1916	45,809,445	5,531,535	5,049,283	1925	53,261,895	7,105,508	6,574,983
1917	54,015,903	7,843,010	5,892,081	1926	48,223,258	7,196,365	7,070,652

TABLE NO. 20.—Summary by years

Fiscal year	Imports	Exports	Total	Fiscal year	Imports	Exports	Total
1901	\$8,918,136	\$8,583,967	\$17,502,103	1918	\$63,389,282	\$74,294,022	\$137,683,304
1910	30,634,855	37,960,219	68,595,074	1919	62,400,360	79,496,040	141,896,400
1911	38,786,997	39,918,367	78,705,364	1920	96,388,534	150,811,449	247,199,983
1912	42,972,891	49,705,413	92,678,304	1921	105,479,703	112,278,575	217,758,278
1913	36,900,062	49,103,565	86,003,627	1922	64,175,149	72,172,571	136,347,720
1914	36,406,787	43,102,762	79,509,549	1923	71,944,505	82,293,050	154,237,555
1915	33,884,296	49,356,907	83,241,203	1924	89,369,624	88,280,540	177,650,164
1916	38,951,156	66,731,573	105,682,729	1925	90,504,601	94,818,944	185,323,545
1917	53,545,224	80,970,917	134,516,141	1926	95,258,264	98,724,851	193,983,115

## AGRICULTURE

The year under review was in some respects the best ever known in the island. While sugar prices have been lower even than they were the preceding year, there was a very large production. The colonos, or small producers of sugar, have had a hard year and very few of them have been able to make any profits as a result of the year's work. The tobacco, coffee, and fruit situation has been exceptionally good. The progress of cotton growing has been a prominent feature of the year. So that, in spite of the marked sugar depression, the total exports of our four main agricultural products have increased over the preceding three years.

The following table will show the record of the last four years:

	1922-23	1923-24	1924-25	1925-26
Sugar.....	\$46,176,202	\$48,939,202	\$53,240,480	\$48,201,883
Tobacco and its products.....	16,379,467	18,666,756	17,038,642	21,176,783
Coffee.....	2,780,912	4,595,811	6,579,567	7,062,714
Fruits (excluding coconuts).....	4,424,795	3,887,339	4,349,879	5,994,464
	69,761,376	76,089,109	81,208,568	82,435,844

A comparison of the 1925-26 crop with the average of the three preceding years shows marked increases in tobacco, coffee, and fruits values, and a slight decrease in sugar.

Crop	Average three previous years	1925-26	Increase or decrease
Sugar.....	\$49,451,961	\$48,201,883	<i>Per cent</i> -2.53
Tobacco and its products.....	17,361,621	21,176,783	21.96
Coffee.....	4,652,197	7,062,714	52.34
Fruits.....	4,221,771	5,994,464	41.93

*Sugar.*—With especial reference to sugar production and prices, the commissioner of agriculture in his report states that the average price during the year was the lowest since 1914. The amount exported during the year was 578,605 tons, the total amount received was \$48,201,000, the average price was 4.17 cents per pound. Had it not been for increased production and field improvements many factories would have failed because of the low price. Increased production with the same acreage results in lowering the cost of production. The small planter has extreme difficulty to operate at a profit with such a low price. For these reasons the commissioner strongly recommends diversified planting rather than to maintain a one-crop system.

The low price of sugar is doubtless owing to an excess of world production. It is doubtful if Cuba's efforts to limit production will cause a diminished total product. A slight increase in price may be expected for the coming year, but it will be slight.

The amount of sugar exported from Porto Rico is not the limit of its production. While the amount exported was 578,605 tons, the total amount produced during the year was 603,187 tons; the differ-

ence, 24,582 tons, was consumed or retained on the island. The crop of the preceding year, 660,003 tons, was the largest ever produced in Porto Rico.

The commissioner reports that experience and observation in the island have shown that the amount of the crop is dependent on four factors: (1) Rainfall, (2) acreage, (3) prevalence of pests and diseases, (4) varietal selection. For many years factors (1) and (2) only were operative. In 1915 the third factor appeared, the mosaic disease. This serious epidemic caused great losses and resulted in careful investigation and the introduction of new varieties from all over the world to resist this and other diseases. This led to the application of the fourth factor, varietal selection.

Last year all the factors were favorable and operative, and the result was the greatest sugar crop ever produced. Especially were the reports from the sugar managers emphatic as to the value of immune and high-sucrose varieties. The present crop would have been as large as the preceding one had there not been a marked decrease in the rainfall during the year. The careful selection of immune and high-sucrose varieties was responsible for the great yield in spite of the decreased rainfall.

The average crops from 1915 to 1919, a five-year period, were about the same as that from 1920 to 1924. The crops of 1925 and 1926, however, show a marked increase, as follows:

Years 1915 to 1919, 5-year average.....	tons..	438, 591
Years 1920 to 1924, 5-year average.....	do...	441, 994
Crops of 1925-26, average.....	do...	631, 621
Increase over preceding 10-year average.....	per cent..	43.42

The increase was 162,948 tons, and the value at the average price was an increase of \$13,035,000.

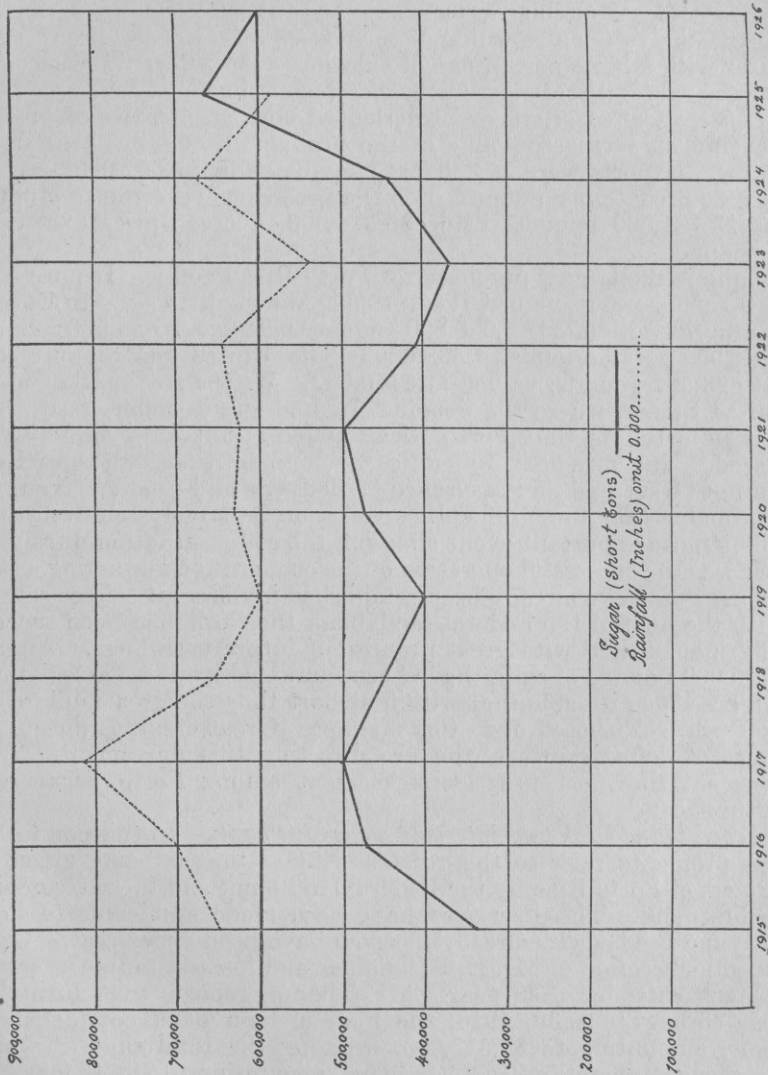
The chart which follows shows clearly that the production curve follows very closely the rainfall curve up to 1924. But in the 1925 crop the varietal improvement became operative, and the production curve for the first time is higher than the rainfall curve.

*Insular experiment station.*—This activity of the government is constantly increasing in importance and efficiency. This is particularly true with regard to cane growing. Direct cooperation with the growers has been established and experiments on an enlarged scale are carried on upon the plantations. Fertilizer experiments on four of the largest cane plantations have already been instituted. Variety tests on a large scale are carried on on several large plantations, and seedling tests on others. The number will be more than doubled during the current year.

*Sugar refinery.*—A new and the first large refinery has been successfully put in operation near Ponce. It uses the so-called "Suchar process," and the product so far placed on the market, 120,000 bags of 100 pounds each, has been sold on the market at top prices. It is as good as the best refined sugar known. Other refineries are in contemplation, and Porto Rico as a sugar-refining island as well as a sugar-producing island is regarded as a probability.

*Tobacco.*—The tobacco producers enjoyed the most prosperous year in the history of the island. Not only was the crop the largest ever produced, but it sold for the highest price ever paid for Porto Rican tobacco, with the exception of the "boom year," 1920. The average price paid was about 38 cents per pound, while some lots

were sold as high as 46 cents per pound. The crop produced was over 35,000,000 pounds. Exports amounted to 24,521,000 pounds, bringing in New York \$13,944,000, or about 56 cents per pound; while the exports the previous year amounted to only 22,721,000 pounds, and the amount received was \$9,837,000, or about 43 cents per pound.



Cigars exported were a slight increase, \$7,196,000 in 1925-26, and \$7,105,000 in 1924-25.

The department has increased its work in the tobacco interest materially during the year. The services of a tobacco specialist were secured. The demonstration farms were centers of activity.

Seed beds and seed selection were emphasized. A most important investigation was conducted by the fertilizer laboratory in connection with tobacco fertilizers. A careful study and analysis was made of all the tobacco fertilizers placed on the market. It was found that one brand largely sold contained a large amount of chlorine, ranging from 4.72 per cent to 10.40 per cent. More than 1 per cent is greatly injurious to the crop, and it was found that this brand had been largely sold. A circular letter was sent to the tobacco growers, stating the analysis, and warning of the consequences of the use of a fertilizer with a large percentage of chlorine. The effort was successful and the sale of the dangerous brand was stopped.

*Coffee.*—Coffee producers experienced both an increase of production and an increased value of the product during the year under review. Exports were 26,330,000 pounds, value \$7,062,000, average price 26.8 cents per pound. For the preceding year the production was 23,781,000 pounds, value \$6,574,000, average price 28.9 cents per pound.

Cuba is the largest purchaser of Porto Rican coffee. It purchased 10,467,000 pounds, valued at \$2,819,000, during the year. In Europe, Hamburg purchased 5,030,000 pounds; Italy, 3,688,000; Spain, 3,264,000; Netherlands, 1,568,000. The United States purchased but 623,581 pounds, valued at \$170,062. With a free market in the United States, where the demand for high-grade coffee is so great, it is unfortunate that Porto Rican coffee is not more largely purchased. The principal difficulties seem to be that large purchases can not be secured and assurance of delivery and quality given. It is probable that these difficulties will soon be largely removed.

The most important event affecting the coffee situation during the year was the successful operation of the cooperative marketing associations. Six have already been established in different coffee sections. With the help of the Federal land bank the work has been successfully inaugurated with great promise of future usefulness. Already 4,700,000 pounds of coffee have been marketed by these associations, and it seems probable that within a short time the great bulk of the crop will be disposed of in this manner. Great credit is due to the group of coffee growers who are directing this movement. They represent the most progressive element among Porto Rican agriculturists.

*Federal land bank and intermediate credits bank.*—In this connection it is proper to refer to the great assistance that is being given the farmers of Porto Rico by the Federal land bank and the intermediate credits bank. These services have been made applicable to Porto Rico and the benefits already received have been very great. Under the able direction of Mr. E. B. Thomas and his assistants the service is being extended each year. Mr. Thomas reports that during the year ending June 30, 1926, the Federal land bank completed 827 loans, amounting to \$2,517,000, bringing the total since the bank commenced operations to 2,945 loans, amounting to \$8,846,000. On that date, 595 applications, amounting to \$1,859,000, were pending.

The Federal intermediate credit bank extended crop credits to several cooperative associations for their members. The total amount so far was about \$600,000. Loans on warehouse receipts of harvested crops amounted to \$400,000. The prospects are that this service will be considerably extended.

