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Report of the Secretary of the Interior; being part of the message and documents communicated to the two Houses of Congress at the beginning of the first session of the Fiftieth Congress, 1887

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REPORT

OF THE

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COMMUNICATED TO THE

TWO HOUSES OF CONGRESS

AT THE

BEGINNING OF THE FIRST SESSION OF THE FIFTIETH CONGRESS.

IN FIVE VOLUMES.

VOLUME I.

WASHINGTON:
GOVERNMENT PRINTING OFFICE.
1887.
REPORT
OF
THE SECRETARY OF THE INTERIOR.

DEPARTMENT OF THE INTERIOR,
Washington, November 1, 1887.

SIR: I have the honor to submit the following annual report of the operations of this Department for the year 1887:

PUBLIC LANDS.

Perhaps the most difficult and important duty with which this Department is charged is the administration of the public land system. The theater of its operations embraces nearly three-fourths of the area of the American States and Territories, and the vital influence exercised by the distribution of land ownership among the people renders the proper administration of the system of profound importance to the present and future prosperity of the country.

Under existing laws it is apparent that the area of our public land is rapidly diminishing. This would not be an evil if the lands were passing from the Government to seats of actual occupation by bona fide settlers, or bona fide purchasers for purposes of settlement. Nothing can be a surer safeguard in a free community against the dominating influences of powerful corporations and combinations of capital than a body of independent small land owners living upon their own freeholds. But the facts are known to be otherwise. It is a subject to which I have been forced by the necessities of my position to give much thought, and the conclusion to which I have come is that most of the troubles and abuses that environ it can be removed by legislative action; and that such action is the sole remedy.

A detailed statement of the work performed in the General Land Office and its various agencies throughout the country is fully set forth in the report of the Commissioner and the documents therewith submitted. It shows a commendable zeal in the purpose to preserve the public domain, to prevent fraud and illegality in the acquirement of large areas of public land, and to recover them from unlawful possession and appropriation.
The Commissioner states that the following amounts of lands have been restored to the public domain since March 4, 1885:

<table>
<thead>
<tr>
<th>Description</th>
<th>Acres</th>
</tr>
</thead>
<tbody>
<tr>
<td>Area within railroad limits</td>
<td>8,958,177.33</td>
</tr>
<tr>
<td>Area within railroad indemnity limits</td>
<td>21,323,600.00</td>
</tr>
<tr>
<td>Private land claims</td>
<td>576,000.00</td>
</tr>
<tr>
<td>Fraudulent entries canceled</td>
<td>400,000.00</td>
</tr>
<tr>
<td>Invalid swamp and other State selections canceled</td>
<td>566,704.46</td>
</tr>
<tr>
<td>Total restored to the public domain</td>
<td>31,824,481.70</td>
</tr>
</tbody>
</table>

In the effort to ascertain the proportion of the above amount which was restored during the last fiscal year, I caused a thorough examination of the records of the Land Department to be made, but was unable to obtain the desired information.

However, the investigation resulted in showing that from March 5, 1885, to October 1, 1887, the number of entries canceled for fraud, illegality, abandonment, and other causes amounted to 91,078, embracing an area of 14,238,913.04 acres, making an aggregate of lands restored to the public domain of 45,663,394 acres. In addition there are suits in the United States courts and matters pending before the Department, involving the question of the restoration of many millions more acres, amounting in the aggregate to 9,499,430.10.

Of this amount 2,897,869.85 acres were "adjudged by the Commissioner to be subject to recovery under the adjustment of railroad grants, so far as such adjustments have been completed." Nine grants are stated to have been adjusted, three of which have been transmitted to this Department. Two of these adjustments, those of the main and branch line of the Chicago, Saint Paul, Minneapolis and Omaha Railway Company, were passed upon October 7, 1887, and returned to the Commissioner for readjustment. The question presented and decided in that case was whether that particular granting act by Congress in that case allowed indemnity for about 62,000 acres of swamp lands and about 9,000 acres included within an Indian reservation. The exact phraseology of the indemnity granted by that act was for lands "sold, reserved, or otherwise disposed of." The Commissioner held that swamp lands and reservations did not fall within that language. The Secretary held that they did so fall.

**DISPOSAL OF PUBLIC LAND.**

From the report of the Commissioner of the General Land Office it appears that the number of acres of land disposed of during the past fiscal year, under the various acts of Congress authorizing sales, entries, and selections, aggregates 25,111,400.84, of which 746,637.29 acres were Indian lands, 5,511,397.33 railroad selections, and 2,109,431.43 selections under other grants; the aggregate amount showing an increase of 4,862,524.55 acres as compared with the previous year. The receipts
from disposal of the public lands were $10,783,921.72; from sales of Indian lands, $1,484,302.30; a total of $12,268,224.02; an increase over the previous year of $3,247,727.68. To which is to be added $8,291 received on account of timber depredations, and $12,493.85 received for certified copies of records furnished by the General Land Office, making receipts of that Bureau from all sources $12,289,008.87.

ENTRIES AND FILINGS.

The total number of entries and filings made during the year was 248,178, covering 38,337,039.41 acres; an increase of 1,770 over the previous year; whilst the number of original homestead entries was 52,028, covering an area of 7,594,350.16 acres; a decrease of 9,610 entries and 1,550,785.60 acres. Final proof was made on 19,866 homestead entries, of which 10,201 were commuted homestead entries, and 321 purchased under the act of June 15, 1880; an increase of 510 entries, and of 85,505.65 acres. The pre-emption entries were 21,403, embracing 3,172,411.80 acres; an increase of 5,691 entries, and of 85,505.65 acres. Under the desert-land act 2,242 entries were made, embracing 751,014.09 acres; a decrease of 276 entries and 2,674.54 acres.

Under the timber and stone act of June 3, 1878, 655 entries, embracing 80,622 acres, were made, being an increase of 226 entries and 29,928 acres as compared with 1886.

During the year 1,332 mineral entries were made, covering 28,787.82 acres. This is a decrease of 19 entries and an increase of 7,400 acres. This does not include 84 coal entries, covering 11,461 acres, an increase of 7 entries and of 1,294 acres.

PATENTS ISSUED.

The number of patents issued during the year upon agricultural lands was 24,558, an increase of 4,073 over the previous year, according to the report of the Commissioner, but a decrease, as compared with 1885, of 48,614.

In this connection it is to be stated that my immediate predecessor in the Department called attention to the great abuses flowing from the illegal acquisition of land titles by fictitious entries and the iniquitous exactions made upon "bona fide settlers, who are often obliged to buy off such claims in order to get access to the public lands." He states through the then Commissioner, whom he quotes approvingly, that enormous numbers of pre-emption claims are filed for illegal and fraudulent purposes; that large areas of agricultural and grazing lands are entered in fictitious names for the purpose of holding lands in large quantities, in violation of the spirit if not of the letter of the law. After enumerating the number of fraudulent entries in the several land States and Territories that have been investigated, and the large number of others that were suspended and awaiting investigation, he (the then Commissioner) states that he was forced to suspend all hearings, and
that he could not take final action upon them until Congress should provide him with more means and larger authority, in view of the vastness of the territory and the great proportion of such fraudulent hearings. He also stated that he was compelled to remove general suspension of entries in localities in which fraudulent entries had been reported as prevalent, "and to permit entries to go to patent without the investigation necessary to determine the bona fide or fraudulent character of any of them."

It thus happened that the present administration at the very start was confronted with a large accumulation of cases upon the files and records of the Land Department, in many of which irregularities and insufficiency of proof were apparent, and in others alleged fraud in the inception or attempted consummation, but no investigation had. It was evident that the administration of the Land Office would be powerless to prevent this indiscriminate and wholesale absorption of the public domain by fraudulent means, unless steps were taken at once to arrest the issuing of patents "without the investigation necessary to determine their bona fide or fraudulent character." It was determined, therefore, to inaugurate new methods and establish other rules, which it was hoped would tend to prevent these frauds and to facilitate and promote the interests of the honest settler. Assuming the declarations made by the then Commissioner, and evidently believed by my predecessor to be true, anything like an approximate arrest in the amount of fraudulent entries of every kind and in the issuance of fraudulent patents must materially and signally diminish both.

New rules to remedy these great abuses, thus announced and reiterated, have now been in operation for some time and are acting well; yet the claims which were initiated under them have not yet been reached and passed upon preliminary to patent, for the reason that it was found necessary to clear away as far as possible the mass of suspended and uninvestigated cases which had accumulated during former years. Most of the work has now been disposed of. The new cases are now about reached, and will be disposed of with much more expedition and facility than was, perhaps, heretofore practicable; so that settlers will hereafter receive the muniments of their title in a comparatively short time.

Perhaps one of the immediate effects of the new methods adopted by the Land Office to insure a more strict compliance with law in the acquisition of title to the public lands, is shown by the falling off in the number of original homestead, timber-culture, and desert-land entries during the past year. This decrease may be accepted as proof that the new methods are bearing legitimate fruit, and that speculators and other evaders of the law have found out that at last it is not safe for them to attempt to patent land without honest compliance with the necessary legal prerequisites. It also shows that many patents hitherto issued "without
the investigation necessary to determine their bona fide or fraudulent character" went to those who did not desire them for homes.

The report of the Commissioner demonstrates the imperative necessity of providing a much larger force of special agents for effective work in the prevention of these frauds upon the Government and the people. I concur with him as to the necessity of such legislation, but I deem it my duty to state that the most liberal appropriations for this purpose will be inadequate to prevent the wholesale appropriation of the public lands either by actual frauds or such technical compliance with the pre-emption, timber-culture, and desert-land laws, as will violate and defeat the great policy of our public land system looking to the preservation of the public lands for the abodes of our homeless people, to be acquired by actual settlement, residence, and cultivation. With these laws in force and the appliances used for their perversions in vigorous operation, every attempt by mere administrative agencies to prevent the evils complained of will be fruitless and unavailing.

I respectfully but earnestly reiterate my advice that you recommend the immediate and total repeal of the pre-emption laws, the timber-culture acts, and the relinquishment acts, and add thereto the cash-entry laws and the desert-land law. Preferring a tentative and gradual system of reform, I have hitherto suggested amendments to these two latter, but the failure of Congress to make such amendments, and further experience of the injurious effects of their remaining on the statute-book in their present form has convinced me that all except the homestead law should be swept from the statute-book. More than a quarter of a century has elapsed since the passage of the homestead law. Its operations, at least during the last decade, have shown it to be the wisest and most honest method of disposing of the agricultural public lands, embracing all the advantages of the pre-emption system without its acknowledged facilities for fraud and abuse. My idea would be a short act repealing those laws by enumeration and providing that the public land subject to disposal should be entered exclusively under the homestead laws. The mineral lands and the timber reserves, and some other specific laws applicable to particular sections of the country, should be saved from the operation of the act. The passage of such a law, apart from its other benefits, would be in the interest of economy, as it would supersede the necessity of so large an increase in the clerical force of the Bureau as is now demanded under existing law.

THE ADJUSTMENT OF RAILROAD GRANTS.

Shortly after my appointment to the position I now have the honor to hold, and as I became somewhat familiar with the public land system, its organization, and the workings thereof, I became more and more impressed with the fact that the public domain was being diverted from its legitimate purpose and converted to objects the inevitable
effect of which were repugnant to the entire theory on which the land
system was based.

Apart from the methods of illegal appropriation of the public domain
effected through the perversion of the several laws for acquiring title
thereto, I became convinced that the administration of Congressional
grants of lands to wagon and rail roads had given rise to enormous
abuses. Congress had not only made grants which in some instances
exceeded in extent the area of a half dozen of the largest and most popu-
lar States of the Union, but in addition provided that any losses of
lands within the granted limits should be satisfied by selections of lands
within other and adjoining limits, thus nearly doubling the area of the
original grants. Under these acts the Land Department had withdrawn
from public appropriation not only the granted limits as required by
law, but also the lands within the indemnity limits at the request of the
grantee companies. Thus enormous quantities of the public land were
held in reservation to await the convenience of the respective corpora-
tions in the construction of their roads, the selections of its lands, and
the uncertain adjustments of the grants by the Department.

I do not for a moment mean to question the wisdom of aiding in the
construction of railroads. That policy was at the time a wise one. But
in the light of experience it may well be asked whether it would not
have been wiser to have aided these great enterprises otherwise than
by grants of the public domain. Though much good has been wrought,
certain it is that the legislation by which these vast territories passed
under the dominion of railroad companies gave an incurable wound to
the homestead scheme before that scheme had a fair opportunity for
displaying its beneficent effects.

This land-grant legislation was certainly not in harmony with the
theory of a distribution of the public domain among the people, and
gave up to capitalists, as a basis for traffic and speculation and gigantic
financial schemes, what was by the original policy of the Government
designed to be homes for an industrious and thrifty people, the abodes
of domestic happiness and virtue and patriotism. Notwithstanding
these indemnity withdrawals were made exclusively for the interests of
the company, few of these, if any of them, constructed their roads within
the time prescribed in the granting act, as an express condition on which
the grant was made. Maps of “probable,” “general,” “designated,”
and “definite” routes of the roads were filed with rapidity in the De-
partment, and withdrawals thereunder asked and almost invariably
granted until the public land States and Territories were gridironed
over with railroad granted and indemnity limits; and in many in-
stances the limits of one road overlapping and conflicting with other
roads in the most bewildering manner, so that the settler seeking a home
could scarcely find a desirable location that was not claimed by some
one, or perhaps two or three, of the many roads to which grants of land
had been made by Congress.
Nor was this all. Though the desired tract might not be apparently covered by a railroad location, the settler would hardly select it before agents of the corporations would set up a claim to it, or to the right to occupy and denude it under the right of way and construction privileges conferred by the granting act. Thus the settler, ignorant of his legal rights and with no one to advise him with respect to either the law or the facts, would for the sake of peace and a home readily consent to purchase from the company. In this way these corporations, in addition to the lands granted to them, have claimed, sold, and received the price of a great deal of other land to which they had neither legal nor moral right, nor the shadow of either.

The confusion, hardship, and impositions practiced upon the settlers were greatly increased by the bold schemes of the corporate agents where withdrawals were made of lands to which the legal title of the companies had not attached, and which afterwards remained in the same condition for years through the failure of Congress to make the necessary appropriations for the surveys.

When, however, through partial surveys or adjustments of grants, lands thus sold by a company were found to be outside of the grants and determined by the Department to be public lands, the purchaser from the company found himself in the unfortunate predicament of having lost both his land and his money. Generally without the means to enter into a costly litigation with a powerful corporation, the deprivation of his home, the expenditure and waste of his years, his energy and strength, in redeeming that home from its wild condition, rendered his mere technical right of action against the company but little more than a mockery.

