

ENGINEERS TO DIG CANAL

RESPONSIBILITY SHIFTED TO THEIR SHOULDERS.

President Roosevelt Abandons Plan of Having Waterway Completed by Contract on Percentage System.

Washington.—By an order addressed to Chairman Shonts of the isthmian commission today, President Roosevelt, as far as lay in his power under existing law, transferred to the engineer branch of the army the responsibility for the further construction of the Panama canal.

He also formally recorded the abandonment for the present at least, of the project of having the canal work done by contract on the percentage system. Another feature was the announcement of the resignation of John F. Stevens as engineer in chief of canal construction.

Mr. Shonts is in New York where he will tomorrow preside at a meeting of the directors of the Panama Railroad company, of which he is president, and will, it is expected, formally resign that office.

The president intends that there shall be an entire reorganization of the commission with three army officers of the engineer corps as its leading members, who are to have charge of the engineering features of the canal work. The chairman and engineer in chief of the commission will be Major G. W. Goethal. His associates will be Major Du B. Galliard and Major William L. Siebert, to rank in the order named. The officers are all comparatively young, ambitious and energetic.

Job for Senator.
Senator Joseph S. C. Blackburn of Kentucky, who will retire from the United States senate on March 4, is to be made a member of the reorganized commission. The nomination of the present commission now pending before the senate include Messrs. Shonts, Stevens, Haines, Endicott, Herrick, Gorgas and Jackson Smith.

Their confirmation is desired in order to remove all doubt as to the legality of certain acts they have performed in connection with the making of contracts. The retirement of Mr. Shonts and Mr. Stevens will leave but two vacancies, so that there will be two more retirements necessary to make way for the three army officers and Senator Blackburn.

The president is determined that the work on the canal proceed continuously, and the temporary "dislocations" caused by the resignations of higher officials will not be allowed to interfere with progress.

The president is unaware of the specific reasons which have been influential in prompting Mr. Stevens' resignation. It surprised him very much for as late as the middle of December Mr. Stevens made no mention of his wish to retire. It has been known, however, that Mr. Stevens has been stung very much by criticism aimed at him in connection with the canal work, some of which came out during hearings before committees of congress.

It is said that Mr. Stevens is leaving to accept a position in connection with a great engineering enterprise in this country at an annual salary more than he now receives from the government.

His friends contend that the organization of the forces is excellent. Mr. Stevens is said to believe that he can now sever his connection with this great enterprise without in any way jeopardizing its success.

For several weeks it has been rumored here that Mr. Stevens was dissatisfied with the plan of letting the canal work out by contract, but as explained by a member of the cabinet today, Mr. Stevens really proposed to the president the adoption of this method of constructing the canal.

The probability is that the administration may determine to give out the work to be done at the isthmus by contract under the general direction of the army officers. After General Goethal and his army associates have been at the isthmus sufficient time to become fully acquainted with the work to be done, they will submit a report on the situation to the president.

If they feel the work can be done better by contract than under the present system the question again will be considered by the president and the services of the same high class contractors whose bids are now rejected, or others of similar standing then may be invoked.

The president's reasons for making the sweeping changes and refusing all bids so far offered for building the canal are noted in his letter to Chairman Shonts.

WAR SUPPLIES ARE TO BE INTERCEPTED.

Washington.—Advices received by the state department today through Minister Corea of Nicaragua are to the effect that the small steamer Empire, which in the past has figured conspicuously in filibustering expeditions, is being utilized for the transportation of munitions of war from Salvador to Honduras.

Minister Corea will request this government to have the steamer Newport, which sailed from San Francisco Saturday for Panama with 600 cases intercepted by the cruiser Chicago, now at Acapulco, believing that these supplies are ultimately intended for Honduras.

It is asserted here that by preparing the Empire will meet the Newport at sea and have the 600 cases of war material transferred to her.

BIG LOAN FOR KINGSTON.

Kingston, Jamaica.—Archbishop Nuttall has announced that parliament will arrange a loan of \$5,000,000 for Kingston, the money to be used to rebuild the business portion of the city which was destroyed by earthquake.

BIG INCREASE IN APPROPRIATIONS

Two Years Ago for the Same Purpose \$7,300,000 Was Asked—Where the Taxpayers' Money Will Go.