*Visit to Colombia.*—At the earnest request of the Colombian Government, Commissioner Chardon, head of the Porto Rican department of agriculture, visited that country, remaining two months to make a survey of the agricultural interests of that Government and advise the betterment of agricultural operations. The principal field of his operations was in the Central Andean Cordillera. It was not only a helpful visit to the Colombian Government, but was also of great benefit to the agricultural interests of Porto Rico. The region visited included a large part of the most advanced and improved coffee-producing lands in the world. The coffee plantations in the Medellin region are highly cultivated and are very productive. Coffee there receives as much cultural care as cane, tobacco, and fruits receive in Porto Rico. Seed is selected from the most fruitful trees, the young trees receive the most careful attention, and most important of all, coffee pruning is universally used. The trees are not allowed free growth as here, but are cut back to 5 or 6 feet, so that the trees develop an extensive lateral system of branches. The result is that the plantations in Colombia produce an average of 810 pounds of coffee per acre, while the production in Porto Rico is barely 195 pounds. This system, if adopted, will be of great value to Porto Rico. The coffee interest is of such great importance in Porto Rico that coffee growers can not afford to allow neglect and outgrown methods to retard its progress to the fullest development.

*Fruits.*—During the year under review the following fruit exports to the United States, not including coconuts, were reported:

	Boxes	Value
Grapefruits.....	809, 038	\$2, 479, 437
Oranges.....	463, 709	1, 196, 430
Pineapples.....	506, 415	1, 533, 373
Other fruits.....		14, 350
Total.....	1, 779, 162	5, 223, 640

The following canned fruits were also exported:

	Pounds	Value
Grapefruit.....	6, 348, 020	\$605, 666
Pineapples.....	1, 806, 574	162, 099
Other fruits.....	15, 685	3, 059
Total.....	8, 170, 259	770, 824

The total value of fresh and canned fruit exported to the United States, coconuts not included, amounted to \$5,994,000, the highest amount ever received.

The year was probably the best the grapefruit industry ever enjoyed. The crop was early on the market and received top prices. Oranges did not show much increase, although the price was good. The pineapple production was unusually large and promises large increases. Prices were also satisfactory.

Greater interest is being developed in the fruit industry as the markets are improving and the prices are increasing. The fruit growers, are, as a rule, progressive and alive to their best interests,

and with improved methods of growing and marketing the industry may now be said to rest on a secure foundation.

Coconut plantations are found on the low-lying, sandy plains of our coastal regions. The amount exported during the year was \$611,977. The export figure remains practically the same, for there is little increase of acreage, there is little fluctuation in price, and the crop is little subject to climatic changes. A coconut farm is considered as a permanent and a valuable investment.

*Cotton.*—Cotton growing in Porto Rico was begun and continued during the Civil War. But when cotton growing was reestablished in the Southern States it became unprofitable in Porto Rico. Soon after the American occupation sea-island cotton was planted and has continued to be more or less cultivated ever since. The earliest export record was made in 1907-8, when 203,053 pounds were sent abroad. The amount produced during the year under review was 4,726,000 pounds. So that cotton growing has become one of our important agricultural interests. Over 11,000 acres were planted, and the acreage will be considerably increased the current year.

*Other crops.*—The production of vegetables for the northern market was considerably increased during the year. Tomatoes, peppers, eggplants, and cucumbers were advantageously marketed in the States. Large tracts of land will probably be planted for that purpose during the present year. Even for domestic consumption the island does not supply its own people. Thousands of dollars are paid to import rice, beans, corn, and other vegetables which can be successfully grown on the island. Of potatoes alone 570,919 bushels are annually imported, while potatoes enough to supply all the needs of the island, with a surplus besides, can be easily and profitably grown. Corn production is increasing now rapidly, but is still insufficient to supply the local demand. Bananas, plantains, yautias, sweet potatoes, yams, pigeon peas, and other valuable vegetables are successfully grown, and the production can be indefinitely increased.

*Livestock.*—The increase in number and the improvement in breeding continues each year. Dairy herds are increasing and the demand for good milk at remunerative prices increases annually. The department has taken especial interest in the improvement in the quality of the stock, and the work carried on and assistance rendered by the experiment station and on the demonstration farms are being extended and are increasingly appreciated. The 6 farms will soon be increased to 10 and the service will be correspondingly extended. There are thousands of acres of land where the elephant and Guatemala grasses could be successfully grown, especially in the mountainous interior, which would enable the owners to secure good returns where practically nothing is now received. Forage grasses also may be greatly improved. The molasses grass seems to thrive in barren, hilly places, and would supply feed for large numbers of cattle.

*Diversified farming.*—The great agricultural need in Porto Rico, the department asserts, is diversified farming. Eighty-four per cent of the exports of Porto Rico are farm products. A bad year, or low prices, such as the present price of sugar, means depression in a one-crop system. In the production of these principal crops, sugar, tobacco, coffee, and fruit, the one-crop system prevails; so that the producer who can not secure the needed return on his one crop is quickly distressed. Over 31 per cent of our imports are agricultural

products, or their derivatives, and most of them could be produced in Porto Rico. This amount, \$30,754,000, is lost to Porto Rican producers in their own market by a failure to produce them at home. This could be done without perceptible loss in the amount of production of our four principal money producers.

Besides, with the one-crop system the employment of labor is seasonal, and during parts of the year thousands of laborers are unemployed. The growing of additional crops would help to solve our labor problem.

*Forestry.*—Great progress in the work of conserving forest reserves and in extending forest planting has been made under the stimulus of this department. The program of work as outlined is stated: (1) Extensive reforestation, involving many experimental plantations of trial species; (2) stressing forestry education through the schools and by means of publications and direct personal appeal; (3) the extension of forestry to privately owned nonagricultural lands; (4) the proper administration, protection, and development of the insular forests; (5) the extension of insular forests on primary watersheds; (6) to carry on investigations for the proper utilization of forest products.

The total area of lands under administration is approximately 59,000 acres, 44,000 acres of which belong to the insular government and 15,000 acres is a national forest reserve. Only 434,766 trees were distributed by the department during the year, a reduction of over 100,000 compared with the previous year. This was occasioned by weather conditions and lack of water for the nursery.

The introduction of new and valuable trees has continued throughout the year. Many are of considerable economic importance, and tests are being made as to their adaptability to our climate and soil. Over 400 chaulmoogra trees, the tree from which is obtained the oil used in the treatment of leprosy, were set out in the new leper colony. Others will be planted during the current year. Experiments are being made of the growing of the cinchona tree, from which quinine is obtained, which so far seem promising. Other experiments along these lines are being conducted by this service.

#### LABOR

The bureau of labor is at present under the superintendence of the commissioner of agriculture and labor. While the unfavorable conditions hitherto reported still exist, there has been some improvement and little complaint during the year. The underlying causes are low wages and unemployment. Never during the American occupancy have wages been higher or unemployment less than during the year under review, while the general condition of the laborers and their families since the American occupancy has been infinitely better than it was under Spanish rule. But improvement is very slow and present conditions are far from satisfactory.

The causes can not be summed up in a word. They are many, and they extend far back in the past. With a population of nearly 400 to the square mile, the density of the population long ago provided an excessive supply of labor, for the growth of population far exceeded the development of industry. With a population also whose interests were almost exclusively agricultural the labor demand

was necessarily limited to the cultivation of the soil. Besides, in all its special products, sugar, tobacco, coffee, and fruits, the demand for labor was seasonal, and long periods of unemployment resulted. Special conditions have prevented so far a more complete industrialization of the island. There were apparently only two products which could be profitably manufactured on a large scale, sugar and tobacco. The island has no fuel, no coal, no oil, and its waterpower is very limited.

Under these circumstances it can be readily seen that the problem of finding employment for the increasing number of laborers in the island is a most difficult one. With the demand for work far greater than the supply of work, low wages would seem to be the natural and inevitable result. As long as there are more laborers than there is work, so that the laborer is seeking work, rather than the employer is seeking the worker, it is difficult to maintain a fair and reasonable wage scale.

The condition of laborers on the sugar plantations has been far from satisfactory. The large and more progressive centrals have built laborers' colonies, where simple but clean and sanitary homes are provided. This good example has not been generally followed. In some instances the laborers are compelled to live in houses and under conditions distressing and disgraceful. The average price paid sugar laborers when employed seems to be about \$1.04 per day. The highest seems to be \$1.50 and the lowest \$0.72. These wages are very low, as can be seen. The explanation given is the low price of sugar during the year, which is the lowest for years. Yet, it must be admitted that generally speaking the scale of wages is too low.

In the coffee plantations, the old, half-day working system still prevails during the growing season, and the workers are paid 60 cents per day. During the picking season, work is generally paid on the amount of berries picked, and the wages range considerably higher. Still, in spite of increased coffee production and very high prices, the wages of the laborers have shown little increase. A crop-sharing arrangement between the owner and the laborers is recommended by the commissioner. As greater and more intensive cultivation is desirable, and the pruning system is strongly recommended, with these changes and improvements more work and, it is hoped, better wages may be secured.

On the tobacco plantations the wages paid have shown no increase, in spite of the fact that during the year under review the tobacco prices received were the highest in the last four years. Low wages here as elsewhere can only be explained by the overabundance of labor in the tobacco-growing regions.

Labor on the fruit farms enjoys better conditions. Generally the laborer is furnished a house in which to live and an acre or so of ground to cultivate. The laborer agrees to work at low wages whenever needed. In the fruit-canning industry women are employed for the most part, and the average price paid is about 75 to 80 cents per day. Expert workers can earn much more.

The needlework industry has increased materially during the year. Exports of such products reached \$8,153,000, as compared with \$5,705,000 the preceding year. It gave employment to over 40,000 women, and although the amount paid is small it helps in feeding

and clothing the family. Much of the work is done at home. It is thought that this industry will continue to grow.

In the building and construction trades wages are better and are fairly well maintained. Bricklayers in San Juan receive \$3.50 per day; carpenters a little less; unskilled labor from \$1 to \$2 per day.

In the tobacco factories wages continue low in spite of the high prices received for the product.

Remedies for unemployment and low wages would seem to be difficult to determine and still more difficult to apply. There is hope for better conditions that will at least partially alleviate the situation. If employers would agree to share with their laborers in increases of profits which they receive upon an agreed minimum, that would largely reduce discontent. Laborers generally understand the situation, and can adjust themselves to it if they believe they are being treated fairly. It is to know that they are not to have any share in their employers' prosperity that is to them disheartening. In some cases where the system has been adopted good results have followed.

There has been an increase in small industries and these will continue to increase. There would be a large increase in labor demand if the commissioner's recommendations regarding the diversification of the farming interests were adopted. There is much waste land that can be utilized and some swamp lands that can be reclaimed. All this will increase the demand for labor.

Emigration of laborers requires the most careful consideration. It is evident there will be a continued increase in the demand for labor in the United States, now that immigration has been so materially reduced. When proper conditions can be obtained and better wages received in the United States, there would appear no good reason why laborers who can not secure work here should not seek it there. Still, such emigration can not be forced and should not be too strongly induced. It should be encouraged only when it is reasonably sure that better results can be obtained from going than from remaining.

#### WORKMEN'S RELIEF COMMISSION

The first workmen's relief act in Porto Rico went into effect in the year 1916. It was optional, and applied to such employers only as employed five or more laborers. Its administration was given to a commission. It accomplished little, but established a policy which has been of great benefit to the island. In 1918 a new law was passed. It was compulsory and enlarged the jurisdiction. It excluded farm laborers with some exceptions. The constitutionality of the law was attacked by the employers, but the law was finally sustained by the United States Circuit Court of Appeals at Boston. Later amendments were passed liberalizing the law and making it more generally applicable, especially extending its benefits to all laborers engaged in agriculture. The law was almost constantly attacked in the courts, but was usually sustained. There was general refusal among the larger employers to submit to the law, which caused the commission great embarrassment for lack of funds. In 1925 the law was materially amended, which greatly simplified and strengthened it and

gave it much greater economic power. The commission was also reorganized. This act became operative September 2, 1925.

During the year the commission held 184 meetings and also held 42 public hearings.