Years have elapsed since many of the grants have been made and other years since the withdrawals. Some of the companies have constructed the entire line of their roads, others fragmentary portions only; and others, again, none at all; but the withdrawals of the lands were no less effective as a barrier against the settlers in the one case than in the other. It mattered not what might be his equities acquired by years of toil upon what he believed to be a part of the national domain. It was declared by the highest judicial tribunal, as expounded by the highest law officers of the Executive, that a withdrawal once made by competent authority was legal and effective to exclude all from intrusion within its limits.

One such case, where hardship and injustice were about to be inflicted under the law, came under your observation. Guilford Miller settled upon lands afterwards selected and claimed by the Northern Pacific Railroad Company to be within the withdrawal for indemnity purposes. Some doubt arising as to the legality of that withdrawal, the case was referred by this Department to the Attorney-General for his opinion on the question of law. That officer held that the withdrawal was legal, and that during its existence Miller could acquire no right or title to the tract claimed by him and on which he lived. Whilst recognizing
the correctness of the law, you saw the injustice of the case so far as the individual settler was affected; and that hundreds of others were similarly situated who might and would be affected; and you directed that such grants should be so administered by this Department as, if possible, to protect these settlers from such injustice, stating your belief "that this can be done under the provision which declares that these selections shall be made under the direction of the Secretary of the Interior."*

After years of waiting, Congress had failed to empower the Department to make the necessary surveys whereby some of the grants might be adjusted, and no immediate prospect of such surveys was in sight.* But a law was passed March 3, 1887 (24 Stats., 556), whereby the Secretary of the Interior was "directed to immediately adjust each of the railroad land grants made by Congress to aid in the construction of railroads." With an earnest desire to obey the mandate of Congress, to give to the corporations their every right under the laws, and at the same time follow the directions given by you to see that ample protection should be extended to settlers and those seeking to make settlement on the public lands (a matter which had been so long and so utterly overshadowed), I entered upon a most careful consideration of the whole subject of the history and law relating to land grants, and concluded that if the Department was clothed with authority to make indemnity withdrawals, as had been done in so many instances, the exercise of that authority was a matter entirely within sound discretion, and not

*But even where surveys have been completed, in many instances the railroads have failed to avail themselves of their right of selection. This is notably true of the Union Pacific, the Kansas Pacific, and the Central Pacific Railroad companies.

For instance, the grant to the Union Pacific Railroad Company in the State of Nebraska amounts to about 4,853,844 acres. Of these lands, all but about 285,000 acres had been surveyed prior to the completion of the last section of the road in 1869, and the surveys of the remaining lands were completed during the year 1877. Although ten years have elapsed since the completion of the survey within the limits of its grant in said State the company has selected but 3,024,444 acres, the same being less than two-thirds of its grant therein.

The grant to this company in the State of Colorado amounts to about 590,000 acres, of which about 150,000 were surveyed at the date of the completion of the road in 1869, and all of which are now surveyed. It has selected but 640 acres in said State, and that was of an even-numbered section selected under the special indemnity act of June 22, 1874.

The grant to this road in Wyoming amounts to about 5,016,000 acres, of which all but about 50,000 acres has been surveyed at the completion and acceptance of the last section of said company's road, which occurred October 19, 1872, and surveys of the whole were completed during the year 1874.
a matter of legal obligation in any respect; that the same sound discretion which, in the interest of the companies, justified said withdrawals now demanded peremptorily in the public interest a speedy revocation of the same; and that the most effective way of expediting an adjustment of the land grants, and doing exact justice to the companies, guarding and promoting the interests of the settlers also, was to permit the public to enter into competition with the companies in the selection of lands heretofore withdrawn for indemnity purposes.

Accordingly, on May 23, 1887, with your approval, rules were laid upon the different companies for whose benefit withdrawals had been made to show cause by a day certain why said withdrawals should not be revoked. Some of the companies failed to show cause; others filed answers assenting to the revocation, as they had received satisfaction of the grant either in full or as far as possible; others assented on condition that lands covered by selections already made should be excepted from the order of revocation, and other companies objected to the order of revocation as illegal and a violation of chartered rights. Briefs were filed and oral arguments accorded to the counsel of such companies as desired to be heard, all of which were fully and carefully considered, as was due to the importance of the questions and the magnitude of the interests involved; and on August 13, 1887, my views were fully expressed in a decision rendered in the case of the Atlantic and Pacific Railroad Company, which by answer and argument raised nearly all the objections that were presented in part only by a number of other companies.

I send herewith a copy of the whole text of that opinion, in which those objections were answered seriatim.

Two days later the orders withdrawing the lands within the indemnity limits and reserving the same from settlement were revoked, and the lands restored to the public domain and to settlement, first, in the cases of two companies which had not answered; second, in those which answering, assented; the third, in the cases of the following companies, which set up defenses coming within the rulings in the foregoing opinion:

Alabama and Chattanoogra R. R. Co.
California and Oregon Land Company.
California and Oregon R. R. Co. consolidated with the Central Pacific R. R. Co.
Chicago, St. Paul, Minneapolis and Omaha Rwy. Co.
Dalles Military Road Co.
Flint and Pere Marquette R. R. Co.
Florida Railway and Navigation Co.
Gulf and Ship Island R. R. Co.
Marquette, Houghton and Ontonagon R. R. Co.
Missouri, Kansas and Texas Rwy. Co.
Mobile and Girard Railroad Co.
New Orleans Pacific Rwy. Co.
Northern Pacific R. R. Co.
Oregon and California R. R. Co.
Oregon Central Wagon Road Company.
Pensacola and Atlantic R. R. Co.
St. Louis, Iron Mountain and Southern Rwy. Co.
St. Paul and Duluth R. R. Co.
Southern Pacific R. R. Co.
Tennessee and Coosa R. R. Co.
Vicksburg and Meridian R. R. Co.
Vicksburg, Shreveport and Pacific R. R. Co.
Wisconsin Central R. R. Co.
Wisconsin Farm Mortgage Company.
In the Congressional grants to the following railroad companies: the Hastings and Dakota, the St. Paul and Northern Pacific, the St. Paul, Minneapolis and Manitoba, the St. Paul and Sioux City, the Sioux City and St. Paul, and the Winona and St. Peter, it is provided that upon filing the maps designating the routes of said roads and branches it shall be the duty of the Secretary of the Interior to withdraw from market the lands embraced within the provisions of the act making the grant.

In consequence of this provision these roads were omitted from the orders of restoration.

It will be seen from the order passed in the Atlantic and Pacific case, and which was applied to the other companies mutatis mutandis, that whilst it was determined that the lands in question should not longer be withheld from appropriation under the settlement laws, every precaution possible was taken to protect the legal rights of the corporations.

Following this action, instructions were subsequently issued to the Commissioner of the General Land Office to detail all the available force in his office to the work of adjusting the road grants, making said work special and proceeding as rapidly as possible with the same, to the end that the companies should be fully protected in their just claims, and have certified to them all the land they were entitled to, speedily and without delay; and the residue of public lands, disembarassed of corporate claims and pretensions, become free for the use and quiet enjoyment of settlers. The amount of land restored to the public domain, through the orders revoking the indemnity withdrawals, is stated by the Commissioner of the General Land Office to be 21,323,600 acres.

I beg to refer to what has been said in another part of this report in relation to the imperative necessity of appropriations for the surveys, without which a complete adjustment of these railroad grants is not practicable, at an early day.

UNLAWFUL INCLOSURE OF THE PUBLIC LANDS.

The work of returning to the people the large areas of the public land hitherto illegally appropriated by corporations and individuals engaged in the cattle business on the plains, has progressed most successfully during the past year. The papers transmitted from the General Land Office show that 465 illegal inclosures, aggregating in area nearly 7,000,000 acres, have been reported. In 133 of these cases, involving 3,275,000 acres, proceedings have been instituted, and in 165 cases the special agents report the removal, complete or in progress, of the illegal fences, throwing open to public use and occupancy 3,394,000 acres.

This does not include the work of the two inspectors, Messrs. Bowers and Hunter, sent from my office to the Territories of New Mexico and Wyoming. Through their agency fences have been removed in 119
cases, embracing an area of 1,500,000 acres of public land, making a total of nearly 5,000,000 acres restored to the public domain. The first step taken to overthrow and stop this great and steadily increasing inclosure of the public lands came in the act to prevent unlawful occupancy of the public lands of February 25, 1885. The passage of this measure meeting with scarcely any compliance by these hardened violators of the law, on August 7, 1885, the President issued a proclamation calling attention to the violation of this act, and enjoined upon all persons obedience to it. While the erection of their fences was arrested, and some fences were removed in conformity to this proclamation, even this warning from the highest executive officer of the nation was disregarded among these men who had been for so long a time a law unto themselves. At this point I was provided by Congress with two inspectors for public land service. They were sent at once to New Mexico and Wyoming, and have since September, 1886, been chiefly employed in their respective Territories in enforcing the removal of illegal inclosures. From them I have obtained direct and special information concerning this question, and have been able by immediate action through this agency to obtain most satisfactory results.

The present status of the question of illegal inclosures, therefore, is far better than I anticipated or reasonably hoped at the time I made my last annual report, and it is a source of some congratulation that so widespread and so thoroughly intrenched an evil has been overcome without serious injury to, or collision with, the people of the range cattle country. In short it is apparent that this wholesale appropriation of the public domain is a thing of the past, and that these vast areas of the public heritage have been restored to the people.

Only where corporate connivance and prodigal railroad grants came to their assistance have the cattlemen defied the law and rendered powerless the efforts of this Department to correct this abuse.

As I write this report complaints come from a region lately visited by my inspector that certain large and wealthy corporations, composed of foreigners, are constructing further inclosures within the railroad limits. That others are only waiting to see what action, if any, the Government proposes to take to prevent this, and are ready to pursue the same course if this can be safely done. Within the limits of the railroad grants to-day exist the only large or continuous inclosures of public lands. This cunning device for violating the law and furthering their own ends at the expense of settlement could never have been made effectual unless the railroad companies had come to the aid of these capitalists and cattle-men. The method by which this has been done and the law evaded was shown in my last report, on page 31, to which I refer, and which I again herewith submit:

Another obstacle in the administration and enforcement of the law has been the large grant of lands that has been made in alternate sections to railroads along
their lines. In Wyoming the railroads have parted with their titles to these alternate sections, and the purchasers have erected fences upon them in such a way as not to build upon any lands belonging to the Government, and yet to inclose large portions of the public domain. The following diagram illustrates how this has been done:

A, having purchased the odd-numbered sections from the railroad in the township represented, starts his fence at the northeast corner of section 9 and builds along the north line of that section. Arriving at the northwest corner of section 9, he puts in a post on the southeast side of the corner-stone between sections 9 and 5, and his fence stops at that post. He then puts in a similar post on section 5 on the northwest side of the north corner-stone, and from 12 to 18 inches from the post in the northwest corner of section 9. Being now on section 5, which he owns by purchase from the railroad, he runs his fence along on section 5, and diagonally opposite to the northeast corner of section 7, where a similar gap of from 12 to 18 inches is made. This he jumps across to section 7; and so on around the entire inclosure. Precisely the same method is resorted to in Arizona.

In reference to these latter inclosures within the limits of railroad grants, the Department has been unable to make any substantial progress; now, as a year ago, the public domain is inclosed in this manner.

Two attempts to secure indictments under the provisions of the act of February 25, 1885, against the parties thus maintaining fences failed,
largely due, probably, to the presence upon the grand jury of men who were themselves violators in this evasive manner. If the present law is to be thus ignored and action under it paralyzed, some further legislation is necessary. Two plans have been considered by the Department, requiring Congressional action, to remedy this remarkable and cunning evasion of the law. The first is to enact a bill establishing a public highway, four rods wide, around every section of land, the section lines being the center of such highways. Make this a part of the public land system, so that all future entries made upon the public lands should be subject to this provision. Similar laws are now in force in several Western States and Territories, passed by local legislatures early in their development, to provide frequent and ample means of communication through the country, with little expense to the counties. Such laws have hitherto proved very beneficial to the people and the State, obviating the frequent and vexatious determinations of highways prevalent in localities where such a statute has not been in operation.

When the land taken for such highways has passed from the Government into the hands of private parties the bill should provide for necessary compensation. This would require a comparatively small amount, owing to the present low value of these lands.

By such a measure the system shown in the accompanying diagram would be impossible—the public highways acting as barriers to the unbroken lines of fences. An additional advantage, too, would follow from these highways in opening free access to the streams and water courses throughout the whole grazing region, now so completely and exclusively controlled by a few to the permanent injury of many desirous of ranging stock upon the broad uplands of the public domain.

The objection, often urged against this plan, that it would be enormously expensive for the Government to construct these highways, has no force. It is not proposed to do so. The present value of these highways lies in breaking up this system of fencing and furnishing access to the alternate sections of public land and the water-courses, thus stimulating an early settlement of the country. Their future value to the people who may develop this vast region into a prosperous and settled community is simply beyond any estimate.

The second plan considered is through the passage of a bill to authorize the Secretary of the Interior to lease the intermediate sections of public land to the owners of the adjacent railroad sections. Necessary provisions of this bill would be that such leased lands should be subject to entry under the land laws at any time, the lessees' rent terminating from the date of entry; that entrymen should have a right to lease adjacent public land proportionate to the area entered; that gates should be placed to suit the convenience of the settlers, one every mile. Such a bill would be a relief measure for the purchasers of the railroad lands, and as this condition of affairs has arisen from the granting of land in
this manner by Congress, it may, perhaps, be fairly urged that relief should come through Congress.

The objection to such action is, that one class of law-breakers would go unpunished and, relieved from compliance with the law, would be granted especial privileges.

The question is one of importance, not only in its present bearings, but also from the future evils which are liable to arise throughout the vast areas similarly granted to railroads from our western domain.

**PUBLIC SURVEYS.**

I renew the suggestion in my last annual report in favor of the enactment of a law making false and fraudulent returns of public surveys a penal offense, and providing also penalties for the willful destruction or removal of surveying monuments. Special attention is called to the recommendation of the Commissioner for the appropriation of $300,000 for executing public surveys. I concur in this recommendation.

The appropriations for 1884 were $425,000, whilst those for 1887 and 1888 were, respectively, only $50,000! This is a very serious matter. It would be less disastrous to the interests of the people to abolish the present mode of administering the public surveys and remit the whole subject to the States or dispose of it in some other way, if the Executive is not afforded the means of properly administering this branch of the public service. Our plan of surveying the public land is a most admirable one, and its correct administration lies at the very foundation of our established land system. But if the public surveys are not conducted with honesty and exactness, they are a snare and delusion to all who obtain title under them.

