

5-2-1862

Message of the President of the United States,
transmitting a petition of citizens of Oregon and
Washington Territory, and a report of the Third
Auditor of the Treasury in relation to the Indian war
claims in Oregon and Washington Territory

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MESSAGE

OF THE

PRESIDENT OF THE UNITED STATES,

TRANSMITTING

A petition of citizens of Oregon and Washington Territory, and a report of the Third Auditor of the Treasury in relation to the Indian war claims in Oregon and Washington Territory.

MAY 2, 1862.—Read, ordered to lie on the table and be printed.

To the Senate of the United States:

In accordance with the suggestion of the Secretary of the Treasury contained in the accompanying letter, I have the honor to transmit the enclosed petition and report thereon of the Third Auditor for the consideration of Congress.

ABRAHAM LINCOLN.

EXECUTIVE MANSION, *Washington, May 1, 1862.*

PETITION.

To his Excellency Hon. Abraham Lincoln, President of the United States:

The undersigned, citizens of Oregon and Washington Territory, desire respectfully to call your attention to a few facts in reference to the Oregon war bonds.

The Oregon war debt was contracted in 1855 and 1856, now more than six years ago. Of the justice of the claims embraced in that debt the proof is ample and complete. By the award of a commission appointed by Congress, consisting of Messrs. Captains Ingalls and Smith, of the United States army, and Hon L. F. Grover, the amount actually due citizens of Oregon and Washington was ascertained to be \$6,011,457 36.

The necessity of the war is established by undeniable testimony. While there may have been instances of high prices for supplies and service, the general fairness and reasonableness of the transactions are sustained by the commission already named; by the statements of J. Ross Brown, special agent of the Treasury Department, in a letter on the subject to Hon. J. W. Denver, Commissioner of Indian Affairs; by the letter of Captain Ingalls to the Third Auditor of the Treasury, Hon. R. J. Atkinson, of date August 5, 1859; by letters of Hon. John Whiteaker, Governor of Oregon, and many other citizens of Oregon and

Washington, and published in the report of the Third Auditor on the Oregon war debt. Your excellency is referred to those documents, now on file in the departments. It is within the knowledge of some of your petitioners, and it is also susceptible of the clearest proof, that in many instances, involving large amounts of staple articles, such were the patriotism of the people of Oregon and Washington, and their view of the actual danger from hostile savages, that they furnished the territorial authorities goods, groceries, forage, horses, equipage, and arms, at their current cash rates.

In very many instances, involving large amounts, the award of the Third Auditor, in reducing the prices fixed by the war commission, has done gross injustice to the holders of war scrip. A few examples may be cited. Sugars that were readily selling at 14 cents and 15 cents per pound, and which were sold to the territorial officers for the war at the same price, are reduced by the Third Auditor to 10½ cents per pound, actually one cent per pound less than the same article could then be bought for in San Francisco. The same is true of other groceries, and of arms. Good mules, in some cases, upon which the Third Auditor has fixed a maximum price of \$240, had been turned over to the service at their cash value, \$300.

Upon the report of the Third Auditor, manifestly unjust as it is, Congress on the second day of March, A. D. 1861, passed an act appropriating \$2,800,000 towards the payment of this debt, and directing the issuing of United States bonds, to run twenty years and to bear interest at the rate of six per cent. per annum.

Your petitioners respectfully submit that they have been injured by the course of the government in reference to this matter, in the following named particulars:

1. More than six years have elapsed since these necessary expenses were incurred, and neither principal nor interest has yet been repaid.
2. The action of the Third Auditor in reducing the amounts found to be due by the original war commission is a manifest and gross injustice.
3. Nine months have now elapsed since provision was made by act of Congress for issuing bonds for the payment of the debt, yet, up to this hour, they have not been received.
4. Your memorialists are informed, upon credible authority, that the war bonds, when issued, will bear interest only from July last, whereas the act of Congress providing for paying the debt is of date March 2, 1861.
5. While this injurious delay is a just occasion of complaint for these general reasons, it should be added, that some to whom these bonds are due are widows and orphans and other poor persons, who, for want of them, are actually distressed through lack of the necessaries of life, and that all are sadly incommoded and wronged by their delay and the other things alleged.