Sacramento.—The general appropriation bill carrying \$8,100,000 as against \$7,300,000 two years ago, has been completed by the committee on ways and means and was introduced in the assembly this morning by Chairman Estudillo.

The committee has worked on this important measure ever since the legislature convened and has completed the bill in record time. Chairman Estudillo explained that the increase of \$800,000 over the amount carried by the general appropriation bill of the last legislature was largely due to statutory appropriations passed at the last session.

One of the largest appropriations is the state contribution of \$950,000 for the support of the orphans and half orphans.

The state's portion of the salaries of the superior judges is \$935,500 and the salaries of the appellate court justices \$126,000. For the support of the national guard the bill carries about \$500,000.

Increase for Employees.

The measure also provides \$106,000 for increasing the salaries of all employees in the state hospitals and asylums. Two hundred thousand dollars is appropriated for the support of the University of California, \$6,000 for a chair of music in the university, \$35,000 for the Southern California experimental and pathological section, \$10,000 for the California Polytechnic school in San Luis Obispo, \$125,000 for the rectifying and improving of the channels of the Sacramento, San Joaquin and Feather rivers, \$442,000 for the contingent expenses of the senate at the next session and \$52,000 for the assembly.

The salaries of the justices of the supreme court are \$102,000. The governor's secret service fund is \$10,000, and for the maintenance of his mansion \$6,700, an increase of \$1,700.

The railroad commission will cost the state \$33,000 for the next two years. The forestry department of the state is given \$21,600.

Large Amount for Prisons.

The bill carries \$420,000 for the support and maintenance of the state prison at San Quentin and \$175,000 for Folsom.

For the restoration and preservation of fish and game \$66,000; state dairy bureau \$10,000; state agricultural society \$35,000; state bureau of criminal identification \$3,600.

It will take an approximate state tax of 55 cents to meet the expenses of the government of the state for the next two years as against 49 1-10 cents for the past two years.

OLD SOLDIERS MUST GO DRY.

Washington.—The house adopted an amendment to the sundry civil bill providing that no bar or canteen where intoxicating liquors are sold shall be maintained in national soldiers' homes.

In view of the campaign throughout the country against the canteen in soldiers' homes intense interest was shown when that feature of the bill was reached.

Mr. Bowersock of Kansas precipitated the debate by offering an amendment providing that no part of the appropriations carried in the bill for soldiers' homes should be apportioned to any national home for disabled volunteers that maintains a bar or canteen where intoxicating liquor is sold.

Mr. Tawney said that twenty new saloons had been erected around the soldiers' home in Milwaukee in anticipation of the closing of the canteens. He said the management of every national soldiers' home in the country had asked that the canteen be restored in the interest of temperance.

Mr. Goulden of New York, as a trustee of the Bath, N. Y., soldiers' home, said that since the canteen had been closed the 2,400 inmates of the establishment had gone on record in favor of the old "beer hall" where they could have light drinks and music under normal circumstances.

UNCLE SAM MAY SOON TAKE A HAND.

Washington.—Unless Nicaragua and Honduras speedily agree to arbitrate their difficulties in response to the suggestion of the United States and Mexico, it is not improbable that intervention will be resorted to in order to bring to an end the present state of hostilities.

It became known today that within the last day or two a second note was sent to the presidents of Nicaragua and Honduras in effect conveying this threat.

No replies have been received and while in official circles the hope is expressed that further bloodshed may be averted there is an underlying belief that it will be necessary for either the United States or Mexico to step in and force arbitration.

HORSES AND STAGE GO INTO THE RIVER.

Eureka, Cal.—Word has just been received here of the loss of a stage and four valuable horses at Newman's bluff, a point on the Eureka-Willits road, two miles south of Dyerville.

While rounding a landslide on its route the stage was precipitated into the river.

The driver and his companion escaped. Seven pouches of United States mail were lost in the Eel river.

BANDIT BUTCHERS SLEEPING RURALES.

San Antonio, Texas.—A dispatch to the Express from Mazatlan, Mexico, says:

Six rurales, as they lay asleep in the shelter of rocks in the vicinity of Tepic, were butchered by the notorious bandit, Enrique Chavez, and his band yesterday. Ranchmen and farmers in the Tepic district are in a condition bordering on a panic.