The number of cases pending settlement September 2, 1925, was 12,465. Vouchers issued for payment amounted to \$161,449, but there were hardly any funds available for payment. An intensive campaign was made to collect the amounts due, with the result that the receipts for the year exceeded those of the previous year \$121,232. The rates applying to different industries have been revised and generally reduced. It is the purpose of the commission to still further reduce rates.

The budget appropriation for the commission was reduced from \$116,380 to \$102,343, a saving of \$15,570. The administrative expenses for the year were 18 per cent of the total sum expended by the commission.

Nearly all the large employers of labor that were refusing to come under the operation of the act have now arranged to come under its provisions.

At the beginning of the fiscal year there were 9,303 claims pending decision; there were 15,418 claims filed during the year; a total for consideration of 24,721 cases.

Of these, 15,220 were decided, leaving 9,501 cases pending settlement.

During the year 3,618 new declaration sheets were filed, covering wages amounting to \$3,324,312.

At the close of the fiscal year the number of insured employers was 15,032. The total income for the year was \$641,513. The administrative expenses were \$112,343; compensation paid, \$296,875; medical attendance, \$96,177; hospital service, \$84,876; medicines, \$17,585; miscellaneous, \$12,836.

Particularly in Porto Rico, while there has been much experimentation in legislation, the final results of the State insurance system would seem to justify its existence and continuance.

#### MEDIATION AND CONCILIATION COMMISSION

The mediation and conciliation commission of Porto Rico is composed of a chairman, and two members representing the employers, and two members representing the laborers. It was created in 1919 and has been in active work ever since.

The work of the year as reported by the commission has been beneficial and effective. Twenty-two disputes between employers and laborers are reported. In 18 of these cases the commission intervened and satisfactory settlements secured. The others were settled before the commission had intervened.

The cases where real strikes resulted were only nine in number. The number of workmen affected was usually small. In most cases settlements were made satisfactory to both parties. The influence of the commission has been in most cases salutary. The number of disputes satisfactorily settled was 17; total number of laborers involved, 1,916; number of unsuccessful strikes, 3; strikes the result of which was not reported, 2; settled without intervention, 4; conferences held with employers and laborers, 13.

## EDUCATION

The department of education during the fiscal year under review has labored under great embarrassment. The amount made available for its expenditures during the year was reduced from \$4,580,000, appropriated the previous year, to \$4,070,000. As the general budget was lowered because of an anticipated reduction of the revenue, which is elsewhere explained in this report, a corresponding reduction was thought necessary in the budgetary expenditures for each department. As education was the largest item in the budget, it suffered the largest reduction. This necessitated a general reduction of the program of school extension, so greatly desired and so greatly needed, and also an actual reduction of the established activities of the department. The municipalities aided to the extent of their abilities in assisting with funds, but still the progress of the work planned had to be greatly curtailed. To the commissioner of education and to all his assistants great praise is due for the good spirit and skillful manner in which the difficulties were met. The record of the year under these conditions is certainly commendable for the entire administrative and teaching force of the department.

The schools of Porto Rico were conducted during the year in 2,281 school buildings representing 4,445 different classrooms. Of these, 905 are owned by the people, and 1,376 were rented. As to their character they range from old dilapidated houses to thoroughly modern and beautiful buildings. During the year 25 new buildings have been completed in the urban zone and 120 in the rural. Fifty-three buildings are in course of construction; and 62 new sites have been acquired, 6 in urban and 56 in rural districts.

In publicly supported schools there were employed 4,478 teachers, of whom 1,257 were men and 3,221 women; 184 were from the United States and 4,294 from Porto Rico.

The total enrollment of pupils in the public schools was 213,641. There were 6,369 who attended private schools. The number of children of legal school age was 438,743. The number of compulsory school age was 209,220.

There were in the service 45 supervisors and 33 assistant supervisors; 13,751 visits were made by them to urban schools, and 16,428 to rural schools.

The legal school year consists of 10 school months of 20 days each. After withdrawing legal holidays there remain 190 days.

Material conditions in the rural zones improved greatly during the year. Rural schoolrooms provided by municipalities increased from 678 to 881. Consolidation of rural schools is increasing and one-room rural schools are not established except in exceptional cases. Of the buildings provided during the year, the increase in one-room buildings was 5 per cent, of two-room buildings 75 per cent, of three-room buildings 25 per cent, and of four-room buildings 15 per cent.

The qualifications of teachers are slowly improving. The department requires all applicants for rural schools to have at least an eighth-grade school diploma. In 1923 eighth-grade teachers exceeded in number twelfth-grade or better 78. In 1926 twelfth-grade teachers exceeded eighth-grade 217.

Two recommendations for the improvement of the rural school system are made by the commissioner of education: First, to have the school tax of the different municipalities placed in a common fund to be distributed in accordance with the needs of the municipalities; and, second, to have the insular government assist the poorer municipalities in the purchase of school equipment and in the payment of rent.

The elementary work of the urban schools extends over eight grades, at the completion of which a common-school diploma is issued. The work of the year has been satisfactory. The number belonging in the elementary urban schools was 74,591, the percentage of attendance was 96, and the percentage of promotion 81.

The high schools of the island at present number 17. Only 11 have satisfactory buildings. The central high-school building of San Juan is now completed and will be equipped during the year. It is a large and very beautiful building and excites universal admiration. Two hundred and nine high-school teachers are employed in the island. Of these, 120 are Porto Ricans and 89 are from the States. There were enrolled during the year 6,159 students. Seven high schools maintain a four-year commercial course.

There are 35 continuation schools, employing 62 teachers, and 1,100 students were enrolled.

Five hundred and fifteen students from Porto Rico attended colleges in the United States during the year.

*Industrial training.*—Manual arts is a compulsory subject in the eighth and ninth grades. Mechanical and architectural drawing, woodworking, cabinet making, and concrete work are among the subjects included.

A course for prospective manual arts teachers is conducted at the summer school of the university.

Courses in manual arts were held in 52 municipalities, with a total enrollment of 3,005 pupils. Only lack of funds prevents further extensions of the work.

*Home economics.*—This work was curtailed during the year for lack of funds. Only 732 were reported as taking the courses. Needlework, drawn work, embroidery, and lacework, with housework, dressmaking, and gardening are among the courses hitherto provided.

A study of tropical foods was commenced and carried on with chayote, yautia, plantain, and banana as special subjects. The results were published in an interesting and useful bulletin. The work will be extended and further bulletins published.

Each municipality has its home economics club which takes an active part in the social and educational life of the schools. In some instances clubs have secured libraries for the schools.

*Agricultural instruction.*—In all the rural schools the teaching and study of agriculture is required. Six meetings of supervisors and assistants were held in different parts of the island during the year, where the courses of nature study and agriculture were explained and made applicable to each section. All the grades in rural schools have practical gardening and theoretical agriculture. The products of the school gardens are sold to secure funds for school lunches, victrolas, pictures, medicine kits, libraries, equipment, implements, seeds, fertilizers, and for prizes for excellence in school work. The

number of schools in which agricultural instruction was actually given during the year was 1,981. The number of school gardens was 1,514. Number of home gardens under supervision of pupils in urban zone 1,619; in the rural zone 22,746; total, 24,365.

*Athletics.*—Progress in athletics and physical activities increased during the year. The number of playgrounds in urban schools was 132; in rural schools, 261; exhibitions in calisthenics, 166; number baseball teams, 80, interschool games played, 284; basket-ball teams, 93, games played, 242; volley-ball teams, 25, games played, 87; track teams organized, 66; money spent for athletics, \$14,013.

*Illiteracy.*—The figures of illiteracy at present available are obtained from a school census taken by the teachers in the rural zone during the year. The results were as follows: Illiterate adults, 57 per cent; literate adults, 42 per cent; illiterate children, 35 per cent; literate children, 65 per cent; total illiterates, 45.5 per cent; total literates, 54.5 per cent.

In the urban zone not over 15 per cent are illiterate, so that it is safe to say that of the entire population 60 per cent know how to read and write, and the percentage of illiteracy is reduced below 40.

It is evident from past experience in the island that little perceptible increase in the removal of illiteracy can be made with the present facilities with its adult population. Some night schools reach a few, and the efforts of some teachers to reach some of the adults in their districts accomplish something, but the results are not large. What reduction of illiteracy is accomplished must come mainly from the schools. The progress that has been made since the American occupancy when the percentage of illiteracy was 83 has been remarkable, considering the facilities available. It is apparent, moreover, that if the elementary schools could be extended until every child of school age had an opportunity to attend, a low percentage of illiteracy would soon be obtained.

*Teachers' meetings.*—A very successful summer course for teachers is given each year at the university. Hundreds from all over the island attend, and the applicants are more numerous than can at present be accommodated.

Teachers' meetings are held regularly in all districts of the island under the direction of the local supervisors. They are found very helpful.

These agencies reach practically all the teachers and the improvement from year to year in the teaching force is apparent.

*Educational survey.*—The University of Porto Rico made an appropriation of \$25,000 from its funds to secure an educational survey of the island. They were fortunate in being able to secure the International Institute of Teachers College of Columbia University to undertake the work. Many of the leaders in educational work of the United States comprised the commission. Dr. Paul Monroe was director and the other members of the commission were Dr. Samuel P. Capen, Dr. J. F. Jenkins, Dr. Samuel McCune Lindsay, Dr. A. B. Meredith, Dr. Harold Rugg, Dr. W. Carson Ryan, Dr. H. F. Schwartz, Dr. Lester M. Wilson, and Dr. George A. Works.

Their report is published in a goodly volume, and will be very helpful for the future educational work of the island.

*Teaching of English.*—As is well known, Porto Rico was a Spanish colony, and the language spoken up to the time of the American

occupation was exclusively Spanish. Under the new direction a bilingual system of education was adopted and has since prevailed. All subjects in the first four grades are taught in Spanish. English is taught orally in the first and second grades, and from books in the third and fourth. The fifth grade is the grade of transition, one-half the subjects being taught in Spanish and one-half in English. All the other grades from the sixth to the twelfth are taught in English, except Spanish, which is taught as a language subject. In the university the teaching is in English, except Spanish subjects.

It has been the aim to so arrange the school curriculum that the pupils may conserve the Spanish and acquire the English language. The progress made in this dual purpose has been marked, and the system seems well adapted to the special conditions existing in the island.

*School lunches.*—The midday school lunch seems a necessity in the Porto Rican schools, especially in the rural districts. The greatest care is taken to make the lunches attractive and nutritious. The cost per pupil per meal is 5 cents, and the total amount expended during the year was \$89,658; \$60,000 was granted by the legislature, and the rest acquired from private donations.

*Junior Red Cross.*—The Junior Red Cross of Porto Rico is now in the ninth year of its existence. It entrolled during the year 141,515 members and collected \$14,151. The membership fee was reduced to 10 cents. Of the amount collected \$5,660 was sent to the towns to be used by the local chapters for local needs. Scholarships were provided, dental clinics assisted, and help given wherever needed.

#### UNIVERSITY OF PORTO RICO

Events of unusual interest in the life of the University of Porto Rico occurred during the fiscal year 1925-26.

At the opening of the summer session in July, 1925, Dr. Tomás Navarro Tomás, from the Centro de Estudios Históricos of Madrid, visited the university and delivered a course of lectures which received the highest praise.

July 21 the new university law was passed by the legislature and received the approval of the governor.

In September several members of the faculty sailed on leave of absence for a year of advanced study.

During that month Dr. Frank D. Kern, dean of the Graduate School of Penn State College, arrived to serve as dean of the College of Agriculture and Engineering of the University at Mayaguez, and also Dr. Alexander Petrunkevitch, from Yale University, as visiting professor at Rio Piedras.

In October the first members of the Educational Survey Commission from the International Institute of Teachers College, Columbia University, arrived and began their work of making a survey of the public educational system of the island. The field work was completed by the middle of December, and their report was not available until after the close of the fiscal year.

In March, 1926, the debating team of the University of Arizona visited the university and engaged in competition with the team from the University of Porto Rico. The event was enthusiastically received by the public.

During May and June, Dr. José Vasconcelos, formerly Minister of Public Instruction of Mexico, visited the university and delivered a series of public conferences which attracted widespread interest.