We are not unmindful that the perilous state of the country and the existing civil war have engrossed the attention of your excellency and the heads of departments; yet we do not think they justify the neglect and injustice of which we complain. The people of Oregon and Washington are as loyal and law-abiding as those of any other portion of the republic. It does not, however, follow that their rightful claims upon the government should be shoved aside.

We trust your excellency will give that prompt attention to this subject which its importance demands, and which will also secure the speediest reparation of the wrongs of which we complain.

NOVEMBER 1, 1861.

Isaac Smith.
F. Waymire.
M. M. Jones.
Thomas H. Pearne.
Thos. Pritchard.

J. W. Cook.
John McCracken.
Edward R Geary.
A. Kaupman.
W. S. Ladd.

D. Logan.
 W. W. Baker.
 D. D. Burmell.
 E. J. Worthing.
 H. S. Jacobs.
 M. M. McCarven.
 Henry Howard.
 J. C. Ainsworth.
 J. Kamon.
 P. C. Schuyler, jr.
 L. Brooke.
 James Johnson.
 P. Raleigh.
 A. Cahu & Co.
 Cohen & Lyon.
 Benj. F. Smith.
 Simeon G. Reed.
 Savier & Co.
 Thomas J. Holmes.
 T. McF. Patten.
 A. C. Gibbs.
 J. J. Hossman.
 Ladd & Tilton.
 C. E. Tilton.
 James M. Blossom.
 J. J. McCormick.
 M. S. Burrell.
 Sumner Barker.
 Daniel F. Bradford.
 E. D. Shattuck.
 Russel D. Austin.
 Richard Williams.
 William Masters.
 R. R. Thompson.
 H. F. Block.
 W. W. Page.
 W. L. Chittenden.
 John R. Foster.
 L. Ertis.
 J. D. Walling.
 J. Mynck.
 Ladd, Reed & Co.
 A. C. Ripley.
 Capt. R. Williams.
 Richard Hoyt.
 James B. Stephens.
 Thos. L. White.
 Charles P. Bacon.
 J. Stephenson.
 Geo. T. Ulyer.
 M. Keith.
 George Wright.
 James Gerrish.
 Jos. Bergman.
 F. L. Weeks.
 Edward Barton.

J. F. McCoy.
 Leonard & Green.
 Edward Failing.
 Wm. S. Powell.
 G. Goetz.
 J. C. Hawthorne.
 James K. Kelly.
 Jacob Karman.
 Wm. P. Watson.
 George H. Flanders.
 Alex. Dodge.
 R. B. Knapp.
 A. Miller.
 James M. Pierce.
 E. N. Burton.
 W. H. Farrar.
 Edward Mieks.
 Joseph Pounds.
 David F. Dudley.
 Joseph Knott.
 D. C. Coleman.
 John Powell.
 L. J. Powell.
 S. T. Church.
 J. S. McHeeny.
 Wm. H. Wright.
 H. A. Hogue.
 General S. W. McDowell.
 H. A. Johnson.
 Henry Holmes.
 S. W. Adams.
 Jacob Conser.
 J. W. Van Buren.
 Manuel G. Conser.
 James Lapham.
 J. F. Roe, M. D.
 Thos. Whitney.
 J. A. Pennebaker.
 Thos. H. Cox.
 John A. Crouch.
 Basil N. Longworth.
 Riley V. Drake.
 Willis Duragar.
 Joseph Chamness.
 Samuel Cornelius.
 G. S. Miller.
 Milton Hale.
 H. H. King.
 L. H. Veasey.
 T. M. Ramsdell.
 Wm. Kelly.
 B. L. Gardner.
 Morgan G. McCarty.
 H. C. Tarpley.
 Rev. W. J. Stanley.
 Lynden Wright.

