

question specifically stated that there was no fit water in the vicinity, and that the reservoir would not hold water, anyway. Now it is filled with excellent drinking-water, and, with typical American humor, the engineering corps have christened a large boat used on the reservoir with the name of the critic. Colon's streets are bad, "as bad as Pennsylvania Avenue in Washington before Grant's administration," but they are a hundred per cent. better than a year ago, and progress is rapid. Complaints on this and other topics made to the President were often honest, though sometimes wanton or malicious; but when honest they usually proved due to failure to appreciate the fact that time is necessary in the creation and completion of a titanic work in a tropic wilderness. Throughout the Canal Zone Mr. Roosevelt found a splendid police force, fine schools, excellent provision for the six thousand white and nineteen thousand colored employees on the Isthmus, but too many saloons—a fault to be remedied by a new high-license law. In some cases the quarters did not seem adequate, and there was some complaint that prices of supplies were too high; but no large undertaking can be carried on without individual complaints, and the President, after testing these complaints in various ways, is sure that the laborers, engineers, and officials are well fed, well housed, and well paid. The West Indian negro laborers are fairly, but only fairly, satisfactory; a few hundred Spaniards employed do excellent work; more Spaniards and some Italians are to be sought for; but in the main, for unskilled work, we shall have to rely partly upon negroes of the West Indies and partly upon Chinese labor—"the American workingman in the United States has no concern whatever in the question as to whether the rough work on the Isthmus, which is performed by aliens in any event, is done by aliens from one country with a black skin or by aliens from another country with a yellow skin." The actual work of construction has been pushed in good earnest since the type of canal was decided, and in October the record-breaking amount of three hundred and twenty-five thousand cubic

yards was excavated. The work may best be done by general contractors, if fair terms and proper checks upon the work can be agreed upon; the proposals now offered are tentative only. The President believes that a seven-headed commission is a clumsy executive instrument; that we should have but one Commissioner, with such heads of departments and other officers under him as we may find necessary, and that the best men in the country should be employed as consulting engineers. Of the success of this stupendous enterprise, which will redound immeasurably to the credit of America, will benefit all the world, and last for ages to come, the President is fully convinced. He deprecates the pessimism of doubting Thomases, and scores the malicious attacks of sensation-mongers, while he expresses the heartiest contempt and indignation for the outrageous accusations of a few slanderers who have been guilty of gross libel "upon a body of public servants who, for trained intelligence, expert ability, high character, and devotion to duty, have never been excelled anywhere."



#### *Wages and Living*

The Pennsylvania Railroad Company, in assigning the rising cost of living as the reason of its \$12,000,000 increase in the yearly wages of its employees, already noted in *The Outlook*, requires no labored argument to convince the public of the truth and common sense underlying its action. The advancing price of food products and other necessities of modern life are facts that obtrude themselves unpleasantly in the daily lives of all. Commodity prices in 1906, as recorded by Dun's Index Number, broke the record of twenty years. The investigation of retail prices of food conducted by the United States Bureau of Labor has made it clear that in 1905 the highest point was reached in the sixteen-year period thus far covered by the investigation. The advance in food when each article is given a weight according to its consumption in the family of the workingman was 17.7 per cent. between 1896 and 1905. The average cost of food per family in 1896, the year

of lowest prices in the period, was \$296.76; in 1895 it was \$349.27. In most workmen's homes expenditure for food makes up more than 40 per cent. of the family budget. Probably no other item in the budget, with the possible exception of rent, has increased in the same proportion, but most of the items show an appreciable increase. In certain localities the cost of fuel is greater than it was ten years ago. Almost everywhere rents are higher. On the other hand, more men are employed in productive industries than ever before, the hours of labor are shorter, and the pay larger. Not only is the cash wage for the short-hour week larger than the cash wage formerly received for the long-hour week, but it would appear from the report of the Bureau of Labor that its purchasing power is greater (absolutely), in spite of the higher prices of many commodities. In other words, the rise in wages in the whole country more than offsets the increased cost of living. If this be true as a general statement (and we are aware that it seems to be contradicted by many specific instances), the effect of the recent raising of wages by some of the great corporations will be to give the man who works with his hands a greater share in the products of American industry than has ever before been his. Beginning with the new year, the United States Steel Corporation is to add 10 cents to the day's pay of each of its 68,000 common laborers. The Standard Oil Company is putting into effect an increase of from 5 to 10 per cent. in the wages of about 35,000 men. An advance of 10 per cent. has been granted to 25,000 Fall River cotton-mill operatives. Among railway companies, besides the Pennsylvania, the New York Central, Reading, Alton, St. Paul, Chicago and Northwestern, Union Pacific, Lackawanna, and New Jersey Central have either increased wages or reduced hours. All the great copper mines of the country are paying better wages than ever before. It taxes the memory of the present generation to recall a period of National prosperity in which the incomes of so many thousands of individuals were enhanced so substantially in a single year. But at the same

time it remains true that the salaried man, as distinguished from the wage-earner, has gained little or nothing, generally speaking, unless it be greater assurance of employment. The Bureau of Labor has repeatedly called attention to the fact that the tendency in this country is to advance employees on salaries less rapidly than those who are employed by the day or week and whose services are contracted for at frequent intervals. It is this class in the community that has felt more keenly, perhaps, than any other, the increased cost of food. The pay of civil service employees at Washington has remained practically stationary since the Civil War. The Government is now experiencing difficulty in getting properly qualified men to take clerkships at the salaries offered, and a bill has been introduced in Congress increasing all departmental salaries 10 per cent. While a horizontal increase of this kind would serve to perpetuate many of the old inequalities and absurdities for which the Government's salary list is notorious, it is undoubtedly true that large numbers of faithful and efficient employees are receiving relatively less to-day than they received twenty years ago for services at least as valuable as those that they rendered then; and what is true of Government clerks is equally true of the office force of many a firm and corporation.



*New Subways for New York* Plans for the building of new subways in New York are so far completed that the city is about ready to receive bids for their construction and, if deemed advisable, for their operation. The main question at present is, How can the city best insure its own control of these streets underground? When the present subway was planned, there was some doubt in the minds of many apparently well-informed people as to the prospect of financial success. Under the circumstances, therefore, it was necessary for the city to agree that it would permit the company constructing the subway to reap the profits of operating it. The unquestioned financial success of the present subway has made a very great change in