PASSES BIG BILLS

MEASURES REPRESENT OUTLAY OF \$365,000,000.

Beveridge Obtains an Amendment Requiring Packers to Put Date of Canning and Inspection on All Parcels.

Washington.—The senate today passed the agricultural appropriation bill, carrying nearly \$10,000,000; the postoffice appropriation bill, carrying \$210,000,000; the pension appropriation bill, carrying \$145,000,000 and the bill authorizing the establishment of an agricultural bank in the Philippines.

The principal fight today over the agricultural appropriation bill took place on the Beveridge amendment requiring the packers to pay the cost of administering the meat inspection law.

This amendment was defeated on a point of order. Mr. Beveridge secured the adoption of an amendment which requires the date of canning and inspection to appear on the label of the can containing meat products.

The postoffice bill was passed in an hour and fifteen minutes. Amendments adding \$1,388,959 for the extension of the pneumatic mail service and requiring postal cars to be lighted with electricity were adopted.

Mr. Lodge secured the passage of the Philippine agricultural bank bill. An amendment offered by Senator Culberson declaring the intention of the United States to abandon the islands as soon as a stable, independent government should be established was adopted. The senate also passed a bill granting a service pension to army nurses. Those who are disqualified to earn a livelihood and have reached the age of 62 years are to receive \$12 a month, at 70 years \$15 and at 75, \$20.

AN ARMORED FLEET MAY PROTECT PACIFIC COAST.

San Francisco.—It is authoritatively, although unofficially, reported in local naval circles that the formation of a strong armored fleet on the Pacific coast will be inaugurated by the dispatching to this city at an early date of the battleship Indiana and Iowa.

These two battleships will form the nucleus of the Pacific battleship squadron, which will be further strengthened by the addition of the new battleship Nebraska, now nearly completed at Seattle, and the battleships Wisconsin and Oregon, which are now being extensively overhauled at the Puget sound naval station.

These five battleships may be reinforced during the next few months by two more from the Atlantic. It is said to be the policy of the navy department at this time to unite the Asiatic fleet and the Pacific squadron into one great fleet, its component vessels interchangeable, and all under the command of one of the three vice admirals, which it is thought congress will authorize at an early date.

UNCLE SAM NOT TO ASSIST S. P.

Imperial, Cal.—A special dispatch to the Standard from Washington says that Flint's bill providing for the government taking over the Imperial irrigation system failed of passage because Speaker Cannon and other congressmen both east and west, opposed making further appropriation for irrigation until experiment of government control proves a success.

It is believed in Washington that the government system for Imperial will never be revived, as Southern Pacific railroad officials declare that the company will furnish all funds needed and make the Imperial irrigation system the peer of any government system and that when completed can sell to farmers on long-time bonds.

Improvement and extension of the distributing system is to be taken up at once and pressed vigorously. It is expected that a million dollars will be expended in a year.

CHINESE CAUGHT WHILE TRYING TO ENTER COUNTRY.

San Francisco.—Thirteen Chinese sailors from the British steamship Como were arrested by policemen and immigration guards this afternoon at the Greenwich dock in an attempt to escape from the vessel and were taken to the harbor station and more taken across the bay to Alameda county jail. A complaint charging them with being illegally in the United States will be sworn out tomorrow against the Chinese by Charles Meehan, Chinese inspector in charge.

The Como reached this port the first of the week from New Zealand, and the officers have been having trouble with the Chinese since arriving.

MONTANA RANCHMEN IN SHOOTING SCRAPE.

Helena, Mont.—A report has just been received here telling of the shooting scrape between ranchmen, thirty miles north of Helena.

Three were shot, among them being Paul Rerburgh, who was injured in the heart and will probably die.

Others whose names are unknown at this time are seriously wounded. Range war is said to be the cause. The sheriff has gone to the scene.

WAVES OF SALTON SEA BEAT OVER S. P. TRACKS.

Imperial.—A heavy wind is again beating waves of Salton sea over the Southern Pacific track, and it is not probable trains can pass until the storm subsides.

March being a windy month, the company anticipates considerable interference.

The sea is now falling at the rate of half an inch a day, no water is flowing in and it is expected all trouble will be ended in sixty days.