Joseph Davis,
 Jesse Looney.
 Jonas Davis.
 J. L. Harrison.
 T. H. Hunsaker.
 J. C. Polly.
 Willis Osborn.
 George A. Edes.
 Philip Peck.
 A. C. Jones.
 Dayton Swinson.
 J. W. Forney.
 M. G. Caldwell.
 R. M. Robberson.
 Wm. Harrison.
 John M. Harrison.
 W. G. Langford.
 Geo. W. Hart.
 Wm. C. Hazard.
 John D. Biles.
 P. Ahern.
 Samuel W. Brown.
 George W. Martin.
 H. C. Morse.
 E. B. Smith.
 Lewis Love.
 G. T. McConnell.
 C. H. Lewis.
 Peter Fulkerson.
 S. D. Maxon.
 S. C. Achilles.
 S. W. Harris.
 F. D. Martin.
 John Springer.
 A. H. Sheffield.
 Pat'k Goldin.
 Will W. Bancroft.
 John Barry.
 William Raesok.
 John Fraser.
 J. W. Collins.
 J. W. Crenison.
 Joseph M. Fletcher.
 Haser Twigly.
 H. G. Stiner.
 Jacob Fritz.
 B. W. Pickers.
 James Crawford.
 C. W. Slocum.
 A. G. Ridway.
 E. A. Slocum.
 O. Sovey.
 S. Kaiser.
 Silas B. Curtis.
 J. L. Kingsley.
 Hiram Cochran.

A. J. Bean.
 Nicholas Dupries.
 Levi Flexter.
 L. Fricanicks.
 Alfred D. Short.
 Michael Hartigan.
 C. H. Hunder.
 John Tooley,
 Fred. Fink.
 Thomas H. Smith.
 P. Malick.
 Patrick Marpy.
 F. W. Hughes.
 Gay Hayden.
 Dan'l Healey.
 Thomas R. Earnbull.
 Geo. Grooms.
 Wm. Stemiss.
 J. Hester.
 David Stromberg.
 Joseph Wise.
 H. Haas.
 John F. Smith.
 Lewis Wallace.
 Patrick W. Keagon.
 Henry Weinhard.
 Jay D. Potter.
 John Airel.
 Richard Tiegert.
 N. Bateman.
 G. Cody.
 John Finsey.
 D. R. Fales.
 Carlos Baker.
 S. F. Harvey.
 N. Henrikson.
 Nicholas Dugen.
 Derillo Hake.
 Alonzo Durgan.
 Florian Dehm.
 Lawrence Lion.
 H. M. Knighton.
 C. A. Ross.
 William S. Bennington.
 Wm. B. Campbell.
 Wm. L. Kendall.
 John Maney.
 Lander Holmes.
 Levi Farnsworth.
 Michael A. Tubb.
 H. C. Turner.
 J. H. Baker.
 William Goodwin.
 J. H. Neyce.
 John Burgy.
 Levi Douthit.

J. Peter Berzit.
 Frederick Mullen.
 G. B. Ernst.
 Joseph Petram.
 Samuel Marsh.
 William Ranck.
 Butler E. Marble.
 Abriam Kinsey.
 Solomon Strong.
 J. Jacob Henrikan.
 G. W. Jones.
 J. Morin.
 George Dietrich.
 J. C. Files.
 S. N. Gardner.
 John Eddings.
 Joseph Durgan.
 Wm. Ryon.
 Patrick Callahan.
 W. O'Rourke.
 H. F. Stryker.
 G. J. Tooley.
 John S. Tooley.
 E. L. Dole.
 J. M. Creal.
 [Illegible.]
 Wesley Van Scheeyver.
 David Quain.
 John Barrett.
 [Illegible.]
 Thomas Davis.
 A. Bonzey.
 John Campell.
 J. Moar.
 Charles Bowling.
 B. F. Preston.
 H. Christ.
 P. Christ.
 M. R. Hathaway.
 Henry Cluckey.
 Michael Martinaux.
 Wm. Bratton, jun.
 John Scholaster.
 Alex. Badger.
 [Illegible.]
 H. O. Clemens.
 William S. Hatter.
 D. B. Armstrong.
 Charles Arnold.
 Patrick Buckley.
 John McCarty.
 Joseph Brunt.
 John M. Fletcher.
 Wm. H. Fletcher.
 Edward McCarty.
 John W. Nye.
 J. B. Wallace.
 George P. Spurgeon.
 Wm. H. Rily.
 John Birly.
 W. J. Goodwin.
 J. T. Scullar.
 R. Smith.
 George Baty.
 D. Wit Wall.
 J. S. Hathaway.
 J. R. Lewis.
 Peter Stice, sen.
 Peter Stice, jun.
 Wm. Anthalen.
 Rh. Christ.
 Thomas Nurton.
 Thos. L. Buckell.
 H. J. G. Maxon.
 J. Turnbull.
 W. R. Turnbull.
 W. H. Troup.
 A. G. Tripp.
 M. L. Armstrong.
 Gustav Ebert.
 William Golebeck.
 Frank Martin.
 James M. Fryer.
 James M. Laughlin.
 William Shannon.
 Henry Griner.
 Jacob Grazer.
 Joseph B. Perkins
 Larkin Fouts.
 James Griffin.
 Abram Kennedy.
 H. C. Duntoors.
 J. J. McCoy.
 J. Milton Tally.
 Wm. D. Stillwell.
 James M. McCullouge.
 T. C. Davis.
 Thomas B. Hutt.
 David C. Stewart.
 John Buckley.
 Groon L. Seonlan.
 Eli Perkins.
 J. H. Robison.
 William Ball.
 John F. Taylor.
 G. C. Robinson.
 Thomas Brown.
 Jacob Probstell.
 Thomas Day.
 C. H. Read.
 Lenard Haris.
 T. T. Thornton.