Of particular interest may be the summary of what should be the functions of the university as stated by the Educational Survey; it is as follows:

The functions of a modern university, especially publicly a supported university, are to a large extent dictated by its environment. The proper functions of the University of Porto Rico appear to be clearly indicated. The commission judges them to be:

1. To furnish to the citizens of Porto Rico those types of professional training for which there is the largest demand and which can be given most appropriately and most economically at home.
2. To conduct research bearing upon the major physical, economic, social, and educational problems of the island.
3. To cultivate and maintain intimate cooperation with all governmental and private agencies concerned with the formulation of knowledge and with its diffusion among the people.
4. To play an active rôle, through its representatives, in raising the intellectual, social, and moral standards of the community in which it is located and of other communities.
5. To serve as the principal focal point for the Spanish and English cultures which meet here and to contribute to the preservation and interpretation of both.

The enrollment of all departments of the university increased from 967 in 1924-25 to 1,270 in 1925-26, an increase of 31.3 per cent. The eager desire of the fathers and mothers of Porto Rico to give their children greater educational advantages is shown not only by the numerical increase, but also by the fact that the great majority of the parents of the students enrolled had themselves received but little education, and are people of very limited means. They are gladly making every needed sacrifice in order to better the conditions and widen the opportunities of their children.

Of the students in attendance 27.3 per cent live at home, and 72.7 live in boarding houses. The need for dormitories is urgent. In fact, the crying need of the university is more buildings. The work of every department is curtailed, and admissions must be refused simply because they can not be accommodated. Overcrowding is the rule, and hampers the work in all departments. Some building operations are now in progress, but more are urgently needed.

In the Mayaguez departments the enrollment was as follows:

Men.....	181
Women.....	19
Total.....	200

In the Rio Piedras departments:

Men.....	353
Women.....	391
Total.....	744

Total university enrollment.....	944
Summer school.....	1, 111
Rural teachers' course.....	326
University high school.....	395
Elementary practice school.....	295

Grand total all departments.....	3, 071
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## Faculty members:

Men.....	60
Women.....	41
Total.....	101
Cash balance on hand at the close of the preceding year.....	\$37, 031
Total receipts during the year.....	690, 954
Total of funds available.....	727, 985
Total of expenditures.....	539, 225
Balance at close of year.....	188, 760

## PUBLIC LIBRARY

The Carnegie Library located in San Juan is supported by the insular government. Its management is in the hands of a board of trustees. The accessions of books during the year numbered 2,190 volumes, of which 1,405 were Spanish, and 785 were English. An effort was made during the year to increase the Spanish collection which is far below the English section of the library.

New readers increased the registration book for the year to 8,200.

Magazines and newspapers purchased were 172; 107 English, 57 Spanish, 7 French, and 1 Italian. Many others were donated.

The number of daily patrons averaged 248 throughout the year.

Students of the public and private schools who use the library for reference and collateral reading test the capacity of the library. Nonresidents use the library with increasing frequency. The storytelling classes are increasing in number and interest. The traveling library system is being constantly extended, until there are not sufficient books to comply with the demands. Parcels-post deliveries increased, 375 parcels containing 854 volumes having been sent. Lectures were given under the auspices of the board of trustees in the library assembly room. The room was also used for many important meetings and conferences.

## HEALTH AND SANITATION

The activities of this department of the Government increased both in amount and efficiency during the year under review. The work of health and sanitary education is being extended each year in the schools. Conferences, demonstration clinics, physical and dental examinations have increased in numbers. A general conference of all district medical inspectors and the physicians and officers of the department was held. All public health and medical problems in connection with the work was discussed. Particular attention was given to the teaching of sanitation in the rural schools.

The assistant commissioner, Dr. A. Fernos Isern, was sent to the States and with Dr. H. H. Howard, director of the International Health Board of the Rockefeller Foundation visited the Southern States to study the effect of the country health unit system now on trial in those States. Doctor Fernos recommended the adoption of the system in Porto Rico, and the health centers which were organized two years ago are planned to be converted into municipal health centers under the control of one public health officer in each municipality. All the health and sanitation work of each municipality will be centralized and included in this organization. The expense will be borne, one-fourth by the Rockefeller Foundation, one-fourth by the municipality, and one-half by the insular department of

health. The first unit is being organized at Rio Piedras, and it will be used as a training center and model for others that will be established. This is one of the most important and promising works ever undertaken by the department.

New urbanizations and new constructions of all kinds are now placed under the absolute control of the department. Slums and clandestine sections are rapidly disappearing and new districts conforming to sanitary requirements are taking their places in all parts of the island. Thus in two years the department has corrected serious and dangerous conditions that were created years ago, and have remained to the disgrace of the municipalities until now by tolerance and neglect.

No work of the department has brought the eminent commissioner and his able associates more credit and prestige than the campaign carried on in the rural zone in Porto Rico in raising the physical standards of the people. Besides the preferential attention given to uncinariasis (the hookworm disease) and malaria, this service deals with all phases of rural life, and so far at least one-third of the rural population of the island is provided with sanitary service, which until recently was the privilege of the urban zone only. An order was issued in 1924 to the local sanitary inspectors to extend their work into the rural zones, and to devote a part of their time to rural health and sanitation. In 1925, those inspectors located in the smaller towns were instructed to devote two-thirds of their time to this work. The bureau of rural sanitation was created and five units and three rural sanitation dispensaries established so far. In cooperation with the Rockefeller Foundation, another was established at Bayamon.

*Uncinariasis.*—The fight for the extermination of the so-called "hookworm disease" continues. One-third of the rural population have been treated and are now provided with sanitation service. The total number of latrines built in this campaign so far exceeds 86,326. Six sections were cleaned up during the year, and 13,395 patients were cured. Sixty-five per cent of the inhabitants were found infected. The number of treatments administered in the homes of the people by the department and Rockefeller Foundation was 134,112. Nine sections are now receiving treatment. As soon as the work is finished in one locality the units are transferred to another, and thus the campaign is carried on without cessation.

*Malaria.*—After completing the surveys of Barceloneta, Ponce, and Aibonito, the department established control measures at Fajardo, where a rate of 33 per cent of endemic malaria was found to exist. The various species of the anopheline mosquito were studied, the places and conditions under which the larvae were formed were located, the aspect of the land and general agricultural conditions ascertained, and the natural water resources, streams and ponds were studied. The city and section was divided into districts, each being in charge of an inspector. They make regular visits to the homes of those found infected and give the proper treatment. Medicine is given personally so that the inspectors may be able accurately to determine results. All inspectors are fully equipped, and keep a careful record of their work. In all this work the insular officers have the full and active cooperation of the Rockefeller Foundation workers.

An acute outbreak of malaria at Salinas caused a part of the Fajardo unit to be transferred there, and other places are under investigation.

*Milk inspection.*—Upon the recommendation of the department the law punishing the adulteration of milk was amended and greatly strengthened. Under the powers granted by this law rigid inspections of all dairies are made with the result that the old dairies have been reconstructed to meet the new requirements and many new standard dairies have been constructed. For the first time in its history Porto Rico has full protection against adulteration in the milk supplies furnished her people.

*Vital statistics.*—The registration system of births and deaths is not under the control of the department of health. The causes of death are sometimes inaccurately reported. However, 90 per cent or more of births and deaths are registered and are for the most part correct.

There are 321 physicians practicing in Porto Rico. The present estimated population is 1,417,000. As 138 physicians are practicing in San Juan and Ponce, only 183 are left for the rest of the island, or giving service to an average of 6,829 people for each physician. This situation is particularly serious in the small towns.

Of the population of 1,417,000, 388,756, or 27.4 per cent, is urban; 1,028,890, or 72.6 per cent, is rural; 1,088,668, or 76.8 per cent, is white; and 328,978, or 23.2 per cent, is colored.

With a small territory of 3,435 square miles, our density of population in 1920 was 378 per square mile, which is more than ten times as great as that of the continental States, and higher than any of the States, except Massachusetts, 479; New Jersey, 420; and Rhode Island, 566. The estimated population per square mile in 1926 is 412.

The growth of population by percentages is increasing. In 1907 the birth rate was 33.6 and the death rate 26.2. The rate of natural increase, was 7.4. In 1926 the birth rate was 39, the death rate 22, and the rate of natural increase was 16.9. This is a remarkable increase, considering the smallness of the country and the density of the population. The birth rate of the United States is 21.2, and the State of North Carolina, which is highest, is 28.8. The birth rate of Porto Rico is almost twice that of the United States as a whole and is greater than that of any State in the Union.

The number of persons who were married in the island during the year was 21,348, an increase over the previous year of 2,500. The number of deaths recorded was 32,344, as compared with 31,350 the preceding year. The death rate is now 22.8. The death rate of 1924 was only 18.7. The increases in 1925 and 1926 were mainly due to epidemics during the entire year of 1925 and the first part of 1926.

Among the causes of death are the following:

Diarrhea and enteritis (under 2 years of age) .....	3, 729
Tuberculosis .....	3, 408
Malaria .....	1, 755
Rickets .....	1, 703
Diarrhea and enteritis (over 2 years) .....	1, 625
Congenital debility .....	1, 548
Senility .....	1, 452
Broncho-pneumonia .....	1, 370
Chronic nephritis .....	1, 239
Bronchitis (all forms) .....	1, 364
Pneumonia .....	1, 150
Diseases of the heart .....	1, 200

Tuberculosis continues to head the lists of adult mortality. The number of cases reported was 2,044 and 3,408 deaths.

Of typhoid fever 709 cases were reported. Epidemic outbreaks took place in several towns in the island during the year.

Two hundred and eighty-two cases of diphtheria were reported and 131 deaths. The work of immunization continues, and its effects are shown by the record of new cases reported; in 1923-24, 326 cases; in 1924-25, 148 cases; and in 1925-26 only 88 cases.

Epidemic outbreaks of measles occurred in six towns of the island.

The number of vaccinations that were administered by Government officers were: Schick tests, 4,918; diphtheria, 1,492; smallpox, 18,238; typhoid fever, 10,841; antirabic treatments, 10.

*The new leper colony.*—For years efforts were made to remove the leper colony from its location on Cabras Island to a suitable location in the interior of Porto Rico. Cabras Island is a small, rocky island at the entrance of San Juan Harbor. It is low and most of the time covered with a salt spray which irritated the lesions and retarded curative treatment. A tract of 42 acres was finally secured near Trujillo Alto, in every way suitable. New concrete and attractive buildings were built on the cottage plan. There are 15 cottages with four rooms each, one for each patient, with a small sitting room, a veranda and closets, shower baths, toilets, and electric light. There is a dining hall for men and one for women, a clinic building, a laundry, and a large administrative building with offices, living quarters, and dependencies for the nurses and employees. The surrounding landscape is attractive, the location is healthful, and the prospects for an easier life and for a better chance of recovery is now given these unfortunate people.

The new institute for blind children was also opened during the year. The children, about 30 in number, were removed from Ponce, and the service will be extended as more resources are made available.

The preventorium for 150 children is ready for occupancy. It is located in the beautiful grounds of the insular sanatorium and will be soon occupied. It is a much needed and most useful service.

The insular sanatorium has increased its facilities for service greatly during the year. Three attractive cottages for doctors' residences have been built, and a new dairy barn for about 100 head of cattle has been established. Cottages to accommodate 35 patients of the Veterans' Bureau were erected. Several other cottages were also built, and the roads and grounds were still further improved.

The new hospital for the insane, designed to accommodate 1,000 patients, is well under way. Six of the buildings for patients and the administrative building are nearly completed, and the general dining room, kitchen, laundry, etc., are started.

The tables and charts accompanying the commissioner's report are more extensive and are particularly valuable, but are too numerous to allow even a selection in this report.

#### INSULAR BOARD OF HEALTH

The insular board of health is composed of seven members. It acts as an advisory body in matters pertaining to the public health.

During the year it held 12 regular and 15 special meetings. Thirty-two resolutions were passed and opinions as to the construction of

regulations were rendered in many cases. Hearings were held regarding a proposed regulation of bread making.

Regulations were issued during the year governing the conditional release of lepers, concerning medical formulas for patent medicines, the pollution of public waters, and the occupation of drainage basins and aqueducts.

Regulations are under preparation in regard to the prevention of venereal diseases, certified milk production, transmissible diseases of animals, bakeries, bread making and the sale of bread, dairies, and regulations regarding the registration of molasses produced in sugar factories.