MINES AND MINING

HIGH GRADE ORE OF WONDERFUL VALUE.

Santa Fe Cutoff at Amboy Will Tap the Mines—Idaho, Nevada and California Operators in This Field.

Los Angeles mining men formerly operating in the Couer d'Alenes have discovered a new mining district in the Whipple mountains of southeastern San Bernardino county, California. The showing there in gold and copper, in what is known as the Copperfields, is said by those who have seen both districts to greatly surpass that of the best properties in the Greenwater district. Assays of ore exceeding \$100 per ton excite no surprise among those familiar with the district and values in the red metal alone from surface ores run in the shipping grade from \$75 to as high as \$269 per ton. Accompanying gold values often run as high as \$20 per ton. The extent of the mineralized district has not been determined, but prospecting and exploration work has been carried on quietly for a number of years in such a degree as to prove a metalliferous area of twenty or thirty square miles and extending from Turtle mountain on the west in a belt three or four miles wide to the Colorado river, forming a belt with a northwest and southeast trend.

Until within the past year the knowledge of the great mineral wealth of this district was confined almost solely to the few prospectors owning claims there, the fact of the district being on the desert forty miles from the nearest railroad, with no prospect of better transportation facilities acting as a bugbear to otherwise interested capital into seeking copper mines.

The astonishing rise in the price of copper in the last few months and the building of the Santa Fe cutoff, which leaves the main line at Amboy and bears south of the Turtle and Whipple mountains and crosses the Colorado river near Parker, Ariz., running within a few miles of these properties, has so changed conditions as to make them most attractive.

Three Los Angeles companies are already at work developing mines there against the arrival of the railroad, which is now completed on the Arizona side to within ten or twelve miles of the Colorado river. The railroad is being most substantially built, with a 1 per cent minimum grade, and furnished with seventy-pound steel. Good station buildings are being constructed along the road to meet the requirements of a main line route.

Long Beach Wants Smelter.

It is stated that Long Beach may obtain the big million dollar smelter planned by Arizona and Nevada mining men and capitalists. It is known that A. D. Myers, mine owner, who will build a \$100,000 residence on the ocean bluff at Long Beach, is strongly in favor of locating the smelter on the coast.

A deal is now pending between the syndicate and the Salt Lake railroad, whereby the latter will donate a site on land to be filled in on the inner bay of San Pedro.

The smelter is said to be one of the industries which the Salt Lake railroad is striving to get, and which it desires to locate on the tidelands now in dispute.

The Bixby interests also are known to be interested and have a proposition to locate the smelter on Palos Verdes land.

One Thousand Miners Laid Off at Butte

Butte, Mont.—Although 3000 miners and top men are idle, owing to the action of the miners' union in demanding an increased scale of wages May 1, no apprehension is felt that any of the mines will close down.

One thousand men, in addition to the 2,000 laid off yesterday, were discharged today.

It is understood that it will be the policy of the operating companies in the future to pay the present scale, but to employ only about as many men as at present.

Only the most urgently needed development work will be carried on. Sufficient ore bodies have been blocked out in the larger properties to keep a good force of skilled miners at work for the next fifteen years.

Supply of Copper.

A careful estimate of the supply and demand of copper for the present year shows that the consumption will exceed the output by 75,000,000 lbs., which will undoubtedly cause even higher prices than at the present time. Until Nevada and Utah mines are in condition to produce extensively the famine will continue, and even then it is doubtful if the supply will be adequate for the continual increasing demand. The equipping of steam railroads with electrical appliances throughout the United States has created a new demand for the red metal which will tax the capacity of all copper companies to their utmost.

MEXICANS FIND NO MARKET FOR COTTONS.

El Paso.—Some complaints come from the rich Laguna cotton district of the state of Coahuila, Mexico, that the planters can find no market for the large crop of cotton raised last year.

Governor Cardes of that state, himself a cotton manufacturer on a large scale, is working on a plan to interest the principal ginners in the establishment of cotton mills to work up the surplus.

HUNDREDS MEET DEATH IN THE PHILIPPINES.

Madrid.—A telegram from Manila announces that the southern Philippines have been ravaged by a cyclone, that 200 people were killed and thousands rendered homeless.