John Earnest.
 J. T. Dillon.
 Robert Nerton.
 John Welch.
 Tan. Delacouture.
 John Laughlin.
 Daniel Roy.
 Daniel Davis.
 Albert Horner.
 Wm. A. Brayton.
 James Thomas.
 James R. Dodson.
 James W. Gerrish.
 A. L. Feryer.
 Samuel Laughlin.
 John Perkins.
 James Shaw.
 Henry Roberts.
 D. E. Kuder.
 Jacob Williamson.
 John S. Robison.
 W. H. Tidd.
 John J. Burton.
 George C. Gillespie.
 Chas. Buckingham.
 John W. Sappington.
 G. W. Sappington.
 R. R. Laughlin.
 Charles O. Boynton.
 C. W. Hellitt.
 J. S. Vinson.
 M. M. Owen.
 James Shirley.
 John Killen.
 Hugh Adams.
 James Barnard.
 Ira Abbott.
 Jacob A. Adams.
 Addison Black.
 Henry Manning.
 James H. Stephens.
 Alfred M. Spicer.
 Irving Eward Gleason.
 R. R. Wood.
 Fred. Moshberger.
 Wm. McCown.
 F. M. Riggs.
 Truman Bonney.
 Jesse Moreland.
 James M. Oglesby.
 Wm. Donalson.
 John Ritter.
 F. Farnsworth.
 J. M. Jacobs.
 C. J. Hinkle.
 Jacob Root.

Joshua Root.
 Benjamin Root.
 Thomas Buff.
 Daniel Riggs.
 T. S. Johnson.
 Jacob H. Kiser.
 Thomas Currins.
 Normon Green.
 B. F. Bonney.
 M. Patterson.
 Hugh Gordon.
 John Wilhoit.
 John Conner.
 William Samson, esq.
 Henry Samson.
 A. J. Miller.
 Egbert H. Tucker.
 A. B. Robbsoon.
 Jesse Dunlap.
 Paron Veeder.
 E. R. Rogers.
 Albert Morgan.
 J. N. Meeker.
 [Illegible.]
 Adam Steel.
 John Latham.
 Geo. W. Byrd.
 Henry Wm. Jahn.
 Jno. Madden.
 John Swindal.
 John Reagon.
 Nathaniel H. Orr.
 Geo. Gallagher.
 Louis Thomson.
 H. D. Montgomery.
 Giles Ford.
 Adolph Parksoner.
 P. Roach.
 Robert W. Walker.
 W. Belington.
 Abraham Clark.
 S. M. Case.
 E. A. Light.
 J. S. J. Aquith.
 E. Meeker.
 Edward Carney.
 J. D. Lamun.
 Wm. H. Wood.
 J. H. Munson.
 Hugh Pattison.
 U. J. Dougherty.
 John Peterson.
 Chas. J. Fitzgerald.
 Abiol C. Jones.
 M. J. West.
 F. C. Seaman.