The Commissioner shows that where surveys have been made in many instances it is impossible to throw open the surveyed land because of the want of means to cause the surveys to be verified in the field or to have the necessary office work done. In addition, he shows that large bodies of valuable land are unsurveyed and no means available for the purpose of surveying them. Public interests demand that those lands be placed in such a condition that settlers may be able to acquire title to them. If it be true that one of the great objects in view is to facilitate the acquisition of homes by the homeless and industrious, the impolicy of retarding the surveys of the public lands is the more apparent; and when we reflect that the public-land system is not a burden upon the tax-payers of the country, but the source of a large and unneeded income to the Treasury, the policy which hampers this administration is the more unaccountable. Frequently cases come before the Department where, after years of residence and improvement, the settler dies without having been able to secure title to the land, leaving that which ought to be the home of his helpless family to fall into the possession of others, and all because, in the absence of a survey, there is no means of securing title.
Another evil of these insufficient appropriations lies in the fact that several of the railroads, to which land grants have been made, pass for a considerable extent through unsurveyed public lands. In the granting acts to these companies is a clause directing the Executive to cause the land to be surveyed along the line of the road, so that the lands to which it may be entitled shall be made over to the company as fast as the road is constructed. But the Executive has been unable to comply with these directions because Congress has not thought proper to furnish the means to make the necessary surveys, and there was no other source from which it could come.

It is impossible for a settler to tell or even guess in an unsurveyed wilderness the even section from the odd, and he is as likely to make his settlement and his home upon the one as upon the other. When the survey is made, if that settler is found located within the primary limits of a grant upon an odd section, or any portion of one, he loses the land, because it is granted to the company. The same trouble would occur within the indemnity limits so long as the withdrawal thereof stood, for then under the law the rights of subsequent settlers were subordinate to those of the companies. Now, under the recent action of this Department in revoking the indemnity withdrawals, whilst the actual settlers will be safe in locating upon unclaimed lands within those limits, the companies most probably will be considerably curtailed in the amount of lands from which they may select indemnity for losses within the granted limits, which losses cannot be ascertained until the surveys separate the odd from the even sections.

In view, therefore, of the general interests of the public, those of the settlers and of the railroad companies, and with an especial view to the speedy adjustment of the various land grants in obedience to the mandate of Congress, the appropriation for these surveys should be fully adequate to the results contemplated.

In this connection attention is called to the significant statement found on page 92, of the Report of the Commissioner. Attention is also called to the fact that because of the want of funds to make necessary surveys in Montana, the Government sustained a loss in that Territory last year estimated by the Commissioner at over $1,000,000. (See page 14 of his Report.)

Special attention is also called to the several reports of the governors of the Territories, all of which are burdened with complaints of the want of public surveys within their respective jurisdictions.

I have above indorsed the recommendation of the Commissioner for $300,000, but I beg to urge the appropriation of $200,000 not asked for by him, to be specially devoted to the survey of lands within the granted and indemnity limits of the different land-grant railroads. There are lands along the lines of all three of the great routes to the Pacific which are unsurveyed. The roads are completed. The country through which these roads pass has been mostly settled by an industrious popu-
ation who are unable to obtain title to the unsurveyed lands, whether
the same belong to the Government or to the railroad company. So
long as these lands remain unsurveyed it is impossible to adjust the
land grants, to ascertain what are the losses of the corporations within
the primary limits, and to what indemnity lands they are entitled.
Great confusion and many hardships have resulted for the want of the
necessary appropriations for the survey of the lands along the lines of
said roads.

It is manifest that it was the intention of Congress in making the
grants that the survey should keep pace with the construction of the
roads, making it practicable to adjust the grants as the roads progress.
It is now urged that Congress afford a remedy for these long-standing
evils by appropriating the sum asked to be devoted specially to the
survey of the land referred to.

DEPOSITS FOR SURVEYS.

A further experience of the pernicious practices that have obtained
under the system of deposits for surveys confirms me in my former
recommendation for the repeal of those laws, which I here renew.

PRIVATE GRANTS.

Another subject which, I would respectfully suggest, demands im­
mediate legislation is the matter of private grants claimed to be de­
rived from the Spanish or Mexican Governments. This legisla­tion, in
my opinion, should be directed to two points: (1) to providing for a
trial and final determination of such claims, subject only to appeal to
the Supreme Court; (2) an act of limitations barring the presentation
of new claims of this character within a stated period.

By section 8 of the act of July 22, 1864 (10 Stats., 308), it is made
the duty of the surveyor-general of New Mexico to “ascertain the
origin, nature, character, and extent of all claims to lands under the
laws, usages, and customs of Spain and Mexico.” He is to make report
of all such claims with his decision as to the validity or the invalidity
of the same, which report shall be laid before Congress for action, and
until final action of Congress on such claims all lands covered thereby
shall be reserved from sale or other disposal by the Government.

Under the provisions of this law, from time to time since its passage,
many claims have been made and acted upon, whilst a number are yet
pending before Congress unacted upon. The extent and number of
the unconfirmed claims can not be accurately stated, as such claims are
being continually made, and those heretofore presented seem to grow
eormously in area with each passing year in the issuance of patents
thereon. At the present time it is approximately estimated that the
amount of public land actually reserved from entry and settlement be­
cause of such claims is a little short of 6,000,000 acres. Most of this
land has been thus reserved for many years, used, enjoyed, or transferred
and sold as freely by the pretended claimants as though their title had
been fully confirmed.

In regard to the lands under Mexican or Spanish title thus held in
reservation, this Department is powerless to act, as such reservations
are established by act of Congress, and must continue perpetually until
that body acts. The well-known fact that by means of such a claim
possession can be readily obtained and retained of large bodies of land
has very much to do with their continued increase. The claimant has
but to pass the ordeal of the surveyor-general's office, where the exami-
nation is *ex parte*, often perfunctory, superficial, and possibly erroneous.
A favorable report being obtained the law steps in, ousts the jurisdiction
of the Land Department from the claimed territory, segregates it from
the public domain, and the claimant under this most shadowy and often
colorless pretense of title is installed and protected in the enjoyment of
all he claims as fully as though possessed of an absolute right and title.

Millions of acres of public lands are thus held by claimants, and have
been held for many years, in some instances for more than thirty years,
and in most instances the lands thus held are the best for many miles
around. The claimant being thus guarded and protected in his enjoy-
ment until Congress acts, has no motive to follow up further action by
Congress, after the report of the surveyor-general has been transmitted
to that body, for whilst the report sleeps in the committee room his pos-
session and enjoyment of this vast estate remains undisturbed. I need
not go further to show the inducements thus held out to the presenta-
tion of false claims resting on foundations so shadowy that under other
circumstances no one would be tempted to rely upon them. And hence
to-day, thirty-three years after the passage of the act, as is shown by
the report from the General Land Office, there is but little abatement in
either the number or extent of the claims being presented to the land
officers.

The surveyor-general of New Mexico states that during the past year
examination has been made of a number of new claims and of old
claims (heretofore favorably reported) yet pending before Congress un-
confirmed, the area of which aggregates by estimation 4,000,000 of
acres; whilst he thinks 200,000 acres will cover all legal and equitable
rights thereunder. Nearly forty years have elapsed since the United
States has assumed a solemn treaty obligation to perfect and confirm
rights existing under these claims.

As to what action is best to be taken in the premises, opinions differ,
but that some action should be taken, and speedily taken, all who know
anything about the subject agree. I confess the subject is somewhat
difficult to deal with, but after the best consideration I am able to
give it, together with my experience in relation to these private land
claims, I am now of the opinion that the most desirable and effective
manner of disposing of them would be through the land department.
Provision should be made for an appeal to the Secretary of the Inte-
rior, whose decision should be final, unless an appeal be taken directly therefrom to the Supreme Court of the United States. As at present organized and equipped, with a slight increase of force, this Department is fully equal to dealing with and determining all legal questions arising under these grants. It has at its disposal legal talent, trained and familiar with questions of land law and in the habit of acting judicially in other cases. Representing the executive power of the Government, this Department must in any event be a large participant in any action in relation to these grants. The official documents, the archives, ancient and modern, relating to the public lands and foreign grants, are in its custody and must there remain. Even were laws enacted transferring entire jurisdiction in relation to these foreign grants to the courts, it would be almost impossible entirely to separate the private lands from the public land system without the interposition of this Department. In fact, now, where grants are confirmed by Congress, this Department has to supervise the surveys in order to carry them into patent. Under any plan suggested this Department must be an important factor in administering the law as to these grants; it would, therefore, seem to be the part of wisdom to confer upon it sufficient jurisdiction and power to fully adjudicate and adjust them, thus dispensing with the unnecessary operations of two machines, neither of which is complete in itself or capable of perfecting the work. The agents and officers of the Department visit or are located in every section where such claims may arise. If clothed with proper authority, the parole testimony desired could be taken before them; though in view of the lapse of time very little testimony except that of record would be presented. That testimony is already on file among our records. Provision should be made for serving process and making the decision of the Commissioner of the General Land Office final, unless appeal be taken to the Secretary, and the decision of the latter officer final, subject to appeal, as before stated, to the Supreme Court of the United States. Such a plan, in my opinion, would be simple, inexpensive, and accomplish the settlement of these claims in a much more expeditious and satisfactory manner than any of those heretofore suggested.

When a member of the Senate I favored the idea that the ordinary judicial tribunals of the country were best adapted to deal with the subject, as in other cases where the same rights are at stake, and more in accord with the spirit of our institutions; and further because whatever legislation may be enacted or executive action taken, sooner or later each and every grant finds its way into the courts and in some way receives a judicial construction. A larger experience has, however, brought me to realize the force of the objection urged in the reports of the surveyor general of New Mexico, that the right of the National Government to lands can not be wisely left to the arbitrament of local tribunals which are more or less under local influences and supposed to sympathize with
the individual claimant as against the Government, and to be inclined to deal with his pretensions in a spirit of undue liberality without due regard to legal rights. That experience has shown that the subordinate officers of the Government who are charged with the protection of its interests at remote points become easy prey to the same influences, and the trial of such cases almost invariably degenerates into an *ex parte* hearing wherein the claimant is allowed and expected to make out his side of the case, if in his power, without opposition or resistance or a due regard to the rights of the defense. Further, it is stated that the dockets of the local courts in the Territories are already overburdened with causes which the judges find themselves utterly unable to dispose of as expeditiously as the proper administration of justice demands. Such cases would almost invariably be carried up the United States Supreme Court, certainly as often as they would be if decided by the Department.

The existing method which requires the action of Congress in each case should be abandoned. The machinery possessed by Congress is not well adapted to the investigation of the details incident to such claims; though it has ample power to send for persons and papers, the inquiry which it would institute is in its very nature *ex parte* and somewhat private. It must be conducted at a great distance from the *situs* of the grant and the homes of the witnesses, whose personal attendance is only procured at a great expense to the claimants, or, if dispensed with, whose facile affidavits fail to present the whole truth as it would be disclosed under cross-examination. The records which would throw light upon the case are in the Territorial land offices, not readily accessible to the Congressional committee, to which claimants only present certified copies of such portions as will benefit their side of the case. And finally, Congress, charged with the grave duties of legislating for the political and material interests of this great nation, has not the time to go into the investigation of matters involving interests of a purely personal character.

To the suggestion of a special committee to sit at convenient times and places to hear and dispose of these claims, equally vigorous objections are presented, and it is urged that the experience obtained through the California commission is of such a character as to make a tribunal of that kind the least advantageous of the methods proposed.

All must agree that it is time that these foreign grant claims were disposed of one way or the other. To say nothing of our obligations under the treaty it is a duty to our own citizens that the cloud which obscures the title to so large a portion of the public domain because of such claims should be removed as soon as possible, and the progress of the country no longer hindered and stayed by the existing uncertainty of land titles. At least, an increase or an indefinite continuance of the troubles growing out of this state of things should be prevented. I think, therefore, that an act of limitations should be recommended.
barring all such claims not presented within a stated period. In view of the fact that there are many small claims incident to pueblo grants which on account of their limited areas and the expectation of the claimants that they will not be troubled in their possessions, have not been and will not be presented, the bar should extend only to those involving over a certain area, say 300 or 500 acres. Certainly after the lapse of so long a period no one can justly complain that a statute of repose should be enacted, and if any case of undue hardship arise under the operation of such a statute, which is hardly imaginable, Congress can specially legislate in regard to such case and afford relief as readily as now.

THE PRESERVATION OF PUBLIC TIMBER.

The vital necessity for legislation looking to the preservation of the timber resources of the country becomes more urgent every year. The annual loss to the Government by the destruction of timber by fire alone is estimated at $7,000,000. To this should be added the more important but secondary loss which follows the destruction of the timber by floods, land-slides, climatic changes of a permanent character, and the violations of the law by depredators upon the timber on public lands.

Under the law outside of the States of California, Oregon, and Nevada, and the Territory of Washington, settlers can not, unless they settle upon "timber land," under the general settlement laws, obtain timber upon the public domain except upon mineral lands. As not one acre in many thousands is known to be mineral, this provision amounts but little. Heretofore there has been some contrariant practice growing out of the opposite views of those charged with the administration of these interests, the one directed solely to the jealous preservation of the timber resources of the country, and the other recognizing the undeniable necessity of the settlers to have timber for building their homes and for fuel, and the consequent yielding to the necessity of cutting the timber that they deem as essential to them as air and water, whether it be on mineral or non-mineral land.

At the present time settlers in many localities feel themselves compelled to violate the law to obtain timber from the public lands to supply their absolutely necessary wants. Sometimes this is done through the owner of a saw-mill, who then suffers the penalty, for he, too, is unable to lawfully obtain sufficient timber to supply the requirements of his community. The absence of any means by which the community can get its necessary and proper supply of timber leads to general hostility to all action of the Government to prevent depredations on public timber and encourages the most wasteful and wanton destruction of the public forests, which will result, if not speedily stopped, in most disastrous consequences to that part of the public domain. I think legislation is needed which would look to the accomplishment of both these ends; i.e., the preservation of the natural forest lands at the headwaters of navigable rivers, and also a method of putting within the reach of
settlers a legal means of providing them with timber for building their homes, fuel, and other domestic purposes.

I do not here undertake to formulate the details of the scheme suggested. If it were desirable I can do so. It would embrace, with but few changes, the salient features outlined in my last annual report.

PUBLIC-LAND STRIP.

Because of its anomalous condition, this portion of the public domain should receive the prompt attention of Congress. This tract of land is bounded on the east by the Indian Territory, on the north by Kansas and Colorado, on the west by New Mexico, and on the south by Texas. It is a little over 168 miles long from east to west, and a fraction over 34 miles in width from north to south; contains 5,738 square miles, or 3,672,640 acres. Excluded from the boundaries of these States and this Territory, it has always been outside of any political jurisdiction. It is simply a part of the public domain, over which the land laws have not been extended, and within the limits of which no tribunal, civil or criminal, has jurisdiction to protect property or punish crime.

The land within the limits of this strip is said to be fine for both agricultural and grazing purposes, the surface rolling and well watered, whilst valuable coal deposits have been developed in the western portion. Until lately the "strip" was almost entirely fenced in and controlled by a number of foreign cattle companies. But since the breaking up of illegal inclosure and use of the public domain in this manner there has been a great rush of people into this locality.