#### BOARD OF MEDICAL EXAMINERS

During the year examinations were held by the board of medical examiners for licenses to practice, with the result that licenses were issued to 11 physicians, 1 minor surgeon, 26 nurses, and 2 midwives.

In conjunction with the insular commissioner of health, new regulations were prepared applicable to hospitals and clinics which desired to act as schools for minor surgeons, nurses, and midwives. Ten institutions have applied, but no licenses have as yet been issued.

A reciprocal agreement has been made by the boards of New York and Porto Rico by which licenses issued by the State or Territory shall be recognized by each other. Under this agreement 22 local physicians have applied for licenses to practice in New York.

#### BOARD OF PHARMACY

In pursuance of the law regular examinations were held for those who desired licenses to engage in the practice of pharmacy. Altogether, during the year 28 new licenses were issued.

The board recommends the passage of an amendment to the law enabling it to enter into agreements with the various boards of the continental United States for the mutual recognition of licenses. It is hoped the legislature will give favorable consideration to this recommendation.

#### BOARD OF DENTAL EXAMINERS

In the usual performance of its duties under the law regulating the practice of dentistry in this island, this board held examinations at various times for candidates desiring to engage in the profession in Porto Rico, as a result of which licenses were issued to nine dental surgeons.

The board held a number of meetings during the year to decide upon questions connected with their official duties.

#### DEPARTMENT OF THE INTERIOR

The commissioner of the interior has superintendence of all works of a public nature, both insular and municipal, and has charge of all public buildings, grounds, and lands, except those belonging to the United States. The department is divided into the following bureaus and divisions: Public works; public buildings; municipal works; public lands and archives; harbors and docks; insular telegraph and telephone; disbursements and accounts; automobiles and all other motor vehicles; irrigation service.

*Public works.*—There was expended for public works during the year the sum of \$2,304,000. About one-half of this amount was obtained from current revenues, and one-half from the proceeds of bond issues.

During the year 85.5 kilometers of new roads were surveyed, including 18.1 kilometers of municipal roads.

In the construction of roads and bridges 44.7 kilometers of macadamized roads were completed; 26.4 kilometers of grading; culverts and retaining walls were prepared; and 15 new bridges were constructed. Considerable road work was also done for municipalities.

A very important road was completed and opened for traffic during the year, the Manati-Juana Diaz road. This road crosses the island from north to south, with a total length of 68 kilometers. Another important road completed and opened during the year was the Naguabo-Juncos road, with a total length of 25.7 kilometers.

Since the adoption in 1916 of the road program, which when completed will connect all the principal towns of the island, the development of the insular road system has undergone a steady progress. The total length of completed macadamized roads increased from 1,150 kilometers in 1915 to 1,537 in 1926, an average of 39 kilometers each year. The extension of the system is met by bond issues, and the maintenance fund, which is about \$1,000,000 each year, is provided from current revenues. During these years the number of motor vehicles has increased at the rate of about 3,000 a year. It has been found that it saves about two-thirds of the cost of maintenance by asphaltting the roads. To meet this expenditure a tax of 2 cents per gallon on gasoline was imposed which will yield about \$200,000 each year. The amount of roads asphalted during the year under review was 124.3 kilometers; in all 542 kilometers are now covered.

*Public buildings.*—The total amount of work done in the erection of public buildings by administration and contract was \$2,283,000.

Among the more important buildings completed were the School of Tropical Medicine at San Juan; district courthouses at Humacao and Aguadilla; leper asylum at Trujillo Alto; preventorium for children at Rio Piedras; completion of high-school building at San Juan; several graded school buildings in various towns of the island, and 200 rural schoolrooms distributed all over the island.

The construction of the capitol building has continued until practically all the exterior is complete. The work of finishing the interior will follow.

The work on the new hospital for the insane is well under way, and it is thought will be completed by the end of the current fiscal year.

Plans for the new penitentiary, the district hospital building, and the reform school for girls have been completed and sites secured. Plans for the new building of the university have been completed and the erection of the building will be advertised for bids soon.

*Municipal works.*—Such works as waterworks, sewerage systems, electric-light systems, street paving, public squares and parks, and urbanizations for the municipalities, are under the superintendence of this department.

During the year 35 projects were prepared, at an estimated cost of \$420,446. Revision of 19 projects were also made. Changes in construction were ordered in 18 projects. Three new waterworks projects were made, and one sewerage system.

One of the most important projects intrusted to the department is the urbanization of the reclaimed lands at Puerta de Tierra, in San Juan. These lands will be sold and will constitute a source of income for the insular government.

Mention should also be made of the administrative work done on the Cayey hydroelectric plant, and the Manati waterworks. A work of great importance in which not only San Juan but the whole island is interested will be intrusted to the department. It is the construction of the public park at San Juan, for which \$200,000 has been appropriated by the legislature.

*Public lands and archives.*—It is the duty of this division to make surveys; to have the care and to lease the lands belonging to the people of Porto Rico; registration; and to make and keep records of all buildings and lands belonging to the government, showing area, value, description, etc. Part of these lands and buildings came from the Crown of Spain, were transferred by treaty to the United States, and later were transferred by act of Congress to Porto Rico. The old archives of the Spanish Government, containing documents of great importance are also under the care of this division.

The division will continue the work of the surveying and demarcation of public lands in four municipalities where there are extensive areas belonging to the government. Some of these lands are suitable for cultivation and will be divided into small tracts and disposed of to farm laborers who will pay a small annual rental with the right to acquire ownership. Lands not suitable for cultivation will be reserved for forest planting.

*Insular telegraph.*—The service has been extended during the year principally in the money-order department. The receipts of this service amounted to \$632,984, as compared with \$318,998 the year before. The radio station at Ceiba, is being equipped with a new power plant to extend its field of operation to include Santo Domingo, Venezuela, and other West Indian and South American points.

*Insular telephone service.*—Quite a number of extensions and improvements were made during the year in this service. The total cash receipts were \$171,710, as compared with \$162,725 received the previous year. The expenditures were \$210,999, the loss of the service was \$24,584, which is \$2,743 less than the previous year.

*Irrigation.*—The scarcity of water during the year did not permit a uniformly full utilization of the irrigation system, but there were no destructive storms or floods. The mean temperature for the year was 80.1°. The maximum was 93°, and the minimum 65°. Deliveries from the Patillas Reservoir were curtailed 25 per cent part of the year. At Carite Reservoir the deliveries were somewhat larger, and the water supply was sufficient for the operation of the hydroelectric plants throughout the year. From the Guayabal and Coamo Reservoirs the water supply was very deficient. Only during 142 days were full deliveries possible. Partial deliveries only were made during a portion of the time and during a portion no delivery was possible. The unusual draught was a serious loss both to the service and to the planters.

The volume of work of this service is increasing each year, and various improvements to the dams, to the hydroelectric plants, and to the building were made during the year. New sources of supply will improve conditions in the entire southern district, and it is hoped provision will soon be made to increase the service.

*Hydroelectric system.*—In connection with the Carite irrigation service a hydroelectric service has been instituted of great importance. The total power generated by the two plants now in operation is 13,720,140 kilowatt-hours, an increase of 2,301,955 over the preceding year. The total revenue received for the service amounted to \$276,777, an increase of \$35,864 over the preceding year. The cost of operation, repairs, improvements, and extensions totaled \$71,243. Surveys and studies for a third generating plant have been made, and the project will be put in operation as soon as funds are available.

An arrangement has been made with the steam plant of the Ponce Electric Co. by which the irrigation service will receive power from the Ponce Co. during the daytime to supply additional power for irrigation purposes, and the Ponce Co. will receive power from the irrigation service during the nighttime when it is most needed by that company.

*Hydrographic survey.*—The work on this survey which was progressing so well the preceding year had to be temporarily abandoned for want of funds. It will be resumed when funds are available. The results of the survey so far show the advisability of developing the resources of the Vacas, the Jauca, the Toro Negro, the Matrullas, the San Lorenzo, the Prieto, the Cubuy, the Blanco, the Rosario, the Yahuecas, the Guayo, the Guacio, the Caonillas, the Loiza, the Arcibo, the Los Morones, and Dos Bocas Rivers. The power to be derived from some of these projects will be small, but is demonstrated that they will justify development.

The actual receipts of the irrigation service for the year amounted to \$615,049, with collections pending amounting to \$93,898. The credit balances at the commencement of the year were \$13,346 and \$72,905, making a total of credit items for the year of \$735,200. Deducting the expenditures—\$575,158, \$1,490, and \$72,905—and there remains a balance of \$84,359.

The total cost to date of the irrigation service and extensions has been \$6,275,000. Annual payments to amortize the debt have been made to the amount of \$1,950,000, leaving bonds outstanding in the sum of \$4,325,000. The total interest paid on the bonds amounts to \$3,006,071. Interest has also been paid the insular government for temporary advances, in the sum of \$15,922.

All payments of principal and interest on the bonds are met by the property owners receiving the service, and constitute no burden on the general public.

*Isabela irrigation project.*—The department is at present engaged in the construction of this new irrigation project. The contract for the construction of the dam was rescinded in October, 1925, and it is now being constructed by force account. Parts of the diversion canal not covered by contract is also being constructed by force account. The number employed on this work at this time is 807. The number of tracts of land purchased and condemned were 84; the number of acres, 128,408; the price paid so far, \$62,856. The amount of bonds so far issued is \$2,325,000. Expenditures to June 30, 1926, \$1,603,000.

It is expected the work will be finished during the calendar year 1927. A commission of five members has been provided to determine the lands to be benefited by the service, three to be elected by the property owners, and two appointed by the governor.

*Harbors and docks.*—The total income derived from all harbor dues during the year was \$73,927, an increase of \$2,929 over the previous year.

The total number of ships entering and clearing the harbors of the island during the year was 2,771, aggregating a total tonnage of 5,699,000. The cost of construction work and improvements of the insular government in San Juan was about \$600,000, derived from a bond issue. All but \$200,000 has been paid.

Dredging the port of San Juan was continued during the year, the material dredged being 1,414,000 cubic yards, and the cost was \$226,266. Congress has appropriated \$250,000 for continuing the work. The amount of harbor dues collected during the year 1924-25 was \$42,851, which was increased to \$46,717 for the year 1925-26.

*Homestead commission.*—The commission has been active during the year. Many workmen's houses have been built and occupied during the year, and numerous small farms provided for those of limited means. In the small-farms development, a lease is given a man of family, on small quarterly payments until the land is paid for, or they can redeem the amount paid after a period of 10 years. At present the government has not enough available land to answer the demands, but more land will be surveyed and additional allotments made as soon as possible.

The commission made allotments during the year of 52 lots for the construction of concrete cottages in the workmen's settlement in San Juan. The zone set aside for houses is now completely built. A list of 500 applicants for new leases are awaiting their turn. The collection of rentals for the year was \$58,485. The balance on hand at the commencement of the year was \$110,725. The total amount of receipts was \$65,231. The expenses were \$87,598, leaving a balance on hand of \$88,358.

*Motor vehicles.*—The interior department has charge of all matters pertaining to motor vehicles in Porto Rico. There are now in operation 14,320 automobiles. The total receipts for the year was \$342,964. For automobiles alone, \$292,722; for motor cycles, \$900; for trucks, \$1,265; and for business licenses, \$2,918. Chauffeurs licenses amounted to \$11,446, and 2,779 were issued.

*General comment.*—Great credit should be given the very able and efficient commissioner and his force of assistants for the work of the year. They have conducted this important and responsible work of the government under great difficulties, but have left a record of accomplishment creditable in every respect.

#### DEPARTMENT OF JUSTICE

The fiscal year under review has been one of great interest and importance in the department of justice. Probably never in the history of the island were so many causes of great importance considered, and probably never was a greater volume of work accomplished. The able attorney general and his assistants have been compelled to give unremitting attention to the matters sub-

mitted to them and to the cases pending in the United States and insular courts. The judges, the prosecuting attorneys, and, indeed, all the officers engaged in the administration of justice are entitled to great credit for the able and efficient work accomplished during the year.