Abial Morrison.
Frank Clark.
J. S. Cox.
Samuel A. Bonney.
Robert M. Downey.
George Parkinson.
J. W. Heath.
E. Z. Freeborn.
H. W. Berry.
M. Gallisher.
W. P. Byrd.
J. W. Jones.
Thomas Carroll.
James Rigney.
Charles Stewart.
C. W. Webb.
Thomas A. Hogan.
A. F. Byrd.
J. P. Stewart.
A. L. Johnson.
S. H. Marsh.
W. D. Nichols.
Sam. Hughes.
W. Sheldon.
John A. Robertson.
John Tucker Scott.
Ulysses Jackson.
Stephen Blank.
C. H. Reed.
T. L. Reed.
William W. Black.
Festus Butts.
R. M. Porter.
Freeman Hubbard.
Arnold Dunlap.
George W. Catching.
Stephen V. Knox.
George Johnson.
L. W. Carter.
Thos. Thomson.
Francis M. Bridgefarmer.
Adam S. Bridgefarmer.
Josiah Beal.
Christian Bridgefarmer.
John W. Caine.
J. M. Caine.
Geo. H. Johns.
C. H. Walker.
W. W. Scott.
J. C. Hall.
Thos. B. Hoover.
Thomas Carr.
Albert McClure.
Harrison H. Leadley.
F. M. Snowden.
Lawrence Leadley.
A. M. Jess.
James D. Fay.
J. H. Short.
William S. Harley.
A. P. Turner.
J. W. Hays.
John M. Chaney.
Samuel L. Leneve, P. M.
Robert Foster.
M. L. Charles.
Richard Duvall.
Jackson Wright.
Isaac Bailey.
James F. Bailey.
George Ruckle.
Lazarus Wright.
W. W. Carson.
Garret Crockett.
George D. Nichols.
Solomon Bigham.
Joseph Cornelison.
W. L. Weaver.
William N. Cox.
Willis Milliken.
John Milliken.
L. D. Phillips.
M. T. Dyer.
T. W. Richardson.
A. J. Wright.
Noah Willey.
Edward Moloney.
J. B. Weaver.
Clark F. Cornutt.
P. C. Thompson.
R. G. Thompson.
H. B. Thompson.
John W. Thompson.
J. H. Gambrel.
John Simpson.
C. Woodward.
Henry Coleman.
C. Zekiel Bailey.
W. G. Simpson.
C. L. Simpson.
Janes C. White.
John G. Abbott.
Richard H. Randall.
Lois Hayes.
David Coleman.
A. R. Burbank.
Alex. S. Abernethy.
Thomas Roe.
R. D. Herrington.
C. O. Marsh.
L. P. Smith.
A. Patton.