By the appropriation bill of March 3, 1881 (21 Stat., 451), the sum of $18,000 was appropriated for "running correction lines, guide meridians, and township lines" therein. The sum thus appropriated was expended as directed and the township lines run, though the amount allowed was scarcely sufficient to complete the lines as directed.

I beg to urge that a special appropriation be made to complete the survey over this tract. An estimate furnished at my request by the surveying division of the Land Office states the amount necessary for the purpose is $50,000, and I hope it will be granted.

It is further important that Congress should authorize the establishment of a land office within this strip and the lands therein at some central and accessible point, subject to settlement under the homestead laws, with the commutation features eliminated. The Territory should also be placed under some political organization, so that civil and criminal law may be properly administered therein.

The peculiar form and situation of the strip makes the question of its proper disposal a question of some doubt. It is, of course, too small to organize into a separate Territory. Its condition, approximating most nearly to that of New Mexico, naturally suggests that it should be made part of that Territory, subject to its laws and government.
I commend to your attentive consideration the operations of the Indian Bureau as set forth in the accompanying report of the Commissioner of Indian Affairs. It shows devoted zeal and energetic efforts in behalf of the present and future interests and happiness of this dependent people. No efforts have been spared to secure to them the quiet and undisturbed enjoyment of their reservations. Prompt measures have been adopted for the removal of trespassers and intruders of all kinds from their midst, when complained of as in any way molesting the peace of their homes, and speedy action has been taken, when necessary, to suppress any disturbing elements among any of the tribes. All just causes of complaint brought to the attention of the Department have received consideration and prompt corrective action in order that they might have such full and peaceful enjoyment of all existing rights and privileges as is consistent with the policy of elevating them to civilization. They have been urged as rapidly as possible in the ways designed to lead them from their condition of helpless, dependent wards of the Government to that of an intelligent, vigorous, and self-supporting people. They have been required, so far as was found practicable, to scatter out upon the best lands of their reservations, build houses, wear the dress of civilized people, engage in some kind of industry, and practice the cultivation of the soil, so that when allotments should be authorized and made they would be able to select the land upon which they lived and had made improvements.

The extent to which success has attended the efforts of Mr. Commissioner Atkins in thus managing the affairs of the Indians is more clearly shown by the statistics of the results of their industrial pursuits during the past year. The present condition of this population may be presented as grouped in three general classes:

The first, or civilized, embracing the five civilized tribes of the Indian Territory and the Six Nations of New York, whose members generally are furthest advanced in manners and morals and in the arts and industries of civilized life, self-supporting, with written constitutions and laws and well-established rules and methods of government; including also many individuals among other tribes who are fully entitled by reason of intelligence, industry, social habits, and other characteristics of civilization to be enumerated among the civilized portion of the Indian race.

Second, the semi-civilized, comprising tribes and bands among whose members the work of transformation is not so marked, yet who are progressing in order and peace, improving in habits, and engaging in industrial pursuits and largely earning and providing their own support, and yet dependent for their progress upon the direction, control, and guidance of the Government.

The third class are the savages who require constant watchfulness to restrain them from following their savage mode of life, dependent for
food, clothing, and other supplies upon the Government, and controlled by the exhibition of the physical power of the Government, idly wandering upon the reservation, and when not actively opposing and obstructing measures for their advancement yielding a sullen and unwilling response thereto.

The five civilized tribes of the Indian Territory embrace a population of about 64,000, and the Six Nations of New York number 4,962. These being self-sustaining, it is not necessary for the present purpose to introduce any statistics of their industrial operations.

There are also about 19,500 Indians scattered over the public domain and not living on any reservations under charge of Indian agents, therefore no specific information of their industrial pursuits is at hand.

The statistics compiled from the annual reports of the various United States Indian agents to the Commissioner of Indian Affairs represents that of the remaining 173,600 Indians under their supervision, about 58,000 wear citizens' clothes wholly; that 16,477 houses are occupied by them; that about 25,000 can speak English with sufficient intelligence for ordinary conversation; that more than 10,500 of their children are in schools receiving educational and industrial training, for whom 227 schools are in operation, and that over 31,000 families are engaged in industrial pursuits. They have cultivated over 238,000 acres, built over 295,000 rods of fencing, produced over 750,000 bushels of wheat, 950,000 bushels of corn, 402,000 bushels of oats, 68,000 bushels of barley and rye, 514,000 bushels of vegetables, and 83,000 pounds of butter. Besides the above they have gathered for use and sale considerable quantities of wild rice, berries, herbs, furs, fish, and snake root, etc. They have sawed 1,552,079 feet of lumber, cut 74,000 cords of wood, and 102,000 tons of hay. They own over 392,000 horses, 3,000 mules, 113,000 cattle, 46,000 swine, and 1,120,000 sheep. Droughts have seriously affected the yield of their crops the past year.

Whilst these results are generally gratifying, they fall far short of guarantying an early consummation of our policy of a complete Indian civilization. And I can only reiterate the conviction expressed in former reports, that the Indian race has reached a crisis in its history. Surrounded on all sides by the forces of civilization; all the reservations closed in and pressed upon by ever-increasing masses of population, made up of impetuous, daring, and aggressive settlers, miners, ranchmen, and traders; with no possibility of removal to other reservations or of escape into mountain fastnesses, the only alternative presented to the Indian race is absolute extinction or a quick entrance into the pale of American civilization.

INDIANS BECOMING INDIVIDUAL FREEHOLDERS.

The most important measure of legislation ever enacted in this country affecting our Indian affairs is the general allotment law of February 8, 1887. By this law every Indian, of whatever age, may secure
title to a farm, enjoy the protection and benefits of the law, both civil and criminal, of the State or Territory in which he may reside, and be subject to the restraints of those laws. It goes still further. Under it the Indian, in accepting the patent for his individual holding of land, takes with it the title to a higher estate, that of a citizen of the United States, entitled to all the privileges and immunities of such citizenship and yet invested with all the lawful responsibilities of that position.

The statute is practically a general naturalization law for the American Indian, except that it is provided therein that its provisions shall not extend to the territory occupied by the five civilized tribes and some other advanced communities of Indians. In every other respect the door has been opened through which every individual Indian by proper effort may pass from the savage life to the enjoyment of the fruits and privileges of civilization. The first effect of this law is to clear away the legal obstructions which have heretofore hindered the progress of many of the tribes.

The way thus opened, however, will not be without its difficulties, its tedious progress, its slow success, its sufferings, disappointments, and failures. It will be wholly unknown to many of them, and few will be able to pursue the journey alone and unaided. The strongest and most advanced among them are feeble indeed, to step from the tribal customs and habits of the race to the individual ownership of the soil, and the proper use of it; though many are fully persuaded that the conditions and requirements of the general severalty law are favorable for their physical prosperity, moral improvement, and political advancement, they will assume them with much hesitancy and with many misgivings. They will need constant encouragement, advice, and assistance. The pious men and women of the various religious denominations, who, with such great self-sacrifice have devoted themselves to teaching the Christian religion to this race, will find no lack of occasion for continuing to exercise the duties and labors of their humane calling. The philanthropists who have sought by aid and counsel to contribute to the progress and advancement of the race, will have ample field for endeavor in helping the Indians to a proper understanding and appreciation of their new rights and privileges and duties as citizens, and encouraging them in the use of the arts and in the habits and comforts of civilized life.

But whatever difficulties and grievous discouragements may attend the execution of the purposes of this law, it is, in my opinion, the only escape open to these people from the dire alternative of impending extirpation.

The argument that this legislation or the measures adopted under it should be postponed until the race by gradual process is morally and intellectually adapted to the condition of civilized society is conclusively answered by the fact that a century of effort to so adapt them has produced nothing in that direction which promises any such fitness
within a century to come. The exigencies of the age will not await another century or even a quarter of a century of such expenditure of effort and time with such incommensurate results.

The law requires that the allotments shall be made jointly by agents specially appointed for that purpose and the agents in charge of the respective reservations. As the appropriation providing for the employment of the special agents to aid in making the allotments did not become available until July last, nothing could be done before that time except by way of gathering information and taking preliminary action incident to preparation for the work. Many reservations have never been surveyed, and the corners and marks of surveys made on others have long since been removed or obliterated.

Under the direction of the President the Department has begun the work of making allotments to such of the following designated Indians as are found competent, ready, and willing to take lands in severalty, viz: To the Indians of the Sioux tribe occupying the Yankton and Lake Traverse Reservation, in Dakota Territory, containing, respectively, 1,776 and 1,496 Indians; to the Winnebagos, 1,222 in number, on their reservation in Nebraska; to the Pottawatomies, 306, and to the Absentee Shawnees, about 775, all on the reservation in the Indian Territory; to the Crows, numbering about 3,000, on their own reservation in Montana Territory; and to the Indians of eighteen different bands, numbering in all 612, occupying the Siletz Reservation in Oregon.

So much depended upon the wise, cautious, and successful beginning of this important work that more than usual care was exercised in selecting the special agents required for making these allotments, in order to secure persons capable and of good judgment, and, as far as practicable, those who have had experience among the Indian tribes and have a general knowledge of their habits and customs. At the date of this report the work is proceeding quietly and cautiously on the several reservations, under the joint management of the local agents and the special agents appointed to co-operate with them.

The authority of the President has also been given for making allotments to the Indians on the following-named reservations: The L'Anse and Vieux de Sert and the Ontonagon Reservations in Michigan; the Bad River, Lac de Flambeau, Lac Court Oreilles, Red Cliff, and Fond du Lac Reservations in Minnesota, all occupied by bands of Chippewa Indians of Lake Superior; the Oneida Reservation in Wisconsin; the Devil's Lake (Sioux) and the Ponca Reservations in Dakota; the Quapaw, Shawnee, Seneca, Wyandotte, Ottawa, and Modoc Reservations in the Indian Territory, all under the supervision of the Quapaw Agency; the Kiowa, Comanche, and Wichita Reservation in Indian Territory; the Jicarilla Apache Reservations in New Mexico; the San Xavier (Papago) and Salt River Reservations in Arizona, under charge of the Pima and Maricopa Agency; the Lapwai Reservation occupied by Nez Perce In-
In Idaho Territory, and the Muckleshoot Reservation in Washington Territory.

Upon a number of these reservations, and also upon the Warm Springs and Grande Ronde Reservations in Oregon, surveys are necessary to be made before the lands can be allotted. This preliminary work has already been ordered and is now being executed. If satisfactory progress in allotting lands continues to be made on the reservations where the work is now in progress, the Department will be ready on or before the beginning of the next fiscal year to push forward the work on nearly all of the reservations above named. Sufficient funds for the purpose should be appropriated, so that such number of special agents as shall be required may be employed.

On other reservations it will be necessary to construct means for conveying water for irrigating the soil. If such facilities—at least the main canals and ditches—are not provided the Indians will be able to do little or nothing in cultivating the soil, and no useful purpose will be accomplished in allotting such lands to them. Such work as the limited means provided for irrigating Indian lands will permit has been begun on several of the reservations. Liberal appropriations should be made by Congress for irrigation on the reservations requiring it, some of which can only be made productive for agricultural or grazing purposes under management more wisely conducted than can be expected of the Indians, who have perhaps exchanged or surrendered better lands for them, not always as a matter of intelligent choice.

The aim has been to proceed with the work of allotting lands on those reservations where the Indians have made the greatest progress and where their disposition and general conditions promise success in this important movement. Many of the tribes and bands, as such, are not favorably disposed to the provisions of the law, but among them all are an appreciable number of individuals ready to take their lands in severalty. The benefits of the law should not be withheld from them. They will be allowed to take allotments and accept the means and instrumentalities afforded for their material prosperity and social elevation. It is expected that their example will encourage and lead others to do likewise.

It will not be difficult to allot lands to many of the Indians, but to locate and settle them upon their respective allotments and to attach and hold them each to his own homestead is a work that will not be so easily accomplished. For the present, care will be taken that the provisions of the law will not be forced upon any unwilling Indians; but even those who are hostile to its provisions should be made, by kind, gentle, but very firm treatment, to learn that they must not continue to stand in the way of the accomplishment of the purposes of the law.

Many of the tribes have no funds to their credit and no money annually accruing to them under the treaties. They have no estate except such as they have upon the reservation on which they reside. Such
money as is provided by Congress for the support of this class of Indians is a gratuity. The more helpless and destitute provided for in this way receive barely sufficient to prevent extreme suffering and starvation. It is very difficult to adopt a measure which will provide them with simple food and clothing without, at the same time encouraging their disposition to rely upon the Government alone for their support and to make no exertion to improve their condition. The service should be so conducted as to secure annually a material reduction of the estimates for funds to be used in feeding and clothing our Indian population.

INDIAN SCHOOLS.

The report of the Commissioner of Indian Affairs, and that of the superintendent of Indian schools, and the statistical exhibits accompanying them, show that there are about 40,000 children of school-age, from six to sixteen years, among that portion of Indian population for whose benefit the appropriations for Indian educational purposes, as far as they will go, are sought to be expended. Schools for these to the number of 227 have been provided, with capacity for accommodating about 13,766 pupils.

These schools are classified as follows: 8 Industrial training schools, provided for by special appropriations; 68 boarding schools, and 90 day schools, managed directly by the Indian Bureau, and 61 schools managed under contracts with religious societies, of which 41 are boarding-schools and 20 are day schools. The total number of scholars enrolled in these schools during the year is 14,333. The average attendance maintained was 10,520; the total expenditure for the same time for all purposes in connection with these schools was about $1,170,000.

By a statement of Indian school statistics from 1878 to 1887, inclusive—which will be found in the report of the Indian school superintendent—it appears that ten years ago there were 137 schools of all kinds provided by the Government for the Indians, with an average attendance of about 3,500, maintained at a cost of nearly $196,000. The same statement shows that in 1884 there were 162 schools, having an average attendance of about 6,100, for which about $650,000 was expended.

These statistics exhibit a gratifying improvement in the Indian school service, and show that general interest in the cause of education has increased and is growing among the Indians.

I have no pleasure in contemplating or in stating any unpromising features of our work among the Indians; but I am convinced that if for their transition from the old to the better and more systematic life, we continue to depend so fully upon the powers of attraction, our Government will continue to be troubled with the Indian problem for an indefinite period.

I am persuaded that the question of compulsory education of all Indian youth of the tribes and bands under the care of the General Gov-
The Government is worthy of early and serious consideration. Any movement in this direction should have the full warrant of the law, and the methods prescribed should be wisely adopted and as nearly uniform as practicable, and should be kindly and judiciously, but firmly, enforced.

The appropriations for Indian educational purposes should be sufficient to enable the Government to discharge fully not only its treaty stipulations with the Indians, but also its moral obligations for properly training, mentally, physically, and morally, all of the youth among them, to the end that they may all become self-supporting and useful citizens.