ENGINEERS HAVE DARING SCHEME

Seek Franchise to Build Railroad to Top of High Mountain at an Expense of 10,000,000 Francs.

Geneva.—A daring engineering scheme is attracting much attention here. Two engineers, well known for their work in building mountain roads have applied to the federal council to grant them a franchise for the construction of a railway from Zermatt to the top of the Matterhorn. The scheme consists of two sections, the first a cog and ratchet track from the Viege-Zermatt depot to the Lac Noir (2,508 metres), tunneling through the Hoerhli peak.

The second section comprises two funiculars from the refuge station to the summit (5,052 metres), the latter being constructed in a tunnel with a gradient of 85 to 90 per cent.

The whole system is to be worked electrically and the promoters propose to construct buildings at the summit sufficient to accommodate a certain number of visitors, including, if feasible, a compressed air room for persons who suffer mountain sickness.

It is estimated that it will require four years to construct the railroad and will cost ten million francs. The journey from Zermatt to the summit will require one hour and fifty minutes and will cost fifty francs. At present the ascent takes twenty-four hours and the charges for guides amount to 18 francs.

Alpinists are bitterly opposing the scheme on the ground that it would make one of the finest and most difficult peaks in Switzerland accessible to every Cook's tourist and the Fröbourg and Berne sections of the Alpine clubs have already issued appeals for public support to oppose its consummation.

EMPLOYEES LOOT U. S. TREASURY.

Chicago.—One of the largest, if not the largest, thefts from the United States treasury has been unearthed in Chicago.

Somewhere between \$175,000 and \$200,000 was stolen from the local sub-treasury last week.

The money has disappeared as completely as if it had vanished from the face of the earth.

The authorities here and in Washington have been working night and day on the robbery since it was discovered.

Chief Wilkie from the United States secret service has been keeping informed by telephone and telegraph of every development, and according to telegraphic advices he will leave Washington today to take personal charge of the investigation. When interviewed today in regard to the robbery Sub-treasurer Boldenwick admitted that a theft of \$173,000 had been perpetrated. He declared that it had been definitely determined just where the shortage occurred, but he declined to say where it had been traced. He declared, however, that the robber had never reached the vaults.

He said that the only reason for believing the money stolen had been in bills of large denomination was that it would be impossible for anybody to have taken \$173,000 from the office in small bills and escaped detection, but that a package of \$173,000 in one thousand dollar bills could have been carried by one person easily without exciting suspicion.

WILL SELECT NEW SITE FOR STATE PRISON.

Phoenix.—Governor Kibbey today signed a bill creating a commission of five members to select a new site for the territorial prison.

The present site at Yuma is undesirable because of remote location from most of the territory, excessively hot summer climate and because there are no natural resources on which prisoners may be employed advantageously.

The prison greatly needs repairs, and it is believed it would be better to appropriate more money and build a new one.

Yuma people heretofore opposing the project are now largely favoring it.

INDIAN TRIES TO POISON WATER SUPPLY OF CITY.

El Paso, Texas.—News has been received here that a Yaqui Indian who had just emptied a 15-pound can of cyanide of potassium into the municipal water works reservoir at Hermosillo was caught in the act of emptying another can of the poison.

He was ordered shot by the authorities and the sentence was carried out. A new terror is added to the situation in the Sonora country since the Yaquis have learned the deadly nature of the poison which is so largely used in mining operations in that section and so easily accessible to thieves and desperadoes.

STATE LEGISLATURE CUTS UP COUNTIES.

Sacramento.—The assembly committee on counties and county boundaries tonight reported favorably upon Thompson's bill, taking from Tulare county thirty-two townships in the Dinuba country and adding it to Fresno county and giving to Kings one-half of the Coalinga district, over which such a bitter fight has been waged in the legislature. The other half of the Coalinga district is to remain in Fresno county.

IMPORTANT DECISION BY JUDGE SEAWELL.

San Francisco.—A decision deemed to be of much importance was handed down today by Superior Judge Seawell against the Williamsburg City Fire Insurance company.

It holds that in fire insurance policies the presence of an earthquake clause does not absolve liability unless the company proves that the earthquake started on the premises insured.

IMPROPER USE OF U. S. COIN

MONEY DEPOSITED IN BANKS WITHOUT INTEREST.