Especially in the office of the attorney general has great activity been shown. During the year 163 opinions, addressed to the governor, the heads of departments, municipal officers and other governmental agencies were rendered by the office. In addition 128 titles to property and 756 bonds were examined and passed upon. Two hundred and six cases of violations of the internal revenue and excise tax laws were prosecuted, 92 declarations of heirship were filed, 30 circular letters were issued, and 12,613 letters were sent. Over 700 bonds for sellers and distributors of milk were approved, and 523 proceedings to ascertain boundaries were examined.

At the close of the preceding year 232 civil suits were pending in which the people of Porto Rico was a party. To these were added 257 suits during the year, making a total of 489 civil cases to be handled by the department—an unprecedented amount of litigation. Of these, 206 were decided during the year, 50 by the court of last appeal, and 149 are pending decision on appeal. This great increase in litigation was occasioned by a concerted attempt to avoid the payment of taxes. Of the total, 224 suits were brought against the treasurer to prevent him from collecting taxes or to recover taxes paid under protest, and the validity of practically every tax law in effect in Porto Rico was before the courts.

In the 439 cases pending, 257 are at issue and are awaiting trial; 31 cases are on appeal before the Supreme Court of Porto Rico, 6 of which have been heard and are pending decision. There are appealed from the municipal courts 53 cases to recover excise taxes paid under protest and 64 cases appealed to the United States Court of Appeals; 55 injunction cases are pending contesting the validity of the excise and sales tax laws. Several cases are pending in the United States district court to enjoin the treasurer from collecting property taxes. The old income tax law, involving the validity and construction of some of the provisions of that law, was attacked; also the retroactive clause of the 1925 income tax law. The validity of the water power act is pending on appeal to the United States Circuit Court of Appeals. Other important cases are pending in the insular or United States district courts or are pending on appeal.

Several important criminal cases have also called for the attention of the attorney general.

*Congress of crime.*—During the year the attorney general called a public meeting in San Juan of all individuals and organizations interested in the study and solution of the problem of criminology in Porto Rico. There was a large attendance of representative men and women from all parts of the island. As a result a permanent committee was appointed to consider the matters involved. After careful and painstaking consideration the committee agreed on certain measures of a social and legislative character. Several bills were prepared, which will be presented to the legislature at its next regular session. Vigorous moral and civic campaigns through the press, the church, and the schools were advocated to combat all the causes which tend to increase lawlessness.

*Work of the courts.*—At the commencement of the year under review 257 cases were pending in the supreme court. During the year 666 new cases were docketed, making a total of 923 cases to be disposed of. Of these, 645 were decided. There were pending at the close of the year 278 cases.

In the district courts of the island at the close of the preceding year 6,954 civil cases were pending. During the year 6,596 additional cases were docketed, making a total of 13,500 cases for decision. Of these, 6,012 were decided during the year, leaving 7,538 pending. Of the 6,012 decisions rendered by the district courts only 324 were appealed to the supreme court.

Of criminal cases in the district courts at the close of the preceding year, 288 cases of felony were pending; during the year under review 894 felonies were presented, making a total of 1,182 for determination. Of this number, 972 cases were decided. Of those tried, 637 were convictions, 95 acquittals, 240 dismissals, and 210 cases were pending hearing. Of the 972 cases decided, only 72 were appealed to the supreme court. There were also pending at the close of the preceding year 474 cases of misdemeanor. During the year 2,569 new cases were presented, making for trial a total of 3,043. Of these, 2,430 were disposed of during the year. There were 1,765 convictions, 391 acquittals, and 274 dismissals, leaving 613 misdemeanor cases still on the calendars at the close of the year.

The district courts are by law the juvenile courts in Porto Rico. During the year 301 children were brought before these courts. At the close of the year only 19 cases were left pending. The ages ranged from 1 to 16 years. Of the entire number, 115 had no father, 50 had no mother, 17 had both parents, and 42 had no homes; 96 had never attended school, and of those who had attended school 37 could not read and write.

In the municipal courts 4,333 civil cases were pending at the close of the preceding year. During the year 7,012 new cases were filed, making a total of 11,545. The courts decided and disposed of 6,176 cases, leaving pending 5,169 cases. Appeals were taken in 348 cases. Of criminal cases, 937 cases were pending at the commencement of the year; 59,962 new cases were filed, making a total of 60,897 cases. Of these, 60,219 were disposed of, leaving only 678 cases pending, a most remarkable record. Appeals were taken in 1,548 cases. Of the cases disposed of, 40,264 were convictions and 11,990 were acquittals.

In the municipal courts 3,830 charges were filed for violation of the national prohibition act. There were 3,423 convictions, 295 acquittals, and 112 otherwise disposed of. There were seized and destroyed 24,128 quarts of liquor.

In justice of the peace courts there were 139 cases pending, 8,665 new cases were filed, making a total of 8,804. Of these, only 131 cases were left pending at the close of the year under review. In 6,923 cases judgments for conviction were rendered.

*Penal institutions.*—The number of prisoners in the penitentiary, the district jails, and the reform school at the close of the year under review was 2,231. This is a large increase and is the largest number in the past 20 years. Of these, 57 were women. Of those committed, 741 were for felonies, 1,098 misdemeanors, and 241 were delinquent minors; 1,295 knew how to read and write, 16 knew how to

read only, and 920 were illiterate; 119 were under 16 years of age, 580 from 16 to 21, 487 from 21 to 25, 412 from 25 to 30, and 633 were over 30 years. During the year 423 learned to read and write.

The reform school for boys was conducted as an eighth-grade school, and 10 boys received diplomas. The number at the close of the year was 241; 111 entered during the year, and 118 were released. In the school, besides the regular studies, agriculture, music, carpentry, shoemaking, and tailoring are taught. Plans for the construction of a reform school for girls near Ponce have been approved.

In the penitentiary and district jails the management has been efficient and order and discipline have been maintained throughout the year. Special medical attention is given the inmates and operations are performed when needed. Of those imprisoned, 1,468 were single, 474 married, and 48 were widowed; 1,288 were white, 493 mulattoes, and 210 negroes; 1,135 gave their occupation as laborers and 122 as farmers. Four of the prisoners had been sentenced to death for murder and are awaiting the final decision of the courts as to the validity of the law fixing the death penalty in Porto Rico. For grand larceny, 377 were committed; burglary, 290; assault and battery, 266; homicide, 177; murder, 164; carrying concealed weapons 141; and 817 for lesser offenses. The number of days worked by prisoners outside the penitentiary and jails was 196,365. The total compensation paid them both inside and out was \$16,497. Part of this goes to the prisoners' families, part allowed for personal expenses, and the rest is a savings fund to be paid the prisoner when released.

The total expenditures for maintaining all the penal institution was \$329,724, a daily cost of 45 cents per inmate. The daily cost the preceding year was 54 cents.

The total expenditures for the entire department of justice for the year was \$1,095,000.

The number of applications for pardon considered was 327. Of this number, 2 full pardons and 3 conditional pardons were granted, while 129 applications were reported unfavorably by the attorney general and denied by the governor. Three were granted parole and 38 denied. Two commutations of sentence and 2 restoration of civil and political rights were granted and 34 denied.

#### CODE COMMISSION

The Code Commission of Porto Rico was created by an act of the legislature approved September 10, 1923. It began its work in March, 1924, under the direction of the late Mr. Clinton O. Bunn. The untimely death of Mr. Bunn, near the close of the year, made it necessary to place the work in the hands of a committee. Later Mr. Luis Muñoz Morales was appointed director and Mr. Ramón Siaca Pacheco secretary.

In the work as outlined and carried on to the close of the year under review a careful revision was made of the previous work of the commission, to which was added the laws and decisions of 1925.

The work of revising and translating the annotations of the codes has been deferred for reasons stated by the director. The general revision of the Mortgage Code is nearing completion for submission to the legislature at its next session. Progress has been made on the Civil Code, the work having reached section 730. Progress has also

been made in the revision of the Code of Civil Procedure, under the direction of the assistant director, Mr. Luis Campillo Abrams, the plan followed being that of the California Code of Civil Procedure, which has been adopted so far as may be applicable to the local system. The Code of Commerce has been completed under the immediate supervision of Mr. Siaca Pacheco. It was submitted to the last legislature, but there was no time for its consideration. A final revision will be made and it will be submitted to the next legislature. The final revision of the Penal Code has been completed and will be submitted to the legislature when it convenes. Accompanying this will be submitted the final revision of the Code of Criminal Procedure, which has also been completed. The work of revising the Political-Administrative Code is progressing satisfactorily and is nearing completion.

The code commission is also preparing an index to all the laws which can not be completed until the revision of the various codes is finished.

#### PUBLIC SERVICE COMMISSION

As previously reported great difficulty is found because of the form of organization of the commission to fully meet the requirements of the service. The commission is composed of nine members, seven of which are heads of departments with great and constantly increasing duties to perform. A quorum is five members, and it is difficult to obtain a quorum for the performance of the duties of the commission at its necessarily numerous meetings. This difficulty becomes greater each year, both because of the greater volume of business and because of its increasing importance. A provision reorganizing the commission has been introduced in Congress and it is hoped that speedy action may obviate the difficulty.

The commission held regular meetings each week during the year. There were 14 very important public hearings held, involving great and complicated interests. The most important matter considered was the reorganization of the transportation system in San Juan and Rio Piedras. The matter was still pending at the close of the year. Other very important questions were under consideration during the year.

No serious accidents were reported during the year in public service activities.

The only change in the personnel of the commission that occurred took place March 2, 1926, when F. G. Holcomb, appointed auditor of Porto Rico, succeeded W. L. Kessinger.

Two municipalities were granted authority to construct and operate waterworks systems. An ordinance was granted for the construction of a section of the railroad around the eastern side of the island.

Many petitions for tax exemptions of new industries were considered; three were granted, two denied, and the others are under consideration.

#### LEGISLATION

In my annual report for last year an account was given of the legislation enacted during the first regular session of the Eleventh Legislature of Porto Rico. At the call of the governor, late during the

fiscal year under review, the legislature met in special session to consider matters of importance for the public interest. It was in session from June 28 to July 14, 1926, and there were approved 11 laws and 14 joint resolutions during the entire session.

Among the legislation enacted were laws amending the university law; the internal revenue act; the act providing for the incorporation of cooperative associations; the law regulating the operation of motor vehicles and others of lesser importance. Of the resolutions approved, there were some providing for the transfer of public lands to the Federal Government; one exempting from taxation the property and shares of cooperative associations organized under the act of 1925; others authorizing the sale of lots to certain religious organizations; and some authorizing the economy commission of the legislature to grant to some municipalities certain sums of money out of the premiums obtained in the sale of insular bonds.

#### AUDITOR'S OFFICE

With the coming of the new auditor, Frederick G. Holcomb, during the year, increased activity and efficiency in this important department were apparent. Some notable changes were introduced in the general accounting system, having for their object the simplification of the accounting structure as a whole and the establishment of greater clearness in the preparation of financial reports, a more orderly relation between the reports and the books of account from which they are prepared, and a greater fund of useful detail in statistical data secured.

All property of the government is now divided as between completed items and items under construction. These include lands, buildings and improvements, roads and bridges, telephone and telegraph, irrigation works, harbor improvements, furnishings and equipment, and tools and machinery. The completed items reach a total of \$30,974,000, while property under construction amounts to \$6,018,000. Material and supplies amount to \$344,077, and livestock, \$40,727, making a total of insular government property of \$37,378,000.

The auditor's office by its division of examinations during the year made examination of 7 of the 8 district courts, 36 municipal courts, 68 offices of collectors of internal revenue, 8 offices of internal revenue stamp agents, 37 municipalities, and 10 special investigations. As a result of such examinations the secretary of the municipal court of Fajardo was removed from office and an embezzlement of \$863.03 was disclosed by the collector of internal revenue of Sabana Grande, for which he is now serving a term of one year in the penitentiary. Some other cases were referred to the attorney general for investigation.

The department has been especially active and useful in advising the various municipal officers as to the performance of their duties and the straightening out of their accounts.

#### EXECUTIVE SECRETARY'S OFFICE

*Corporations and associations.*—During the fiscal year 1925-26, there were registered in the office of the executive secretary 35 domestic corporations, which had previously filed the articles of incorporation required by the domestic private corporations law. These corporations had a total authorized capital stock amounting to

\$4,941,000. The paid-in capital with which they were to commence business aggregated \$180,430. Eighteen corporations of this kind were dissolved during the same period.