- Seth Catlin, jr.
 J. L. Westgate.
 M. R. Tilley.
 William G. Scott.
 James Redpath.
 John Burbee.
 P. W. Crawford.
 Nathaniel Stone.
 Henry Stone.
 Hiram A. Towner.
 William W. Hays.
 Ralph Barbee.
 Noyes Stone.
 H. D. Huntington.
 Enoch Chapman.
 W. A. L. McCorkle.
 W. D. King.
 S. Hodgdon.
 A. L. Yantis.
 Philip D. Northcraft.
 Jesse Martin.
 William Martin.
 John Coon Glasby.
 Noah Bosworth.
 J. D. Mabie.
 Joseph Gibson.
 Galen Colwell.
 Andrew Mabie.
 John D. Snider.
 E. K. Seares.
 Joseph Baslures.
 Ignatius Cobrill.
 Gilbert Frost.
 Reuben Crouder.
 H. M. Hodges.
 N. Northrop.
 N. Lowe.
 W. B. Taylor.
 J. C. Aston.
 E. E. Kelly.
 A. J. Thompson.
 John Dovell.
 John R. Miller.
 James McAuliff.
 Edward H. Morony.
 R. R. Clark.
 H. C. Coulson.
 Stephen Sell.
 James Inbrie.
 Jesse Orchard.
 John H. Jones.
 W. C. Walker.
 Justus Jones.
 R. H. Walker.
 Thomas Summers.
 T. D. Winchester.
- J. S. Macnamara.
 C. J. Dugdsden.
 H. H. Luse.
 R. W. Cupans.
 J. Hodson.
 G. Dowsett.
 Thomas Keogh.
 J. P. Warner.
 R. J. Cupans.
 William Hicks.
 Manuel Fradu.
 Adam T. Smith.
 William Whyke.
 D. L. Bogue.
 A. H. Mathews.
 J. B. Harrington.
 Peter Walsh.
 James T. Jordan.
 G. W. Cannon.
 R. Smith.
 D. Casey Settsen.
 F. Merchant.
 S. P. Montgomery.
 Joseph Lane.
 George W. Thomas.
 Daniel W. Hayward.
 George P. Vining.
 Matthew Wallis.
 John I. Elliot.
 Curtis C. Strong.
 Wm. T. Jackson.
 A. D. Boinic.
 H. Hallett.
 Chas. McCall.
 Lewis Dougherty.
 F. M. Brezee.
 C. B. Comstock.
 Solomon Richards.
 Thos. Bordwell.
 Charles Guild.
 James John.
 Joseph Caston.
 Injah Byar.
 Bernard Brady.
 John Howitt.
-
- James W. Chambers.
 Gustaf Wilson.
 Jefferson Hamel.
 Andrew T. Finlay.
 D. Conley.
 H. W. Voine.
 J. Scholes.
 J. G. Clark.
 R. A. Cowley.
 J. A. Briggs.

William Dout.
 James Moore.
 D. A. Levens.
 Charles Veimmuel.
 Wm. F. Briggs.
 Geo. W. Riddle.
 John D. House.
 S. C. Smith.
 W. Cardwell.
 John S. Humam.

P. O'Keane.
 Nelson Roberts.
 John L. Carter.
 John Jackson.
 James F. Gazley.
 Franklin O. Worley.
 Jacob Thomas.
 F. M. Romane.
 Joel Thorn.

TREASURY DEPARTMENT, *April 29, 1862.*

SIR: I have the honor to acknowledge the reference from you, on the 7th instant, of a petition signed by numerous persons, residents in Oregon, addressed to you on the subject of what is called the Oregon and Washington Indian war debt. This petition was referred to the Third Auditor of the Treasury for a report thereon, and I transmit herewith the report of that officer, under date of the 15th instant. This report is satisfactory to me. It would appear that Congress alone has the power to redress the grievances of which the petitioners complain. The law already passed is being executed as rapidly as is consistent with a due regard for the public interest and the other business pressing upon this department. I respectfully submit for your consideration the propriety of laying the petition before Congress, which, with the report of the Third Auditor, is herewith transmitted.

With great respect, your obedient servant,

S. P. CHASE,
Secretary of the Treasury.

To the PRESIDENT.

TREASURY DEPARTMENT,
Third Auditor's Office, April 15, 1862.

SIR: I have the honor to acknowledge the reference from you, on the 7th instant, of a petition signed by a number of persons purporting to be residents of the State of Oregon and the Territory of Washington, addressed to the President of the United States on the subject of what is called the "Oregon and Washington Indian war debt." This petition was referred to you by the President, and, agreeably to your direction to report thereon, I respectfully submit the following:

The material allegations contained in the petition are as follows: That the war debt was contracted more than six years ago, and of the justice of the claims embraced in that debt the proof is ample and complete. That by the award of the commissioners appointed by Congress, consisting of Captains Ingalls and Smith, of the United States army, and Hon. L. F. Grover, the amount actually due citizens of Oregon and Washington was ascertained to be \$6,011,457 36. That the necessity of the war is established by undeniable testimony, that while there may have been instances of high prices for supplies and service, the general fairness and reasonableness of the transactions are sustained by the commission already named, and by certain other letters and documents referred to and published in the report of the Third Auditor on the Oregon war debt. That in many instances, involving large amounts, the award of the Third Auditor, in reducing the prices fixed by the war commission, has done gross injustice to the holders of war scrip, and of these a few examples are cited. That upon the report of the Third Auditor, manifestly unjust as it is, Congress,

on the second day of March, 1861, passed an act appropriating two millions eight hundred thousand dollars towards the payment of these claims, and directing the issue of United States bonds to run twenty years, and to bear interest at the rate of six per cent. per annum. The petitioners, therefore, submit that they have been injured by the course of the government in reference to this matter, in the following particulars:

1st. "More than six years have elapsed since these necessary expenses were incurred, and neither principal nor interest has yet been repaid.