It is essential that the various schools should be visited annually by the Indian school superintendent, so far as practicable, in order that he may investigate and report to the Department as to their management, with the view of correcting any existing abuses and bringing the whole school service to a well-ordered and more uniform system. It will require $2,000 to enable him to properly and efficiently perform the duties of his important position.

**EDUCATION OF INDIANS IN ALASKA.**

I concur in the suggestions of the Commissioner of Indian Affairs for consolidation of the usual appropriation heretofore made "for support of education of Indian pupils of both sexes at industrial schools in Alaska" with the general appropriation for the educational interests of that Territory, and that the whole be placed under the management of the Bureau of Education in developing the public-school system which that Bureau has undertaken to establish there for the benefit of all the people of Alaska.

**THE FIVE CIVILIZED TRIBES.**

The five civilized tribes of the Indian Territory represent that they are seriously embarrassed in the development of the coal and other mineral resources of their lands. The Cherokees, Chickasaws, and Choctaws, and the Creeks have patents for their lands, under which the United States courts have held, in a case involving the Cherokee lands, that all the estate is in the Indian Nation, whose title is a "base, qualified, or determinable fee, with only the possibility of reversion, and not the right of reversion in the United States." (U. S. v. Reese, 5 Dillon, 405.)

These tribes are secured by treaties "so far as may be compatible with the Constitution of the United States and the laws made in pursuance thereof, regulating trade and intercourse with the Indian tribes," "in the unrestricted right of self-government and full jurisdiction over persons and property within their respective limits," excepting persons, with their property, not citizens of the tribes.

Under the law (sec. 2103, Rev. Stats.) regulating the making of agreements with Indians by citizens of the United States, certain contracts
or mining leases made by the Choctaw Indians with a corporation of non-citizens of the tribe for mining coal, were presented, which were held by the Attorney-General to be "not such as may properly receive the approval of the Department of the Interior in view of the inhibition against the making of leases, etc., of Indian lands contained in section 2116, Revised Statutes."

As the development of the coal and other resources of the land occupied by these tribes will not only contribute to their benefit, but also to that of the surrounding country, I think such modification should be made of existing laws as will permit them to contract for mining coal, etc., under such proper restrictions and limitations as Congress may deem advisable.

The arrangement made by the Cherokee Live Stock Association in October, 1883, for the occupation of the "Cherokee Outlet," containing about 6,000,000 acres, for grazing purposes for the period of five years, at $100,000 per annum, will expire in October, 1888. Upon information which recently came to the notice of this Department that this association contemplates negotiations with the Cherokee authorities for a release of those lands, I directed that the said association be informed that any so-called lease or other arrangement into which they or any other parties may enter with the Cherokee Nation for the occupation of the Cherokee Outlet with their cattle for grazing purposes or otherwise, will be subject to cancellation or discontinuance by the Department at any time, whenever such action shall be considered for the best interests of the Indians, or for any other reasons which the Department may deem sufficient, and that it will be subject to whatever legislation Congress may enact regarding that portion of the Cherokee country, as well as any general legislation that may be had affecting the occupation of Indian lands for grazing or other purposes.

The Cherokees and some other tribes are specially named in the general allotment act of February 8, 1887, as excepted from the operation of its provisions. These excepted tribes have large surplus lands, and a number of them have existing arrangements for the privilege of grazing cattle thereon, for which the Attorney-General holds there is no warrant of law. The occupation of these lands by white men with their cattle under so-called leases for grazing purposes, if of any present benefit to the Indians, is not conducive to their future well-being, nor in any way promotive of the general policy of localization of the individuals of the tribes upon separate allotments of lands. It is found that the exemption of certain tribes from the operations of a law to which the large body of Indians is made subject, is by no means helpful to the application and enforcement of its provisions to those not so favored. Congress should set its seal of approval or disapproval upon the occupation of Indian lands by individuals and associations of white men for grazing purposes, by some positive and definite enactment
which will relieve this Department from all doubt as to the intention of the law-making power on the subject.

Attention is invited to the recommendations and suggestions of the Commissioner of Indian Affairs, urging legislation for the establishment of a United States court with civil and criminal jurisdiction over both Indians and white people residing in the Indian Territory; also to his statements concerning persons who have been living and are yet within the territory of the five civilized tribes, especially among the Cherokees, under claims to citizenship among those nations, and his views as to the necessity for some legislation for adjusting their rights and interests.

Another important subject presented in his report for consideration is that of the freedmen in the Chickasaw Nation. The matters involved are of great importance, and I refer to the report itself for full information thereon.

In the fourth article of the treaty of 1852 with the Chickasaws (10 Stat., 974) provision is made for the Secretary of the Interior to adjudge, upon the principles of law and equity, the claim of the Chickasaws growing out of alleged mismanagement and disbursement of their funds by the Government, under treaties of 1832 and 1834, whereby they were subjected to losses and expenses which properly should be borne by the United States. The treaty also provides that the decision of the Secretary of the Interior shall be final and conclusive on all concerned. The claim has not heretofore received final consideration, mainly for the reason that the head of this Department was unable to give to it the time and attention which the intricate details involved required. My predecessor transmitted the case to the Court of Claims in 1883 for consideration and action, in accordance with the provisions of section 2 of the act of March 3, 1883, entitled, “An act to afford assistance and relief to Congress and the Executive Department in the investigation of claims and damages against the Government.” (22 Stat., 485.)

The issues in the claim as finally presented and considered involved items amounting in the aggregate to $610,041.62. A duly certified copy of the findings of fact and opinion of the court, filed April 25, 1887, in the case, was transmitted to this Department on May 23, 1887. The following extract therefrom shows the conclusion reached by the court:

We conclude from our examination of the case that the fund of the Chickasaw Nation should be credited with the sum of $240,164.58. In an action between individuals interest also would be allowed, for the issue presented is one of unauthorized disbursement by a trustee of trust funds expressly stipulated to be held invested in interest-bearing securities. We refrain, however, from expressing any opinion on this subject, as the question must necessarily be taken to the legislative department of the Government, which alone has power to grant relief, which will consider the equities of the case, and which will decide whether it is one wherein the doctrine should be waived, that as the sovereign does no wrong, and is ever ready and willing to pay just debts, the Government pays no interest.
I have adopted the finding and opinion of the Court of Claims on the case as the decision of the Department in the matter, and will present it to Congress for the necessary action by that body.

RAILROADS, IRRIGATING CANALS, DITCHES, ETC., AFFECTING INDIAN RESERVATIONS.

Two railroad enterprises—the Washington and Idaho Railway Company and the Spokane and Palouse Railway Company—are seeking right of way through the Cœur d'Alene Indian Reservation in Idaho Territory. The matters were submitted to Congress at its last session for consideration, and bills S. 3026 and 3041, respectively containing the necessary legislative authority, though passed by the Senate, failed to become laws.

The first-named company subsequently appealed to the Department to be allowed to proceed with the construction of its road under Executive authority. Whatever may be the power of the Executive over the matter, I have not deemed it wise, under the circumstances, to take any favorable action upon the request. The Indians are represented as being favorably disposed to the building of a railroad through their lands that will enable them more conveniently to carry their produce to a good market.

The Department having received information that the Florence Canal Company was about to take water from the Gila River at a point about 12 miles above the town of Florence, Ariz., by means of an irrigating canal, in such quantities as would do great injury to the Indians occupying the Pima and Maricopa Reservation, through which the Gila River flows, and that the canal would practically destroy the farming interests of the Indians by depriving them of necessary water for irrigating purposes from the only procurable source, the Attorney-General was requested to instruct the proper United States attorney to take steps to protect the rights and interests of the Indians.

On the 15th July last the canal company appealed to this Department to have the United States attorney instructed not to apply for an injunction until reasonable time is allowed the company to enter into stipulations on the subject.

The management of the matter having been intrusted to the United States attorney, it was thought best not to interfere with his proceedings, but to defer action until a report should be made by him giving his views and recommendations on any stipulations or arrangements proposed by the company.

Application was made early in 1887, on behalf of persons interested in mining operations in Idaho Territory, for permission to have a ditch constructed at their expense for taking water from the Lemhi River through the Lemhi Indian Reservation, the Indians residing thereon to be employed in cutting the ditch, and to have all the water needed for
irrigating their farms, the surplus, after passing the limits of the reservation, to be used for the mining interests of the promoters of the project. The matter was laid before the honorable Attorney-General, who held that Congress alone had the right to grant such privileges.

Following this opinion, an application for permission to construct a dam for mill purposes across Choteau Creek, which forms the eastern boundary of the Yankton Indian Reservation, was denied, inasmuch as the western abutment of the dam would be upon the reservation, and a small area of the land would be overflowed by its construction. Notwithstanding, it was reported that the Indians were favorable to the improvement, and that it would be of great benefit to them.

The two railroads heretofore constructed through the Fort Hall Indian Reservation in Idaho Territory cross each other at a point designated as Pocatello Station, on the reservation, where quite a large and constantly-increasing settlement has grown up, consisting, it is reported, mainly of the employes, with their families, of the railroad companies, required for their business traffic at that point. The limited area of the Pocatello Station is reported to have been long since fully occupied, and as it is situated wholly within the reservation, the lands of the Indians have been to a large extent encroached upon for dwellings and other like purposes. Measures which, however, failed to receive final action were presented to the last Congress for authority to negotiate with the Indians for relinquishment to the United States of additional lands to accommodate the present growing necessities of this place, and also for the lands used as right of way and station grounds by the Utah Northern Railway Company, whose line occupies 2,120 acres within the reservation, for which they have never made any compensation to the Indians.

In view of the embarrassing situation in which these matters were left by the failure of action upon the measures presented to Congress, the Department found it expedient and necessary, through competent officers, an inspector of the Indian service and the local agent, to have the matters fully examined, the wishes of the Indians ascertained, and such action by them secured as would enable the Department to present the drafts of necessary legislation for the final action of Congress at its approaching session.

Their report shows that the Indians consented to relinquish to the United States 1,840 acres for additional lands for Pocatello Station, to be surveyed, laid off into blocks and lots as a town site, and sold at public auction to the highest bidders, or otherwise, as Congress may direct, with favorable stipulations as to use of the proceeds for their benefit.

For the land occupied and used by the Utah Northern Railroad Company restricted to specified limits, according to map and plats of definite location to be hereafter filed, the Indians stipulate that $8 per acre shall be paid to the Secretary of the Interior for their benefit.
These matters will be presented to Congress at an early day, and it is hoped that they will receive speedy and final action.

Mention of other matters of importance in connection with the construction, etc., of railroads upon Indian reservations will be found in the report of the Commissioner of Indian Affairs.

FINANCIAL LIABILITIES OF THE UNITED STATES TO THE INDIAN TRIBES.

The liabilities of the United States to Indian tribes under treaty stipulations, taking as the basis, where no specific sums are stated in the treaties, the amounts appropriated last year, are as follows: Permanent annuities, $349,251.98; temporary annuities for specific periods, $5,871,666.62; temporary annuities payable at the pleasure of Congress or the President, $1,178,010; total, $7,398,928.60.

There was on deposit in the Treasury on November 1, 1886, of the proceeds of sales of Indian lands, the sum of $7,698,334.19. From the same source $1,642,815.91 were received during the year ending November 1, 1887, making a total of $9,341,150.10. Disbursements were made from this fund during the same period to the amount of $246,688.27, leaving a balance to that account on November 1, 1887, of $9,094,461.83, of which $8,922,188.73 bear interest in lieu of investment, the remainder, $172,273.10, being available for expenditure for benefit of the Indian tribes to whose credit it stands.

The funds belonging to Indian tribes which remain invested in State stocks and other securities held by the Treasurer of the United States as custodian, amount to $1,798,016.83. The additional sum of $84,000 is carried as invested in bonds abstracted. The interest on the invested funds is paid regularly only on $280,000 bonds of the United States issue to the Union Pacific Railroad, and $8,350.17 Maryland State stocks. On all of the balance, $1,593,666.66, except $1,000 represented by an abstracted bond, Indiana stocks, interest is annually appropriated by Congress to the amount of $94,940. During the past fiscal year the United States has been reimbursed to the extent of $162,870 on account of such appropriations, as follows: By $3,320 withheld by the Treasury from payments due the State of Louisiana; $6,000 paid by the North Carolina Railroad Company on certain North Carolina State stocks; and $153,540 paid by the Nashville and Chattanooga Railroad Company, being unpaid interest on $512,000 Tennessee stocks already redeemed.

Portions of the State stocks held have matured, but remain unpaid as follows: Virginia, $1,000; North Carolina, $191,000; South Carolina, $125,000; Florida, $132,000; Tennessee, $210,666.66; total, $659,666.66.

NORTH CAROLINA BONDS.

The authorities of the State of North Carolina have heretofore submitted a proposition for exchange of the old bonds of that State for
those of a new issue, under laws for adjustment of the State debt, upon terms that the Department did not feel authorized to accept.

More recently the authorities of that State have offered the amount of the principal with interest to date of maturity for $147,000 of her stock. At the same time the Department had before it an offer for the same stock from a private individual, to pay the principal with interest thereon not only to maturity of bonds but to date of their delivery to him.

Not being fully satisfied as to the best course to pursue, and as the market value of that special block of bonds seemed to be improving rather than otherwise, I have delayed action on the matter with a view of bringing the subject in this way to the attention of Congress for such legislation as that body in its wisdom may see proper to enact. An act authorizing either the Secretary of the Interior or the Secretary of the Treasury, who would perhaps be the more proper person, to make such negotiations as would be deemed best under all of the circumstances would be the wisest solution of the matter.

INDIAN FISHING PRIVILEGES.

In nine or more treaties made in 1855-'56 with the various tribes in the extreme northwestern part of the country it is provided that "the right of taking fish at usual and accustomed grounds and stations is further secured to said Indians in common with all citizens of the Territory, and of erecting temporary houses for the purpose of curing." (12 Stat., 927-975.)

Many and serious complaints have come to the Department that the right of taking fish at usual and accustomed grounds and stations along the Columbia River is denied to the Indians. Investigation has disclosed the fact that settlers have entered and possessed the tracts comprising the usual fishing grounds and stations under the land laws of the United States, and refuse to allow the Indians to come upon them in the pursuit of their usual means of support. In behalf of the Yakima Indians resort was had to the supreme court of Washington Territory in case of United States and others v. Taylor, wherein the court, in decision rendered on January 25, 1887, held that the land laws of the United States "simply authorize the appropriation by the settler of unappropriated lands, and only authorize the extinguishment of the title which the Government holds at the time of the appropriation; and, if the land selected by the settler has at such time any servitude or easement impressed upon it, he takes subject thereto."