Seven foreign corporations qualified for business in Porto Rico by filing during the year the documents prescribed by the local foreign corporations law, while nine such corporations withdrew from business in the island during the same time. The corporations which qualified for business had an authorized capital stock aggregating \$1,310,500. They were in addition authorized to issue 12,316 shares of no par value. Their paid-in capital stock amounted to \$830,031.90.

The domestic associations which were registered in the office of the executive secretary upon compliance with the requirements of the nonpecuniary associations law numbered 38. Eleven of these associations were dissolved. Two foreign associations of this same sort were registered for business in the same office.

Two domestic banks were formed during the year under the new bank act. They had an authorized capital stock amounting to \$2,499,000, while their paid-in capital stock at the time of incorporation aggregated \$1,201,750.

A law was approved on August 4, 1925, called the cooperative marketing act, the purpose of which is to authorize and provide for the incorporation, organization, management, and control of cooperative associations engaged in any activities in connection with the planting, cultivating, and sale of the agricultural products of their members or the financing of such activities. It is expected that this law will assist farmers to bring their industry to the same high degree of mercantile efficiency and capacity as have the manufacturing industries, so that a superior and more direct system of marketing will be attained, in place of the blind, unscientific, and speculative selling of crops. Associations formed under this act will also be in better position to obtain loans from the Federal land bank operating in the island.

Two associations had already been formed under this act at the close of the fiscal year just ended, with an authorized capital stock amounting to \$175,000. A considerable number of such associations will no doubt be organized in the near future under this new law, as soon as some minor amendments to clarify it in some respects have been passed. Such amendments were being put through the last special session of the legislature at the close of the year.

*Passports.*—During the fiscal year ending June 30, 1926, 414 passports were issued by the Governor of Porto Rico for the following countries:

Spain.....	111	Central America .....	3
Venezuela.....	88	Curacao.....	3
All countries.....	44	Italy.....	3
Europe.....	28	Mexico.....	3
Cuba.....	27	Argentina.....	2
France.....	25	Honduras.....	2
South America.....	19	Panama.....	2
Dominican Republic.....	14	Costa Rica.....	1
Colombia.....	12	Martinique.....	1
West Indies.....	12	St. Kitts.....	1
England.....	9		
Haiti.....	4	Total.....	414

The total number of persons covered by these 414 passports amounted to 556.

Besides, the following extensions and amendments were made:

Governor's passports.....	32
Departmental passports.....	4
Total.....	36

The fees for the issuance of these passports amounted to \$4,130, out of which \$3,717 were collected on behalf of the Federal Government and \$413 on behalf of the insular government.

*Trade-marks.*—During the last fiscal year there were registered 223 domestic trade-marks, 63 United States letters patent, and 29 United States trade-marks.

Five applications for registration of trade-marks were denied.

The reasons for denying these applications were as follows: Four of them because they consisted of words descriptive of the articles to which they were applied and the other because it was similar or identical to another registered trade-mark.

*Executive clemency.*—Two hundred and forty-one petitions for clemency were received by the governor during the year.

The following statement shows the number of petitions received and the action taken thereon:

Applications for clemency granted:	
Full pardons.....	2
Conditional pardons.....	3
Paroles.....	4
Sentences commuted.....	1
Civil rights restored.....	3
Applications denied after investigation and consideration.....	197
Applications filed without consideration.....	23
Cases in which term expired during investigation and consideration.....	7
Application pending.....	1
In all.....	241

*Hunting licenses.*—During the year under review 130 hunting licenses were issued, and an equal number of \$10 internal-revenue stamps amounting to \$1,300 were canceled.

*Proclamations.*—Formal proclamations were promulgated in the form of administrative bulletins as follows:

- No. 278, September 1, 1925: Per diem allowance; amended
- No. 279, September 2, 1925: Labor Day; observation of, recommended.
- No. 280, September 8, 1925: Sanitary rules and regulations No. 79; lepers, regulations governing the release of; promulgated
- No. 281, October 2, 1925: World War monument fund.
- No. 282, October 23, 1925: National education week.
- No. 283, October 29, 1925: Sanitary rules and regulations No. 81; pollution and contamination of public water supplies; promulgated.
- No. 284, November 2, 1925: Thanksgiving Day for 1925.
- No. 285, January 23, 1926: Law and order Sunday.
- No. 286, February 11, 1926: Betances, Dr. Ramón Emeterio; monument to the memory of.
- No. 287, April 17, 1926: Sanitary rules and regulations No. 82; aqueducts, construction, reconstruction, modification or extension of, in the island of Porto Rico, regulations governing; promulgated.
- No. 288, April 20, 1926: Red Cross week, April 25 to May 1, 1926.
- No. 289, April 20, 1926: Boys' week, May 9 to May 15, 1926.
- No. 290, April 28, 1926: Land day.
- No. 291, June 22, 1926: Extraordinary session of the legislature convened.
- No. 292, June 26, 1926: Extraordinary session of the legislature, amendment to call; specifying additional matters for the consideration of the legislature called to convene June 28, 1926, at 10 o'clock a. m.

*Fees.*—The collection of fees in the executive secretary's office for services performed during the fiscal year was as follows:

Filing and registration fees, corporation papers.....	\$3, 378. 34
Registration of domestic trade-marks.....	2, 477. 00
Registration of United States patents and trade-marks.....	460. 00
Authentication of signatures and certified copies of documents.....	779. 60
Passports:	
Federal fees.....	3, 717. 00
Insular fees.....	413. 00
Hunting licenses.....	1, 300. 00
Total.....	12, 524. 94

*Other miscellaneous work.*—The following additional work was also performed during the fiscal year:

Twenty-nine new notaries public were authorized and 18 ceased to practice their profession in Porto Rico.

Seven ordinances adopted by the public service commission, granting new franchises or making amendments to or repealing those already in force, were thoroughly examined in this office and approved by the governor.

Two hundred and twenty-three commissions for municipal, judicial, and executive insular officers were prepared and forwarded, 118 of which were made in cases of recess appointments.

Six hundred dispatches were sent by cable and 310 received, most of which had to be coded or decoded.

Nine new foreign consular officers in Porto Rico were duly recognized by the State Department in the last fiscal year, and entered in the register kept for the purpose in this office: A consul general of Belgium, with office at Habana, Cuba, and with jurisdiction over the possessions of the United States in the West Indies; a consul of Colombia at San Juan; a consul of Denmark at San Juan; a consul of the Dominican Republic at Mayaguez; a vice consul of Germany at Aguadilla; acting vice consuls of Spain at Aguadilla, Ponce, and Vieques; and a consul of Venezuela at San Juan.

*Bureau of weights and measures.*—The eight insular inspectors made 30,180 visits to the commercial and industrial establishments of the island. They made a complete inspection and test of the apparatus in use in 5,625 establishments. Every town of the island received at least one visit from our district inspectors; during the year the insular and municipal inspectors issued 20,025 certificates of inspection of apparatus.

Two hundred and eighty-two thousand one hundred and nine apparatus were inspected and tested; this represents an increase of 19,988, or 7 per cent, over the previous year's total. The percentage of instruments that were found correct was 83.18; the year before it had been 81.26. The total number of instruments in use that were found incorrect by the inspectors, i. e., the total number of instruments rejected for repairs, those corrected by them, as well as those confiscated, reached a total of 47,437, or 16.82 per cent of the total number of instruments tested.

The total number of new instruments imported into or manufactured in Porto Rico and tested by the bureau prior to being sold or offered for sale was 119,260; this shows an increase during the year just ended of 20,071, or slightly over 20 per cent of new instruments, the total number the year before being 99,189.

The average error in the weights found incorrect during the year was 2.94 grams; the year before it had been 2.93 grams. Thanks to the bureau's constant activities this average error has been reduced, year by year, from 8.18 grams, the average error for the year 1914-15, when the bureau was first organized. As these errors are mostly due to the natural wear of the weights, it will be difficult to lower the average obtained in the last two years.

Two hundred and two large capacity platform scales used by the centrales to weigh the sugar cane bought from their colonos were tested during the year.

The insular and municipal inspectors reweighed a total of 734,661 packages of merchandise already sold or prepared for sale. These packages gave a total of 911,260 pounds, 14,182 quarts, and 8,274 yards. The number of packages found correct was 519,214, or 70.67 per cent. Though this percentage is slightly less than the year before when it was 73.45, this was compensated by the increase in the total number of heavy packages found during the year, this percentage being 22.67, while the year before it had been 20.08. The percentage of light packages this year was 6.66, while the year before it had been 6.47.

The total number of violations of the weights and measures law, of its rules and regulations, or of the legal dispositions related to its work that were filed in the courts during the year, was 542. Four hundred and twenty convictions, or 77.5 per cent, were obtained.

The two special inspectors, assigned to the service of investigation of complaints and test of the electricity, gas and water meters, visited nearly all the towns of the island. One thousand four hundred and fifty-six electricity meters were tested, 93.4 per cent of them being found correct. Two hundred and sixty-nine water meters were tested, the percentage of correct ones being 84.3. They also tested five gas meters with a correct percentage of 80.

*Supply committee.*—The following changes took place during the year in the membership of the supply committee: George C. Butte, attorney general, vice Herbert P. Coats; F. G. Holcomb, auditor, vice W. L. Kessinger.

The first meeting of the supply committee during the fiscal year 1925-26 was held on July 15, 1925, and the last meeting on June 30, 1926. The committee held 20 meetings during the year, which represents 10 meetings less than the last fiscal year. However, there were 368 resolutions adopted, and 403 contracts awarded during this year, which represents an increase of 37 resolutions and 69 contracts over the preceding year.

The activities of the supply committee were conducted with the prevailing spirit of cooperation with all departments and offices of the insular government and strict adherence to all laws and regulations governing the purchase of supplies, material, and equipment.

*Bureau of supplies, printing, and transportation.*—Important changes, still further to improve the methods governing the administration of this important institution of the insular government, have been instituted during the last fiscal year by its chief, with the valuable cooperation of the office of the auditor of Porto Rico. A constant increase in the activities and businesses of this bureau without a corresponding increase in personnel have made such changes impera-

tive to eliminate duplication of work and to expedite its transactions and the results thus far obtained in this direction from the above-mentioned changes are most satisfactory.

The total volume of business handled by the bureau during this fiscal year was \$3,234,549.74. Considering the fact that there were paid in salaries and contingent expenses the amount of \$62,229.75, the operating cost of the bureau has been during this year 1.9 per cent.

The number of requisitions received by the bureau from the different departments and offices of the insular government was 9,794; local commercial invoices, 15,571, and commercial invoices from merchants in the United States, 2,703. During the same period there were issued by the bureau 1,138 orders to the purchasing agent at New York; 23,985 bills against the various departments and offices, and 7,418 vouchers payable to merchants doing business in Porto Rico.

Total purchases for the year amounted to \$1,545,900.66. This figure shows a decrease of \$103,914.79, as compared with total purchases during the last fiscal year, or 6.29 per cent.

Sales amounted to \$1,618,815.77; a decrease of \$118,641.40, or 6.8 per cent, as compared with last year's figure.

The number of price requests issued by the supply division this year was 539, as against 658 last year. This reduction has been due to the newly adopted methods of administration. Price requests will be largely reduced during the ensuing fiscal year.

The supply division attended to the specifications and issuance of 174 calls for bids for supplies, machinery, and equipment.

The number of orders issued for general merchandise was 11,040, and 2,506 contract orders were checked and numbered during the year.

Local purchases amounted to \$1,022,222.64.

Purchases made from merchants and manufacturers in the United States amounted this year to \$500,712.54. The bulk of these purchases may be classified as follows: Textbooks and school supplies for the department of education and the University of Porto Rico, \$178,571.98; asphalt, road rollers and spare parts for the department of the interior, \$105,385.32; electrical equipment and supplies, poles, and cross arms for the Porto Rico irrigation service and the bureau of insular telegraph, \$32,594.38; reinforcing steel bars, dump cars, steam locomotives, one centrifugal pump, and one steam shovel, mostly for the Isabela irrigation service, \$47,264.86; animals for the insular police department, the department of agriculture and labor, and the department of health, \$4,487.94; police uniforms, \$6,781.40; and printing paper for the bureau stock, \$9,461.18.