Debate on Aldrich Currency Bill in Senate Brings Out Sharp Remarks—Newlands Obtains Amendment.

Washington.—In the debate on the Aldrich currency bill in the senate today Senator Spooner opposed Mr. Nelson's proposition requiring the banks to pay interest on government deposits, as the money deposited was still government money.

"Whose money is it when it is loaned out to stock gamblers, who pay the banks interest?" asked Mr. Nelson.

This led Mr. Spooner into a statement that there would always be more or less speculation in securities, but this did not change his contention that the government money should not be loaned out when on deposit with banks.

Mr. Newlands drew from Mr. Aldrich the admission that there was a greater demand for subsidiary coins than was supplied. Mr. Newlands expressed the hope that the secretary of the treasury would coin \$10,000,000 a year in silver coins instead of \$5,000,000. This would, he said, support the price of silver, which, he said, had risen from 50 to 70 cents an ounce without any government assistance. He wished to see it at its normal price of \$1.29 an ounce.

The cry in 1896 had been, he declared, that nothing was to be considered except the quality of our currency. Now, the cry was that the quality was adequate, but that the quantity was insufficient. Mr. Newlands did not oppose the bill.

Mr. Newlands secured the adoption of an amendment which was also first endorsed by Senator Aldrich, which requires the Secretary to make a public statement on the first of each January as to the character of the securities required during the year for such deposits.

Mr. Nelson's amendment requiring interest to be paid on deposits was defeated, as was also an amendment by Mr. Stone that the interest on deposits be 1 1/2 per cent.

A roll call resulted in the passage of the bill, 43 to 14. Those opposing were Senators Bacon, Berry, Blackburn, Clay, Culberson, Dubois, Fraser, La Follette, McCreary, McLaurin, Mallory, Pettus, Stone and Newlands.

PASSES NEWSPAPER BILL.

Sacramento.—The senate tonight passed Senator Wright's bill making it a felony for any newspaper to publish any statement, comment or criticism on any criminal trial or civil action that may intimidate or influence the verdict of the jury or in any manner state or imply what the verdict ought to be. Any person publishing a statement attacking or criticizing a jury and implying that he may suffer a loss of respect in public esteem or injury to his character and reputation by reason of the juror's opinion or vote in deliberation upon a verdict shall be guilty of an obstruction to public justice which is made a felony.

Mattos and Boynton voted against the bill. The latter gave notice of reconsideration.

FIGHTING IN CENTRAL AMERICA INCREASING.

Washington.—Official advices received by the state department this afternoon are to the effect that the fighting in Central America has become more general, with Nicaragua bearing the brunt of a three-cornered conflict.

Great public enthusiasm and confidence exists in Nicaragua, particularly on account of aggressions of Salvador, which is lending aid to Honduras.

Nicaragua is preparing to resist this interference, which is interpreted here to mean that an invasion of Salvador is in prospect.

PURPORA IS CAUSE OF WOMAN'S DEATH.

Laramie, Wyo.—The fourth case of purpura ever known in the United States was yesterday the cause of the death of Mrs. Sina Barkhurst of Laramie. Purpura is the most baffling of all diseases and the recovery of a case has never been known.

Mrs. Barkhurst was attacked by the disease last Wednesday, blood bursting from the veins and spreading over the entire body beneath the skin.

Sunday the entire body turned green. Tuesday the color changed to gray, except the eyes, which remained green. Yesterday death resulted.

TORNADO WIPES OUT TOWN IN ARKANSAS.

Little Rock, Ark.—A special to the Democrat from Hope, Ark., says that a destructive tornado struck the town of Washington late last night and almost totally wiped it out of existence.

Two negroes are reported killed and several persons are injured. Among the buildings destroyed were the Presbyterian and Episcopal churches, Judge Etter's residence, T. H. Williams' store, the residence of Sheriff Wilson and other structures. All wires are down.

STATE FAIR TO OPEN WEEK OF SEPTEMBER 9.

Sacramento.—The directors of the State Agricultural society met today and decided to begin the state fair on the 9th day of next September.

The week of the 2nd to the 9th of the month the national irrigation congress will meet here and it is the intention to give eastern visitors a chance to see the exhibits of the products and resources of the state.

Stock exhibits will open September 7, but the races will not begin until Monday, September 9.