This wholesome decision, so eminently just, ought to go far in removing the cause of many complaints from the Yakima Indians, who are mainly self-supporting. If they can not be secured in the enjoyment of their treaty rights and privileges in this respect in any other way, it perhaps would be well for the Government to repossess itself of the portions of land upon which the servitude or easement is impressed.
The situation in this respect of the confederated tribes and bands of Indians of middle Oregon at the Warm Springs Agency is attended with more embarrassing difficulties. They were among those to whom were reserved and secured by treaty of 1855 the fishery rights and privileges, but a subsequent treaty made with them in 1865 contains a clause relinquishing them for a consideration of $3,500. The Indians claim that it was never intended by them to part wholly with such valuable rights and privileges for such an inadequate sum, but that the enjoyment thereof should be regulated by permits or passes, to be issued by their agent, to prevent them from being taken for hostiles when off of their reservation. In support of their claim they point to the third article of the treaty, which provides for such passes in cases when it is necessary for them to go without the reservation.

General Gibbon, commanding department of the Columbia, has given this matter some consideration, and thinks that the view given by the Indians is correct; he also reports that in being debarred from procuring their usual supply of salmon, and with short crops this year, there will be suffering among them unless they are furnished with supplies by the Department; and he suggests as a remedy that Congress be asked to appropriate a yearly sum for a term of years to be expended in the purchase of cured salmon for issue to these Indians as an indemnity for the supply unjustly cut off from them.

The Klamath River Indians occupy a reservation in California established by Executive order of November 16, 1855. It embraces a strip of country 1 mile in width on each side of the Klamath River, for such distance from the Pacific Ocean as to include 25,000 acres of land. The fisheries on the river have been the principal means of support for these Indians.

The State of California having declared the Klamath River to be navigable from its mouth to a point some distance above the reservation, certain white men have engaged in fishing on that stream within the boundaries of the reservation. This the Indians regard as an invasion of their rights, and it has naturally made them uneasy. The honorable Attorney-General, to whom application was made for an opinion as to the power of the Government to protect these Indians in the enjoyment of what they claim to be "their fishing privileges" in the Klamath River within the limits of their reserve, holds that—

The Klamath River being a navigable stream, the public have the right to fish there and use it in any other way that does not amount to an interruption or interference with interstate or foreign commerce or navigation, or a violation of some law of the State of California, and that so long as the acts of persons resorting to these waters to take fish fall short of invading the right of Congress to regulate commerce with foreign nations or among the several States, no case for federal interference can be said to exist.

The fishery rights and privileges of these Indians is a matter of serious concern to them. The improved means and appliances employed by white men for taking fish from the rivers place the Indians, who
very generally adhere to their primitive methods, at great disadvantage in pursuing this industry. It is the source from which many of the Pacific coast Indians procure their principal article of daily subsistence. Large quantities are cured by them for winter use. It is very important that they be protected from invasion or obstruction of their rights and privileges, whether they be proprietary on existing reservations or reserved and secured by treaties to be enjoyed in common with others within territory ceded by them to the Government, or within the public domain. Without such protection they will be practically robbed of the main article of their food supply by being shut out from the sources whence they have heretofore obtained it, and without which they are likely to be impoverished and become largely a charge upon the Treasury of the United States for their support.

NEGOTIATIONS WITH INDIANS.

The agreements negotiated by the Commission appointed for that purpose, under the provisions of the act providing therefor, of May 15, 1886 (24 Stat., 44), with the various tribes and bands therein mentioned, were submitted to Congress at its last session, and will be found in Senate Ex. Docs. Nos. 115 and 30, respectively, Forty-ninth Congress, second session.

Agreements were also negotiated by the Commission with the Indians belonging to the Fort Peck, the Fort Belknap, and the Blackfeet Agencies, in Northern Montana, for cession of about 17,500,000 acres of territory, leaving about 4,151,000 acres to be divided into three separate reservations of sufficient area to meet the wants of the Indians now inhabiting that portion of the large reservation in Northern Montana. The compensation agreed upon for the land proposed to be ceded by this agreement is $4,300,000, to be appropriated in ten annual installments, as follows: $165,000 for the Indians of the Fort Peck Agency, $115,000 for those of the Fort Belknap Agency, and $150,000 for those of the Fort Berthold Agency. It is also agreed that these installments of money, amounting annually to $430,000, shall be expended for cows and other stock, goods, clothing, subsistence, and in such other manner as will promote their civilization and future well-being.

The Commission also negotiated agreements with the Upper and Middle bands of Spokane and the Pend d'Oreilles Indians, in Washington Territory, with the Cœur d'Alène Indians, the Flathead, Pend d'Oreilles, and Kootenai Indians, occupying the Jocko Reservation in Montana, all of which are now under consideration by the Commissioner of Indian Affairs, in whose report will be found mention of the general provisions thereof.

As a summary of the labors of the Commission it is estimated that the agreements negotiated provide for cession to the United States by the Indians of nearly 22,000,000 acres of territory, besides the surren-
der by certain tribes of claims to large areas of territory, the quantities and limits of which are rather indefinite and undefined. For the lands ceded and the claims covered by the negotiations, the total money obligation involved amounts to about $5,300,000. This includes the claims of Indians growing out of construction of dams and reservoirs at headwaters of the Mississippi River.

The provision of law under which the work of the Commission has been prosecuted designates the Indians with whom the negotiations were to be conducted; and it also provides that “no agreement made shall take effect until ratified by Congress.” Such of them as have not already been laid before Congress will receive early consideration and be presented for submission to that body.

**UMATILLA, WALLA WALLA, AND CAYUSE INDIANS.**

The Commission appointed under the act of March 3, 1885, for the purposes therein required, has made its report, showing that the Umatilla, Walla Walla, and Cayuse Indians of Oregon have consented to the provisions of the law for diminishing the area of their reservation, taking lands in severalty, and for sale of their surplus lands for their benefit. They took a census of the Indians, reporting the whole number to be 986, of whom 845 were entitled to allotments, the remaining 141 being the wives of Indians, heads of families, and not entitled to allotments. They determined and set apart a diminished reservation embracing an area of 119,864 acres, for agricultural, pasture, timber, and school-farm lands for the Indians.

The surveys necessary to be made for the purposes of making the allotments and for sale of the surplus lands are now in progress.

**THE APACHES OF ARIZONA.**

The very general quiet which prevailed among the Indians of Arizona was broken only once during the year, and then by a small number of those under the San Carlos Agency, who, as the result of internal troubles, left the White Mountain Reservation, and created by their conduct some alarm among the white population near by. The prompt and effective movement of the military forced them to speedily return to the reservation, where the lawless ones are reported to have been arrested for trial, which will no doubt result in punishment and discipline for their bad behavior.

This Department has now under consideration a report setting out the views of General Miles, commanding the Department of Arizona, favoring the removal of several bands of the Apache Indians now on the White Mountain Reservation to other points in the Territory. This he thinks will be best for the Indians and the peace of the Territory. One of the points designated for such occupation is the Verde military reservation, said to be in the midst of one of the most populous and
prosperous agricultural and grazing districts in the Territory. Strong and vigorous protests have been presented by many of the settlers and on their behalf by the governor of the Territory against the proposed transfer and location in their midst of from 1,000 to 1,200 uncivilized Indians. The Indians were gathered upon their present reservation at great expense, and in pursuance of a policy then considered best for their proper management and advancement. To again scatter the various bands to different localities involves the establishment of several more agencies, the maintenance of which would no doubt considerably increase the expenditure of the Indian service in that locality. In view of these things, I have not felt satisfied to take any final action upon the proposition until I could gather such information through official reports from the representatives of this Department as will enable me to fully consider every phase of the subject.

Those Apaches, brought from Arizona and held for a time at Fort Marion, Fla., with the exception of children of suitable age sent to the Carlisle Training School, have during the year been removed by the War Department to the more suitable and commodious military reservation at Mount Vernon Barracks, Ala., where they, and also those in confinement at Fort Pickens, Fla., are reported to be in general good health, contented, and well disposed. Ramoun, a Chiricahua, among those at Mount Vernon, because of bad conduct, the result of drinking whisky, was, with his wife, transferred to Fort Pickens.

**NAVAJO TROUBLES ON THE SAN JUAN RIVER.**

The presence of a few settlers who had located immediately south of the San Juan River, in New Mexico, remaining there after the land had been again made a part of the Navajo Reservation by Executive order of April 24, 1886, continued to cause some disquiet among the Indians in that locality. Their removal was suggested by the Indian Bureau and repeatedly urged by the local military commander, as a measure necessary for the preservation of good order. As inchoate rights of settlers had attached to the lands upon which they had located, the Department declined to sanction any proceedings for their removal until it was again strongly urged by Colonel Grierson as the only safe, proper, and effective measure by which peace could be permanently maintained and security given to life and property in that locality.

That officer recently reported that the settlers had been peaceably removed and the Navajoes quietly placed in possession of the lands occupied by them.

The settlers who in good faith located and made valuable improvements upon the lands and who have been compelled for the public good to abandon them, should be fully indemnified for the losses thus sustained. To do this, however, it will be necessary for Congress to grant the authority and make a sufficient appropriation for the purpose.
A small band of Ute Indians, numbering about sixty souls, under Colorow, with Chepeta, the widow of Ouray, a former friendly Ute chief, have been for some time past roaming in the northwestern part of Colorado and pasturing their flocks and herds on that portion of the public domain formerly the home of the tribe, and for which Colorow and his followers have a strong attachment. Though these Indians were peaceably disposed their presence there was reported to be the cause of some annoyance to settlers, but more particularly to the owners of stock cattle, and those employed with the large flocks and herds also grazing upon these public lands.

The agent for the Ute Indians was instructed to require the absent Indians to go to and remain upon their reservation; and in order that want of knowledge of the location of the dividing line between the reservation in Utah Territory and the State of Colorado might not be an excuse for again leaving their reserve, the Secretary of War was requested to detail a competent military officer to plainly mark the boundary.

While these matters were receiving attention and the necessary correspondence, there arose—in August last—considerable excitement in the vicinity of the town of Meeker, in Garfield County, Colo. The United States marshal telegraphed from Denver on the 17th that the Ute Indians were on the war-path, and requested that the War Department be asked to send troops. Senator Teller, my immediate predecessor in this Department, telegraphed from the same point on the 29th that the “Ouray Ute Indians in Colorado ought to be compelled to return to their reservation. If they do not there will be trouble.” In the mean time it was published in the press that the governor of Colorado had ordered the militia of the State to the scene of trouble, and that he had also called upon General Crook, commanding a military department, for the aid of United States troops. No other or regular application for such aid had come to the knowledge of this Department, which, however, communicated such information as it had to the Secretary of War on August 20, and requested that he have the troops, if furnished, while in the locality use all proper means to induce the Indians to go to and remain upon their reservation.

A request for troops, telegraphed on 24th of August to this Department by Governor Adams, was received on the following day, and he was immediately informed in reply that the President did not consider that any case had been presented under the Constitution and laws justifying the employment of United States troops in Colorado; the belief was also expressed that Colorow and his followers could be induced to return to their reservation if the hostile demonstrations against him were suspended, and he assured against attack; and further, that such line of action, if concurred in by the governor, would be entered upon by the Government.
On the same day Governor Adams telegraphed to the Department that Colorow had signified his desire for a conference, and for that purpose he would start that night for Garfield County, expressing his desire to get the Indians out of the State peaceably, and asking that the officers at Fort Du Chesa ne be ordered to the scene of trouble to meet him. Upon the belief that this dispatch, received on the following day, indicated the adoption of the line of action suggested in the telegram sent to the governor, he was at once informed by wire that, by direction of the President, Agent Byrnes and General Crook would be instructed to meet and confer with him in reference to Colorow's peaceable return to the reservation. The officers named were instructed accordingly.

Upon receipt of official information of the seizure by Major Leslie of 300 head of Indian horses, which he had corralled at Rangely, to be held until certain Indians were delivered to him, Acting Secretary Muldrow, on August 30, telegraphed the governor, by direction of the President, the request that he would take all proper measures to deliver the horses to Agent Byrnes, who was directed to take charge of the same as soon as arrangements for their delivery had been made. The governor was also asked to co-operate with the agent in collecting the sheep, goats, and other property of the Indians, with the view of restoring the same to them on the reservation. The agent was instructed how to proceed in these matters, and was also directed to remove from the reservation, in pursuance of statute, all persons found therein contrary to law, and to prevent any unlawful encroachments or entries thereof for any purpose, and to call on the military for aid if necessary. He was also informed that the civil authorities of Colorado, and those acting with them, must proceed in the manner provided by law for the enforcement of any process issued by State authority, and that the Government would, if the emergency arose, assist them in orderly and lawful efforts to enforce such process.

I condense the following as the substance of the official reports made on this matter by General George Crook, and of the United States Indian agent for the Uintah and Ouray (consolidated) Agency: The origin of the excitement was the attempt of the State authorities to enforce the State game and other laws against the Indians, who were surprised and alarmed by the methods employed by a game warden and the sheriff to arrest several of their number under State process for violation of its laws. The Indians, alarmed and evading arrest, were pursued by the sheriff with his posse, subsequently joined and supported by the State militia. Such a procedure was well calculated to precipitate not only resistance, but an outbreak by uncivilized Indians ignorant of the laws governing civilized communities, and wholly unacquainted with the methods employed for enforcing them. They were able to comprehend neither the meaning of a warrant nor the authority of the sheriff. Worse than all, the Indians, who had acted entirely on the defensive all the time, avoiding hostilities, and who in a parley had
given assurances that they were going to their reservation as fast as possible in obedience to the instructions of their agent, and had received assurances from those pursuing them that they would not be molested, were attacked in their camp near the border of their reservation while they were quietly cooking breakfast in the midst of their wives and children, were driven from their supplies of dried meat, robes, and peltries, their horses, cattle, sheep, and goats were appropriated or scattered, and only a small portion of them have since been restored to the Indians.

The itemized claims prepared upon statements and evidence of these Indians at the agency, and recently received from one of the United States Indian inspectors, for property which they were forced to abandon or which was taken from them while fleeing to the reservation, and which has not been restored to them, aggregate the sum of $32,050.25.

The casualties, all told, so far as the Indians are concerned, were five men, women, and children killed, and seven seriously wounded.

THE JICARILLA APACHES.

The removal of the Jicarilla Apaches from their reservation in northwestern part of the Territory of New Mexico to the Mescalero Apache Reservation in southern part of the same Territory, which took place in 1883, has not proved to be beneficial to either band. The Jicarillas complained that the new location afforded them no advantages for improving their condition, as all land fit for cultivation was already taken or claimed by the prior occupants of the reservation. A few of them in 1885 wandered back to the locality of their former reservation, with the expressed determination to seek individual homes upon the land from which they had been moved. During the next year a larger number followed, and when overtaken by the military to be turned back they begged to be permitted to go where they could make homes for themselves. They were allowed to proceed, and they gathered near Amargo, N. Mex., where a tract of land was withdrawn from the public domain by Executive order of February 11, 1887, with the view of affording them the necessary protection, and aiding them, as far as practicable, in securing individual homesteads in the locality of their own selection. The remainder of the band has since gone upon this new reservation. The lands are being surveyed, and as soon as this necessary work is completed allotments will be made to the Indians under the general law providing therefor.