The amount of sales made from bureau stock during this year was \$115,814.53, an increase of \$9,821.37 over the preceding year, or 9.3 per cent.

The printing division performed work on 3,482 jobs during this year, and the total output amounted to \$104,016.49. This was practically the same as last year. The necessity of expansion for the printing division is evident. The purchase of additional modern machinery is an absolute necessity, considering the fact that the amount of work done is increasing every year. The equipment necessary to relieve this situation is a modern ruling machine, a Kelly press 24 by 36, a 52-inch paper-cutting machine, a monotype for use in statistics, an 8-page folding machine, and a gas or electric pot for

metal melting. There is lack of room for these improvements. For this reason the executive secretary earnestly recommends that the buildings occupied by the printing division be remodeled and put in proper condition to allow for the proper installation of the necessary equipment and personnel. Under the conditions now existing, it is frequently necessary to have the personnel of the printing division work overtime, which makes the cost of certain jobs higher.

The nine automobiles assigned to the transportation division rendered 758 trips, with a running of 161,951 kilometers. The output of this division during the year was \$22,944.31. The average cost per kilometer was 14.16 cents.

Two 7-passenger Nash automobiles were bought in November, 1925. The old Chandler was sold at auction, and a Nash 5-passenger automobile was condemned to be used as spare parts for the other cars. At least two of the nine automobiles now in the service should be replaced as soon as possible.

Public automobiles were hired for nine trips, at a cost of \$438.

The following table shows the assets and liabilities of the bureau of supplies, printing, and transportation as of June 30, 1926:

	Debit	Credit
ASSETS		
Property.....	\$85,294.90	
Printing division.....	\$71,370.42	
Transportation division.....	16,183.23	
Furniture and fixtures.....	7,034.14	
Equipment.....	707.11	
Funds: Treasurer of Porto Rico.....		9,688.13
Merchandise inventory.....	45,976.96	
Bureau stock.....	\$43,674.16	
Transportation stock.....	2,302.80	
Expenses inventory.....		1,786.66
Unearned insurance premiums.....	\$1,394.58	
Printing division expenses in suspense.....	392.08	
Accounts receivable.....	220,642.19	
Suspense accounts receivable.....	1,582.05	
Work in progress, printing.....	18,810.84	
Revised Statutes and codes of Porto Rico.....	152.75	
Post office, key deposit.....	.60	
Inventory of purchase on requisition registered.....	66,851.53	
Building.....	1,858.76	
Manufacture of bread.....	20.46	
Bureau stock, gasoline in Ponce.....	29.12	
Bureau stock, gasoline in Guayama.....	28.60	
Adjustment account.....	3.59	
LIABILITIES		
Investment.....		\$167,691.77
Appropriation.....		100,000.00
Loans: Porto Rico irrigation service.....		10,000.00
Audited vouchers and pay rolls.....		153,526.55
United States accounts payable.....		22,121.19
Local accounts payable.....		197.55
Suspense accounts payable.....		40.52
Reserve for purchase and renewals.....		9,149.56
Printing division.....	\$7,698.80	
Transportation division.....	1,450.76	
Total.....	462,727.14	462,727.14

## INSULAR POLICE

During the year the work of the insular police as usual has been notably efficient and satisfactory. Upon it devolves the entire work of policing the entire island including the protection of life and property and the maintenance of peace and good order. There is

no municipal or local police, and the administration of the force is centralized at police headquarters at San Juan. The rank and file are carefully selected by competitive examinations, and the officers are appointed and promoted upon the merit system. The organization at present consists of 795 men. The aggregate cost of the operation of the department for the year was \$824,458.

During the year 70,850 arrests were made. Of the 56,469 cases tried by the courts 47,124 resulted in convictions, 83.46 per cent. The number of felonies recorded during the year was 1,106. Of these, 214 were classed as murders or homicides, 108 attempts to commit murder or homicide, 539 burglaries, 57 grand larcenies, 49 rapes or seductions, 9 arsons, and the others miscellaneous offenses.

The total valuation of lost or stolen property was \$217,637, the principal losses being cattle and automobiles. The police recovered property aggregating \$149,245, an average of 69 per cent.

During the year the police and detectives seized 1,895 weapons, 1,550 illicit stills and 26,986 quarts of intoxicating liquor.

The total number of arrests for engaging in the liquor traffic was 3,903, resulting in 3,422 convictions, 390 acquittals, and only 91 cases pending trial.

The total amount of fines imposed was \$198,913. Arrests for prostitution numbered 2,144. One hundred and seventeen minors were arrested, and 101 homeless children were located and placed.

Two hundred and twenty-eight suicides were reported during the year. Sickness and mental derangement were the prevailing causes.

There were 2,673 automobile accidents, and 564 accidents due to other causes reported during the year.

Three hundred and fifty-seven fires during the year were reported, causing losses estimated at \$771,885. Of these, 148 were cane fires, with a loss of \$81,236. Nine children lost their lives in these fires. Every fire was carefully investigated and all protection and help possible given those who suffered because of them.

Assistance was given the Red Cross, the War Veterans' Bureau, the Pension Bureau and many charitable institutions in carrying on their work.

*Detective bureau.*—The detective bureau is an auxiliary of the department. During the year the members of the bureau arrested 2,377 persons. Of these, 1,605 were convicted and 345 acquitted. Cases pending trial are 279. Losses and thefts reported amounted to \$94,173. Of this amount, \$60,084 was recovered.

#### NATIONAL GUARD

The Adjutant General reports that the commissioned and enlisted personnel of the National Guard is continually improving. So attractive is the service that the force could be more than doubled in the island at any time if means were provided for their maintenance. At present the force consists of one regiment and one battalion of Infantry, consisting of 82 officers and 1,678 enlisted men, making a total of 1,760 officers and men.

During the year, in addition to regular drills and assemblies, many schools for military training were held in various parts of the island. A 17-day field training camp was held at Yauco, August 9 to 25, inclusive. The assembly was in every way a success. Great pride

in the work was taken by both officers and men, and excellent results were reported. The cost to the Federal Government was \$74,636. Six Regular Army officers were on duty at the camp, and 24 non-commissioned officers of the Sixty-fifth United States Infantry were assigned one to each organization. There were in attendance of the Guard at the camp 80 officers and 1,714 enlisted men.

As showing the conduct of the Guard during the meet, and also the general impression of appreciation made by the officers and men, an extract from a voluntary letter from the mayor of Yauco, Hon. Arturo Lluberás, is given:

It affords me great pleasure and satisfaction to realize the great attachment and sympathy shown by everyone here for the military behavior of all the elements composing our National Guard during their stay here. \* \* \* Only heartfelt praises are heard everywhere for your civility and military spirit. \* \* \*. Please convey to the officers and boys of your command the unbounded testimony of our sympathy and attachment to the patriotic institution of the National Guard.

The National Guard was called on only once during the year for emergency service. May 1, 1925, at 10 p. m. a fire destroyed about 45 houses in the poorest section of the town of Comerío. The Red Cross called on the National Guard for assistance in housing the unfortunates, and the governor authorized the Guard to furnish such help, tents, and cots as were necessary. At 7.30 the following morning three trucks with supplies were on the way, and by night 19 tents with cots were placed in service; 22 families and 186 people were thus made safe and comfortable.

#### CIVIL SERVICE COMMISSION

The customary general competitive examinations were not held during the year for the reason that nearly all registers were full of eligibles as the result of previous examinations. It was considered unwise to induce citizens to take the examinations with almost no possible chance of appointment. The period of eligibility is three years, and for almost another year there will be ample supply of candidates for all possible clerical vacancies.

Of the persons examined 210 were sanitary inspectors who took the examinations last year, but whose papers had not been rated until the present fiscal year.

Selection of eligibles for appointment in the classified service numbered 159 during the year.

Transfers, promotions, reductions, separations, and other changes occurred in the general service of the Government. It is gratifying to note that the commission reports that these were made in accordance with the civil service act, and that the rules approved have been observed throughout all the different branches of the government. The heads of departments have carefully observed the merit principle, and show a desire to secure a complete observance and application of the system.

During the year 815 persons were examined for the United States Civil Service Commission; 735 for positions in the customs, postal, and other positions in the field service of the Federal Government in Porto Rico; 27 were applicants for postmasterships, and 53 for technical positions in the departmental service at Washington.

A large amount of detail work is done in the office of the commission. A complete record of all employees of the Government service must be kept; examinations as to the changes made in the service must be made and recorded; the records of examinations made for the Federal Government must be kept and reports sent to Washington; consultations, interviews, and correspondence must be continually carried on. The work of the commission is increasing each year, and more clerical assistance is recommended.

During the year the commission lost the services of Mr. Charles H. Terry, its chairman, occasioned by his resignation, and transfer to the department of education. Mr. D. Andreu was appointed chairman to succeed him.

#### GOVERNMENT EMPLOYEES' SAVINGS AND LOAN ASSOCIATION

A savings and loan association of government employees, including all permanent employees, public school and university teachers, and members and officers of the police force, is in successful operation in Porto Rico. It encourages a habit of saving and insures against death or permanent disability. One dollar per month deducted from the salary secures an insurance of \$1,700, and \$2 about \$2,500. Loans can be procured at 6 per cent interest. The amount in the savings fund was \$333,742 at the close of the fiscal year. The amount of loans and mortgages was \$255,514. The amount paid for deaths and permanent disability was \$35,816. The association has been in operation since 1921, and seems to be working successfully and to be giving satisfaction to government employees.

#### BOARD OF REVIEW AND EQUALIZATION

This board, which is a board of tax appeals to which tax payers may have reviewed assessments which they believe excessive, has had a busy year. One hundred and ten regular and special meetings were held for hearings during the year. One hundred forty-three appeals from assessments of corporations regarding the income tax were heard, involving \$1,103,000; 237 appeals by partnerships were heard, involving \$410,455; 179 appeals by individuals were submitted, involving \$410,257. The cases related to taxes in all the years from 1918 to 1925.

One thousand one hundred and fifteen appeals against property tax assessments were heard during the year. Of these, 103 cases involving \$64,136 were filed by corporations, and 1,012 cases involving \$5,078,640 were submitted by partnerships and individuals.

The total assessments appealed from amounted to \$69,215,000, and the reductions made by the board to \$6,519,000, or a little less than 10 per cent.

The only change in the personnel of the board was the appointment of Manuel Mendía, vice Enrique Vidal Sánchez, resigned.

#### ELECTIONS

There was no general election held between July 1, 1925, and June 30, 1926. The principal work of the insular board of elections during the year has been to make and record the exclusion of the

registrations of 54,833 persons registered as electors who failed to vote at the general election held in 1924, who did not file petitions to be excused for such failure, and the revising and systematizing of all registration records. This is a work of great care and difficulty, for under the Porto Rican law no person is entitled to vote who is not a registered voter, and no person is entitled to register who failed without excuse to vote at the preceding general election.

Eight suits involving contests of the election of 1924 were instituted in the courts. In six of these the action of the board was sustained, and in the other two, final action was still pending at the close of the year. A recounting of the ballots of the election precincts of Fajardo and Yauco was ordered, but not completed before the close of the year.

Sixteen hundred seventy-nine petitions to be excused from voting were filed with the board. Of these, 1,162 were granted, 116 were rejected, and 401 were pending further investigation.

The resignation of E. W. Keith as general supervisor of elections was filed. Mr. Keith had acted with the utmost fairness and with great ability in the performance of his difficult and responsible duties for many years, and his resignation was regarded by all Porto Ricans with great regret. His successor was not appointed before the close of the year.

I have the honor to be, sir, your obedient servant,

HORACE M. TOWNER,  
*Governor of Porto Rico.*

The history of the state of New York is a subject of great interest and importance. It is a subject which has attracted the attention of many of our countrymen, and which has been the subject of many valuable works. The history of the state of New York is a subject which has attracted the attention of many of our countrymen, and which has been the subject of many valuable works. The history of the state of New York is a subject which has attracted the attention of many of our countrymen, and which has been the subject of many valuable works.

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