2d. "The action of the Third Auditor in reducing the amounts found to be due by the original war commission is a manifest and gross injustice.

3d. "Nine months have now elapsed since provision was made by act of Congress for issuing bonds for the payment of the debt, yet, up to this hour, they have not been received.

4th. "Your memorialists are informed, upon credible authority, that the war bonds, when issued, will bear interest only from July last, whereas the act of Congress providing for paying the debt is of date March 2, 1861."

For these and other reasons cited, the petitioners conclude as follows: "We trust your excellency will give that prompt attention to this subject which its importance demands, and which will also secure the speediest reparation of the wrongs of which we complain."

I presume it can hardly be necessary, or desired, that I should enter into any extended vindication of the action of Congress, or my own action under its direction, so far as relates to the question of neglect or refusal to make appropriations to pay these claims, or to the propriety or justice of the reduction in their amount, as made in my report to Congress. That Congress declined for several years to make any appropriation whatever for the payment of these claims is unquestionably true; but if that be a grievance, it is such an one as Congress alone can redress. In like manner, if the report of the Third Auditor, to whom these claims were referred by special resolution of the House of Representatives, for investigation and report thereon, agreeably to certain rules and principles prescribed for his guidance, was "manifestly unjust," it is to be presumed that Congress would have set it aside and adopted the report of the commission appointed, not by Congress, as stated in the petition, but by a former Secretary of War. But Congress, after deliberate investigation, adopted substantially the report of the Third Auditor in the act of March 2, 1861, as will be seen by reference to its provisions.

It may, perhaps, be proper to state that all the questions now raised by the petitioners were discussed in Congress before the passage of the act of last year. The report of the Third Auditor was criticised and reviewed in the Houses as well as before the appropriate committees, by speeches and written arguments. In the discussion of the bill, the chairman of the committee on Military Affairs, Hon. Benjamin Stanton, of Ohio, gave a brief history of the claims, the action of Congress, and the conclusions of the committee, from which I beg leave to present a brief extract, as follows:

"Upon the 7th February, 1860, the Third Auditor transmitted this report to the House, which I now hold in my hand, containing in the aggregate one hundred and thirty-two pages. The Committee on Military Affairs has given to that report a pretty thorough and careful consideration, and have found no reason to dissent from the results arrived at by the Third Auditor. We have heard the arguments of the delegates from the Territories of Oregon and Washington, and we have examined their printed arguments; and the committee on the part of the House have come to the determination to recognize the report of the Third Auditor of the Treasury as near an approximation to what the merits of the case require as they are able to arrive at."

It was upon this state of facts that Congress passed the act of March 2, 1861.

This, I apprehend, is all that is necessary to say on these points, as the injus-

tice complained of, if there be any, is properly chargeable to Congress, and for which the Executive cannot afford relief. So far as my own action on the claims is concerned, the reasons that governed me, and the evidence and facts on which I acted, are set forth in my report to the House of Representatives of February 7, 1860, a printed copy of which I transmit herewith.

Congress having passed an act providing for the settlement of these claims, I proceeded, with as little delay as was compatible with a discharge of the other duties by law committed to this office, to prepare for the execution of the act. Accordingly, on the 20th of the same month I issued a "circular," containing the rules and regulations which I deemed essential to be observed in the settlement of the claims, for the protection of the treasury as well as of individual claimants. This circular, with a copy of the law, was sent off by the first steamer for the Pacific, and was published, at government expense, in four newspapers in Oregon, and three in Washington.

Persons unacquainted with these claims, the particular circumstances connected with their origination, the mode in which they were prepared, &c., would doubtless imagine that when Congress had made an appropriation of the sum of \$2,800,000 for their payment, it was an easy and short affair to pay out that amount of money, or issue that amount of United States bonds; and such would be the fact if that were all that was to be done. But the claims were represented by certificates, or scrip, which had been issued in the beginning to the original claimants, or persons who furnished the supplies and rendered the services, and were still outstanding. In many cases they had been transferred from hand to hand, having been bartered and sold during and after the war, and till the passage of the law. It was necessary, therefore, to call in these outstanding evidences of the claims, and require them to be surrendered to the United States before payment was made at the treasury. And when surrendered, the investigation and settlement involved much time and labor. It is necessary to compare each certificate of indebtedness, or scrip, with the original claim, as reported by the commissioners, and as acted on by this office, for the purpose of verifying the claim, as well as ascertaining the amount to be allowed. Afterwards a formal award is made of the amount allowed, and on the basis of this award an account is stated, in the usual form, which is reported to the Second Comptroller, in order that a requisition may issue by the Secretary of War on the Secretary of the Treasury for the amount due and payable in bonds or money, as authorized by the act. This scrutiny and preparation of each claim could not be dispensed with without opening the door to uncertainty, confusion, and fraud on the treasury, as well as prejudice to the rights of claimants. Thus, as awards and settlements are made, the evidence of the indebtedness, or scrip representing the claim, is taken up, the claim itself is entered as having been adjusted, and it is scarcely possible for an erroneous or double payment to be made.

Of course, after the passage of the act these claims came in rapidly and accumulated, it being utterly impossible to despatch them as fast as received. As soon as it could well be done a corps of clerks was detailed for this special duty, and six clerks—part of the time seven—have been and are constantly engaged on this business. The records of this office show that claims involving the sum of \$1,807,286 95 have been acted on, and awards made and the claims reported for payment to the amount of \$941,219 38. According to the rule prescribed, each claim is acted on in the order of its filing. It is possible that at the date of the petition (November 1) bonds had not yet reached Oregon and Washington, as the first claims filed were generally held in the Atlantic States, and, of course, obtained precedence in the order of settlement. Those from the Pacific did not begin to arrive at this office until about the month of June. I think it safe to say, however, that during the last four or five months not a mail or a steamer has left for the Pacific that did not take more or less of these bonds to the claimants or parties entitled to receive them. The clerks are now acting on

the claims faster than they are received, and I think it will not be long until the accumulated claims will be disposed of and the clerks enabled thereafter to despatch them as fast as received.

Another ground of complaint is that the bonds, when issued, bear interest only from July last, whereas the act of Congress providing for paying the debt is of date March 2, 1861.

With regard to this, I would observe that the act of March 2 made no provision for the payment of *interest on the claims* themselves. It only provided that the Secretary of the Treasury might, if he deemed it expedient, "issue to the claimants, or their legal representatives, bonds of the United States of a denomination of not less than fifty dollars, redeemable in twenty years and bearing interest at the rate of six per cent. per annum." In the exercise of this discretion, conferred by the act, the Secretary of the Treasury decided to issue bonds of the denomination of \$50, \$100, and \$500, and these are being issued to the claimants or their legal representatives on settlement of the claims, fractional sums of less than fifty dollars being paid in drafts on the treasury. It has already been seen that no payment whatever could be made, either in money or bonds, until after the claims were filed, and if payment were made in drafts on the treasury instead of bonds, *no claim whatever for interest would have been entertained*. Inasmuch, however, as the government was paying in its bonds, which at the time were not convertible at par, if thrown upon the market, yet generally bringing as much as and now considerably more than when the act was passed, and as some delay necessarily was being incurred, the Secretary decided that he would allow the interest to commence on the semi-annual period (January or July) immediately *preceding the filing of the claims for settlement*. This would, on an average, give the claimants the benefit of three months' interest, prior to the filing of the claim, and which is equivalent to one and a half per cent. Practically, therefore, in place of any discrimination against, or hardship being imposed on these parties by the decision of the Secretary, he has actually discriminated in their favor to the extent above mentioned.

The petition is herewith respectfully returned.

I am, sir, very respectfully, your obedient servant.

R. J. ATKINSON, *Auditor*.

Hon. S. P. CHASE,
Secretary of the Treasury.