MISSION INDIANS IN CALIFORNIA.

Immediately after the close of the last session of Congress, which failed to take final action on the bill pending for relief of the Mission Indians in California, instructions were given for removal of all trespassers, with their movable property, from the reservation occupied by those Indians. Proper notice and time were given to enable the persons
affected to adjust their affairs. The Department is informed that their removal has been accomplished. The claims of some of these persons classed as intruders are probably entitled to consideration, but no law having been provided by Congress for this purpose, and it being imperative on the Department, it was deemed unwise to further delay the action indicated. Congress will, no doubt, upon proper presentation of the cases, provide for the adjustment of any equitable claims which the ejected parties may have, by reason of their removal from the reservation.

ROUND VALLEY RESERVATION IN CALIFORNIA.

As the bill proposed by the Department and presented to the last Congress for extinguishing all bona fide claims of white men to land within the Round Valley Indian Reservation in California, with the view of clearing it of all intruders and other hindrance to allotment of the land in severalty to the Indians, for whom it was created, failed to become a law, steps were immediately taken to do whatever might be found in the power of the executive branch of the Government, to remove, as far as possible, the evils complained of; and the aid of the Department of Justice and of the War Department by the military force was invoked to secure obedience to the orders of this Department, for persons unlawfully upon the reservation to remove therefrom with their property, and for those having a legal status thereon to confine themselves within the limits of the land to which they were entitled.

While preparing this report information is received by telegraph that the agent has been required by the superior court of Sonoma County, California, to appear and show cause why he should not be restrained from executing the order for removal of certain persons from the reservation.

It is not at this time known how far the measures adopted by this Department will succeed in clearing the reservation of those who have no legal right to remain within its limits. Some action by Congress on the subject, however, is required, and the foregoing report shows clearly the character of legislation needed and the urgent necessity therefor.

CHEROKEES OF NORTH CAROLINA.

The treaty of 1835 with the Cherokee Indians, providing for their removal west of the Mississippi, allowed those desiring to remain and become citizens of the States in which they resided, to do so. A portion of those who elected to remain are located in the western part of North Carolina. They have some land interest and also a small sum of money held by the Government, the expenditure of which is by law confined to their educational and agricultural interests.

By an act of July 27, 1868, it is provided—

That hereafter the Secretary of the Interior shall cause the Commissioner of Indian Affairs to take the same supervisory charge of the Eastern or North Carolina Cherokees as of other tribes of Indians.
An agent provided for by law resides among them. They asserted a claim to an interest in the lands and trust funds of the Cherokee Nation, which was referred by Congress to the Court of Claims, from which it was appealed to the Supreme Court of the United States, where, in a decision adverse to them, the court held that—

The number that remained was between 1,100 and 1,200. They were without organization or a collective name. They ceased to be a part of the Cherokee Nation, and henceforth they became citizens of and were subject to the laws of the State in which they resided. * * * The Cherokees of North Carolina dissolved their connection with the nation when they refused to accompany the body of it on its removal, and they have had no separate political organization since. Whatever union they have had among themselves has been merely a social or business one. If was formed in 1868, at the suggestion of an officer of the Indian Office, for the purpose of enabling them to transact business with the Government with greater convenience. Although its articles are drawn in the form of a constitution for a separate civil government, they have never been recognized as a separate nation by the United States; no treaty has been made with them; they can pass no laws; they are citizens of that State and bound by its laws. (U.S. Rep., 117, pages 303 and 309.)

The Assistant Attorney-General for this Department, in a report of April 13, 1887, reviewing the treaties, laws, and decisions affecting these Indians, remarked as follows:

While the above quoted decision of the United States Supreme Court does not formally declare unconstitutional said act of Congress, which directs the Secretary of the Interior to "cause the Commissioner of Indian Affairs to take the same supervisory charge of said Eastern Cherokees as of other tribes of Indians," said decision does, nevertheless, seemingly assign to said Indians a legal status wholly incompatible with that in which said act of Congress would place them.

Hitherto this Department in its dealings with said Indians appears to have followed said act of Congress. But I am unable to reconcile either the provisions of said act, or the precedents of the Department, with the aforesaid adjudication of our highest court.

In view of the status of these people, as defined in the decision of the Supreme Court of the United States, it is apparent that very little, if anything, can be done by this Department toward a proper administration of their affairs or regulation of their conduct, and therefore the repeal of the law of 1868, providing for supervisory charge over them by the Commissioner of Indian Affairs, is suggested for the consideration of the Congress, with the view to the discontinuance of the agency now maintained for them. If this is done the balance of the fund, about $30,000, remaining to their credit should be distributed pro rata among them, or otherwise expended for their benefit as Congress may direct.

They possess some real estate where they now live, the title to which for some time past has been in an unsatisfactory condition. Recent action, however, taken by the Department of Justice gives some promise of a satisfactory adjustment of an award which was confirmed and made the decision of the United States court for the western district of North Carolina, in November, 1874, affirming the right and title of the Indians to the land.

Special reference is made to the report of the Commissioner of Indian Affairs for further and more detailed information regarding these people.
The condition of the Indians and the affairs of the various agencies, with three exceptions, have been thoroughly investigated by the Indian inspectors during the year. The Colorado River Agency in Arizona, the Hoopa Valley Agency in California, and the Klamath Agency in Oregon could not be reached readily at the time the inspectors ordered there were in the localities. These will be inspected at an early date.

Of the 61 agencies and 11 industrial training-schools not on reservations, 28 were inspected twice, 7 three times, and 1 four times during the year.

The inspectors have made 212 reports, through the means of which the Department has been kept very fully advised of the needs of the service.

**METLAKAHTLA INDIANS.**

Application was made to this Department in February last, by Rev. William Duncan and Mr. H. S. Wellcome, on behalf of a colony of Indians residing at Metlakahtla, in the Northwest Territory of British Columbia, for the privilege of removing to Alaska, and there taking up lands as a colony of emigrants, upon a reservation to be set aside for them by the Executive, upon which they might secure such rights as are permitted to residents of that Territory. They are represented as self-supporting and well advanced in civilization; but the manner of their treatment has made them dissatisfied with their location.

The matter was carefully considered by this Department and by the Department of Justice, and the conclusion was reached that the power to give these Indians lands in Alaska does not rest in the Executive, and that the relief they ask must be sought at the hands of Congress. From recent information through the public press it is learned that the Indians have commenced to remove to Alaska, and are locating at a point called Port Chester.

**FINANCIAL STATEMENT.**

<table>
<thead>
<tr>
<th>Salaries:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Appropriated</td>
<td>$93,770.68</td>
</tr>
<tr>
<td>Expended</td>
<td>90,988.64</td>
</tr>
<tr>
<td>Balance</td>
<td>2,782.04</td>
</tr>
</tbody>
</table>

*Statement of expenditures for the Indian Service during the fiscal year ended June 30, 1887.*

Balance remaining on hand June 30, 1886, of permanent funds appropriated in previous years for fulfillment of treaties and for miscellaneous objects; also of interest on trust funds, and proceeds of sales of Indian lands not bearing interest, and available for expenditure... $1,337,783.21

Amount appropriated for the Indian service for the fiscal year ended June 30, 1887, by act of May 15, 1886... 5,561,262.94

Amount accrued during said fiscal year on account of trust-fund interest, proceeds of Indian lands not bearing interest and available for expenditure, Indian moneys, etc... 970,218.42

Total amount available... 7,869,249.47
Amount expended during the fiscal year ended June 30, 1887 ........................................ $5,596,324.43
Estimated amount required to pay indebtedness incurred prior to June 30, 1887 .................. 400,000.00 5,996,324.43

Balance on hand June 30, 1887 .............................................................. 1,872,925.04

Of this balance the sum of $1,725,445.28 represents an aggregate of permanent funds for fulfillment of treaties, etc., and available for current fiscal year; the remainder, $147,479.76, is subject to be carried to the surplus fund as required by law.

PENSIONS.

The report of the Commissioner of Pensions presented herewith, discloses a very satisfactory condition of affairs in the management of that Bureau, and evidences a greatly increased efficiency, and shows a diminished expenditure, i.e., while the payments have increased, and while the volume of work has been greatly enlarged, the expenses thereof have been diminished, clerk-hire has been less, and all the incidental expenses have been decreased, while the number of pensions allowed has been increased. It also appears that the average annual value thereof has been added to.

I desire to call attention particularly to the suggestions of the Commissioner for additional legislation. Conforming to those suggestions will, in my judgment, tend to the harmonious and equitable administration of the laws now governing the granting of pensions, and will remove many of the inconsistencies and incongruities of existing law, and very many of the present causes of complaint.

In addition to the suggestions made by the Commissioner of Pensions, my attention has been called to the fact that, under existing laws, dependent orphan children of deceased soldiers, who may be entitled to pension, can not have such pension continued beyond the age of sixteen, regardless of their physical or mental condition. There are a few instances in which such children are (physically and mentally) utterly incapacitated for earning their own livelihood, and in instances where it is made clearly to appear that the condition of mental imbecility or insanity, or such feebleness of mind or body, exists as to make these children utterly helpless for earning their own livelihood, it seems right that pension should be continued to them for a longer period.

The comparisons instituted in the report of the Commissioner of Pensions with the pension laws and systems of other modern powers tend to show with unmistakable clearness, first, the liberality of the Government of the United States in dealing with its pensioners, far exceeding in general allowance and in the aggregate the amounts paid out by the Governments of other lands to their pensioners; and in the next place, showing that in our American system comparatively few distinctions are made on account of rank as compared with the distinctions made on this account in the other systems. There prevails in
the system of pension laws of this country the great democratic idea of equality of man, and pensions are issued rather on the ground of individual disablement than on account of the rank previously borne in the military service. Such distinctions are still maintained, it is true, but they are slight as compared with those maintained in other countries.

The estimates for appropriations made by the Commissioner of Pensions, and submitted through this Department and the Treasury, I have examined critically and believe that they are trained with due regard to economy and to the needs of the service. I respectfully suggest that they may be made without curtailment. They evince a careful study of the needs of the pension system, the probable outlay for the ensuing year, and the cost of the Bureau in all its details.

In addition to the recommendation of the Commissioner of Pensions, I would suggest that widows who may remarry, and who subsequently become widows, or be divorced without fault upon their part, should have their pensions revived to them for the period of such second widowhood.

As the chief of this Bureau is a soldier distinguished for his gallant services and sufferings in the cause of the Union, I have confided to him the exclusive management thereof, and although his policy has at all times had my approval, to him is due the credit for the success which has marked its administration.

BOARD OF PENSION APPEALS.

The appeals to the Secretary of the Interior of pension claimants dissatisfied with the adjudications of the Bureau of Pensions have increased year by year, as follows:

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1881</td>
<td>479</td>
</tr>
<tr>
<td>1882</td>
<td>513</td>
</tr>
<tr>
<td>1883</td>
<td>1,697</td>
</tr>
<tr>
<td>1884</td>
<td>2,148</td>
</tr>
</tbody>
</table>

And there were pending on the 1st of January, 1887, 3,904

This rapid accumulation led to the employment under the authority of Congress of a board of pension appeals, consisting of three persons, whose duty was to examine all appeals in pension cases, and to submit the result in each case in the form of a written opinion to the Secretary, which, if approved and signed by him, became the decision of the Department and the final action in the claim. It was soon found, however, impossible even for this board to keep pace with this rapidly growing business, and Congress accordingly, upon the recommendation of the Secretary of the Interior, in the appropriation act of July 31, 1886, provided for the appointment of six additional persons to be appointed by him, and from whom he was authorized to constitute two additional boards of pension appeals.

In the month of October, 1886, the board of pension appeals was reorganized upon a plan set forth in the order of the Secretary. Under this plan of organization, though the work was much advanced, it was found that even with this increase of force it was impossible to do much more than to keep pace with the new cases of appeal, so that but
REPORT OF THE SECRETARY OF THE INTERIOR.

little impression was made in reducing the mass of accumulated business. Congress again provided for an additional increase of three members of said board in the act approved March 3, 1887, who were duly appointed, organized into a fourth board, and entered upon the performance of their duties during the month of July, 1887.

Since that time the work has been pushed forward as rapidly as was consistent with a careful and proper consideration of the claims presented on appeal. Most gratifying results have been accomplished, and at the present time the accumulations of past years have been practically disposed of, and the current appeals are now being decided as rapidly as the claims can be prepared and sent up from the Pension Office to this Department.

The following is a statement showing disposition of pension claims by the Department of the Interior from July 1, 1886, to November 1, 1887:

<table>
<thead>
<tr>
<th>Month</th>
<th>Appeals pending on the first of the month</th>
<th>Appeals filed during the month</th>
<th>Total</th>
<th>Action of Pension Office sustained</th>
<th>Action of Pension Office reversed</th>
<th>Claims reconsidered by Pension Office</th>
<th>Appeals withdrawn</th>
<th>Appeals dismissed</th>
<th>Total appeals disposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1886</td>
<td>3,266</td>
<td>265</td>
<td>3,471</td>
<td>41</td>
<td>10</td>
<td></td>
<td></td>
<td></td>
<td>51</td>
</tr>
<tr>
<td>August 1886</td>
<td>3,421</td>
<td>300</td>
<td>3,621</td>
<td>52</td>
<td>4</td>
<td></td>
<td></td>
<td></td>
<td>86</td>
</tr>
<tr>
<td>September 1886</td>
<td>3,564</td>
<td>269</td>
<td>3,834</td>
<td>44</td>
<td>13</td>
<td>90</td>
<td></td>
<td></td>
<td>117</td>
</tr>
<tr>
<td>October 1886</td>
<td>3,727</td>
<td>220</td>
<td>3,947</td>
<td>33</td>
<td>2</td>
<td>42</td>
<td></td>
<td></td>
<td>77</td>
</tr>
<tr>
<td>November 1886</td>
<td>3,886</td>
<td>177</td>
<td>4,057</td>
<td>165</td>
<td>14</td>
<td>44</td>
<td></td>
<td></td>
<td>107</td>
</tr>
<tr>
<td>December 1886</td>
<td>3,990</td>
<td>237</td>
<td>4,227</td>
<td>177</td>
<td>21</td>
<td>19</td>
<td></td>
<td>9</td>
<td>239</td>
</tr>
<tr>
<td>January 1887</td>
<td>3,989</td>
<td>233</td>
<td>4,222</td>
<td>182</td>
<td>24</td>
<td>87</td>
<td>17</td>
<td></td>
<td>310</td>
</tr>
<tr>
<td>February 1887</td>
<td>3,520</td>
<td>164</td>
<td>3,684</td>
<td>300</td>
<td>29</td>
<td>84</td>
<td>13</td>
<td></td>
<td>466</td>
</tr>
<tr>
<td>March 1887</td>
<td>3,548</td>
<td>190</td>
<td>3,738</td>
<td>237</td>
<td>21</td>
<td>115</td>
<td>3</td>
<td></td>
<td>491</td>
</tr>
<tr>
<td>April 1887</td>
<td>3,237</td>
<td>198</td>
<td>3,435</td>
<td>325</td>
<td>15</td>
<td>120</td>
<td>2</td>
<td>17</td>
<td>479</td>
</tr>
<tr>
<td>May 1887</td>
<td>3,656</td>
<td>174</td>
<td>3,830</td>
<td>308</td>
<td>17</td>
<td>119</td>
<td>2</td>
<td>11</td>
<td>455</td>
</tr>
<tr>
<td>June 1887</td>
<td>3,675</td>
<td>167</td>
<td>3,842</td>
<td>445</td>
<td>25</td>
<td>108</td>
<td>2</td>
<td>8</td>
<td>486</td>
</tr>
<tr>
<td>July 1887</td>
<td>2,256</td>
<td>139</td>
<td>2,395</td>
<td>279</td>
<td>10</td>
<td>90</td>
<td>2</td>
<td>24</td>
<td>409</td>
</tr>
<tr>
<td>August 1887</td>
<td>1,698</td>
<td>153</td>
<td>1,851</td>
<td>377</td>
<td>4</td>
<td>126</td>
<td>2</td>
<td>21</td>
<td>638</td>
</tr>
<tr>
<td>September 1887</td>
<td>1,611</td>
<td>133</td>
<td>1,744</td>
<td>347</td>
<td>12</td>
<td>104</td>
<td>4</td>
<td>19</td>
<td>658</td>
</tr>
<tr>
<td>October 1887</td>
<td>1,203</td>
<td>116</td>
<td>1,319</td>
<td>890</td>
<td>7</td>
<td>43</td>
<td>2</td>
<td>12</td>
<td>451</td>
</tr>
<tr>
<td>November 1887</td>
<td>930</td>
<td>116</td>
<td>1,046</td>
<td>1,080</td>
<td>7</td>
<td>40</td>
<td>2</td>
<td>15</td>
<td>360</td>
</tr>
<tr>
<td>Grand total</td>
<td>2,953</td>
<td>2,063</td>
<td>3,796</td>
<td>298</td>
<td>34</td>
<td>123</td>
<td>2</td>
<td>47</td>
<td>5,289</td>
</tr>
</tbody>
</table>

RECAPITULATION.

| Appeals pending July 1, 1886 | 3,266          |
| Appeals filed from July 1, 1886 to Nov. 1, 1887 | 2,933          |
| Total | 6,219 |
| Appeals wherein Pension Office was sustained | 3,729 |
| Appeals wherein Pension Office was reversed | 328 |
| Appeals wherein action was reconsidered by Pension Office | 1,131 |
| Appeals withdrawn | 34 |
| Appeals dismissed | 1,150 |
| Total | 4,289 |
| Appeals pending Nov. 1, 1887 | 390 |
| Appeals filed from Nov. 1 to Nov. 19, 1887, inclusive | 84 |
| Total number of appeals pending Nov. 19, 1887 | 408 |

INT 87—VOL 1
The nominal balance of 606 appeals now pending before the Department is merely technical, and does not express the actual number of appeal cases which can be acted upon by the Department at the present time. They are simply appeals remaining upon the docket of the Department, although they are not actually in a condition to be finally acted upon and determined, but are under re-examination by a board of re-review in the Pension Office.

I submit herewith a letter from the Assistant Secretary of the Department, proposing certain changes in the legislation now covering this branch of public business, which I recommend to your special consideration.

For the present very gratifying condition of the work of the Board of Pension Appeals especial commendation is due to Assistant Secretary Hawkins, who has had the sole charge of this entire business.

THE PATENT OFFICE.

The Commissioner of Patents urgently renews the recommendation of his predecessor that the Patent Office be furnished with more rooms and greater facilities, and that the model hall and library rooms be restored and repaired. It is the opinion of those most conversant with the subject that the loss of time and convenience to the office force due to the present arrangement of rooms—the inconveniences, discomforts and lack of facilities, and the remoteness of divisions from each other, etc.—if properly economized and applied, would furnish a sum sufficient to pay for the rental of a building adequate to the needs of the Bureau in this city.

In a letter to me, dated September 1, 1887, the Commissioner says:

I regret to be compelled to report a serious defalcation in the office of the financial clerk of this Bureau when it was in charge of the late Mr. Levi Bacon. His death, which occurred on the 22d of June, 1887, necessitated a settlement of his accounts, and an investigation disclosed the fact that there existed a shortage of $31,091.61. As against this deficiency there were found due bills, miscellaneous memoranda, etc., where Mr. Bacon had advanced and loaned the public money, amounting to $15,011.01, leaving net cash unaccounted for $16,080.60. Of this latter fund ($16,080.60) the sum of $11,525.60 is public money belonging to the revenues of the office. The remainder, $4,555, belongs to the attorneys' fund, made up of deposits with the financial clerk from time to time by attorneys to meet the charges and fees they are required to pay in their business transactions with the office. It will be observed that this shortage of $16,080.60 will be increased to the extent that the aggregate of the due bills and miscellaneous items falls short of collection. Thus:

<table>
<thead>
<tr>
<th>The total shortage is:</th>
<th>$16,080.60</th>
</tr>
</thead>
<tbody>
<tr>
<td>Actual cash unaccounted for</td>
<td>$16,080.60</td>
</tr>
<tr>
<td>Represented in due bills, etc.</td>
<td>$15,011.01</td>
</tr>
<tr>
<td>From the aggregate of these due bills, etc., there has since been collected</td>
<td></td>
</tr>
<tr>
<td>the sum of</td>
<td>$8,668.80</td>
</tr>
<tr>
<td>Leaving the present deficiency</td>
<td>$22,422.81</td>
</tr>
</tbody>
</table>

There is reason to believe that something more will yet be collected upon these due bills, etc., but no estimate can be made of the amount.
The following statements exhibit in detail the business of the office for the fiscal year ending June 30, 1887:

Number of applications for patents: 35,434
Number of applications for design patents: 797
Number of applications for reissue patents: 150
Number of applications for registration of trade-marks: 1,270
Number of applications for registration of labels: 757
Number of caveats: 2,616

Total: 41,024

Number of patents granted, including reissues and designs: 21,732
Number of trade-marks registered: 1,101
Number of labels registered: 384

Total: 23,217

Number of patents withheld for non-payment of final fees: 3,115
Number of patents expired: 12,792

RECEIPTS AND EXPENDITURES.

Receipts from all sources: $1,150,046.05
Expenditures (including printing and binding and contingent expenses): 961,644.09
Surplus: 168,401.96

BALANCE IN THE TREASURY OF THE UNITED STATES ON ACCOUNT OF PATENT FUND.

June 30, 1886: $3,000,000.00
June 30, 1887: 168,401.96
Total: 3,168,401.96

COMPARATIVE STATEMENT.

<table>
<thead>
<tr>
<th></th>
<th>Receipts</th>
<th>Expenditures</th>
</tr>
</thead>
<tbody>
<tr>
<td>June 30, 1884</td>
<td>$1,145,533.10</td>
<td>$913,345.98</td>
</tr>
<tr>
<td>June 30, 1885</td>
<td>1,074,974.35</td>
<td>970,377.58</td>
</tr>
<tr>
<td>June 30, 1886</td>
<td>1,206,167.80</td>
<td>991,829.41</td>
</tr>
<tr>
<td>June 30, 1887</td>
<td>1,150,046.05</td>
<td>981,644.09</td>
</tr>
</tbody>
</table>

The Commissioner calls attention to a typographical error on page 4 of the printed record for the last fiscal year. Under the heading "Receipts and Expenditures," the receipts should read $1,206,167.80, instead of $1,200,167.80, and the expenditures should read $992,249.63, instead of $882,249.63.

The apparent discrepancy in the expenditures for the year 1885-'86, above stated, viz. $992,249.63 and $991,829.41 is accounted for in the fact that certain salaries on account of promotions were refunded, the same having been disallowed by the Treasury Department.
RAILROADS.

The report of the Commissioner of Railroads and the accompanying report of the railroad engineer of his office, herewith transmitted, state in detail the financial condition and material facts relative to the several railroads aided by the Government. The Commissioner's report embraces twenty-three railroads subsidized or aided by land grants. The engineer reports the roads examined to be in good condition, and advancing in improvements.

THE UNION PACIFIC SYSTEM.

The Union Pacific Railway Company embraces the Union Pacific, the Kansas Pacific, and the Denver Pacific Companies. The total length of this system of roads, with its branches, is 4,594.40 miles. The company has expended the past year $816,211 on rails, ties, and bridges. At the end of the year the company owned 351 locomotives, 300 passenger cars, and 5,250 freight cars. The sum of $23,328,760 has been received from sales of granted lands, and at the close of the last calendar year the company still had on hand unsold 7,959,207 acres, valued at $14,004,270. Its total debt on December 31, 1886, was $159,499,747.31, and its capital stock $60,868,500. Its assets were $257,592,821.23. The unpaid subsidy bonds amount to $33,539,512, and interest paid by the Government to $38,130,481.02, aggregating a liability to the Government of $71,669,993.02.

<table>
<thead>
<tr>
<th>Division</th>
<th>Total Earnings</th>
<th>Total Expenses</th>
<th>Net Earnings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Union</td>
<td>$12,223,161.81</td>
<td>9,475,598.39</td>
<td>2,747,563.42</td>
</tr>
<tr>
<td>Kansas</td>
<td>4,100,671.16</td>
<td>2,314,193.59</td>
<td>1,786,477.57</td>
</tr>
</tbody>
</table>

In the above are included the earnings of the Omaha bridge and of the Pullman cars. The funded debt of the Union Pacific Railway Company December 31, 1886, was $115,508,639.50, an increase over that of the year previous of $11,445. Total revenue for year ended December 31, 1886, $24,141,740.96; total expenditures, $20,011,766.98, giving a surplus of $4,129,973.98.

CENTRAL PACIFIC.

This road is operated under a ninety-nine year lease from April 1, 1885, by the Southern Pacific Company of Kentucky. The company owns 236 locomotives, 321 passenger cars, and 4,463 freight and other cars. The total sales of land amount to 2,086,584 acres, and the com-
Company has received $7,318,478 from all sales. It yet owns 315,800 acres. The total earnings for the calendar year were $6,523,434.45, and the total expenses $5,051,892.17, the net earnings being $1,471,542.28.

Total debt December 31, 1886 ........................................ $123,799,277.79
Capital stock ..................................................... 68,000,000.00

Total .......................................................... 191,799,277.79

Among its liabilities are $27,855,680 of subsidy bonds and $30,970,497.01 interest on bonds accrued but not due.

Total earnings year ended December 31, 1886 ........................................ $6,523,434.45
Total expenses year ended December 31, 1886 ........................................ 5,051,892.17

Net earnings .................................................... 1,471,542.28

SIOUX CITY AND PACIFIC.

This company, whose total length of road is 107.42 miles, owns 12 locomotives, 14 passenger cars, and 196 freight and other cars. Its lands were sold in bulk April 15, 1875, for $200,000.

Subsidy bonds received from Government ........................................ $4,628,320.00
Interest paid by Government ........................................... 1,806,244.69

Total .......................................................... 3,434,564.69

CENTRAL BRANCH, UNION PACIFIC.

The subsidized portion of this road extends from Atchison, Kans., to Waterville, a distance of 100 miles. The rolling stock has not increased since my last report. The company received from the Government 245,000 acres of land.

Subsidy bonds .............................................. $1,600,000.00
Interest on bonds .......................................... 1,885,808.26

Total .......................................................... 3,485,808.26

Total debt and stock ........................................... 6,836,479.16
Total assets .................................................... 4,936,878.44

Deficit .......................................................... 1,900,600.72

NORTHERN PACIFIC.

This company operates 3,081.5 miles of road. It owns 412 locomotives, 285 passenger cars, and 9,517 freight and other cars. The company has received, up to December 31, 1886, from the Government 13,845,072.5 acres of land, and has sold 5,977,060.99 acres, for $21,324,039.07. There is outstanding on time sales the sum of $3,758,836.63.

Total assets .......................................................... $173,179,220.16
Total stock and debt ........................................... 172,095,351.64
Surplus .......................................................... 1,083,968.52

Total debt .......................................................... 85,158,484.94
Capital stock .................................................... 86,936,766.70
OREGON AND CALIFORNIA.

The lines owned and operated by this company embrace 451 miles of road. It has received from the Government 323,068.68 acres of land, of which it has sold 242,516.35 acres. It has received from sales of lands $407,876.54, and there are outstanding on time sales $377,545.36. The company owns 43 locomotives, 42 passenger cars, and 593 freight and miscellaneous cars.

Total stock and debt .......................................................... $35,078,443.03
Total assets ........................................................................ 34,345,734.84
Deficit .................................................................................. 732,708.19

ST. PAUL AND DULUTH.

This company operates 225 miles of road. It owns 53 locomotives, 45 passenger cars, and 2,161 freight and miscellaneous cars. Of the 1,466,009.46 acres of land the company received from the Government it has sold 314,514.21 acres. There are outstanding on time sales $46,255.84.

Total assets ................................................................. $12,262,298.79
Total stock and debt............................................................... 12,097,690.14
Surplus ........................................................................... 164,608.65

CHICAGO AND NORTHEASTERN.

The total length of the lines owned and operated by this company is 4,101 miles. It owns 735 locomotives, 507 passenger cars, and 22,649 freight and other cars. It has received from the Government 2,956,176.96 acres of land, and has disposed of 1,368,580.45 acres. It yet retains 1,587,596.51 acres. The receipts from sales of land are $4,771,448.21, with the sum of $912,140.37 outstanding.

Total assets ................................................................. $192,223,224.07
Total stock and debt............................................................... 174,281,055.73
Surplus ........................................................................... 18,002,168.34

CHICAGO, ROCK ISLAND AND PACIFIC.

This company operates 1,489.09 miles of road. It received from the Government 1,261,181 acres of land. No report of land sales nor of its financial condition has been made by the company since my last report.

CHICAGO, BURLINGTON AND QUINCY.

This company operates 4,036 miles of road. It has received 2,781,714.77 acres of land from the Government. Since my last report the company has submitted no statement relative to land sales nor as to its financial condition. The company has 619 locomotives, 426 passenger cars, and 24,275 freight cars.
DUBUQUE AND SIOUX CITY.

This road extends from Dubuque to Iowa Falls, and is operated by the Illinois Central Railroad Company. It owns no equipment. It received from the Government 548,697.60 acres of land. The length of its road is 142.89 miles.

IOWA FALLS AND SIOUX CITY.

This road extends from Iowa Falls to Sioux City, a distance of 183.69 miles. It has no equipment and is operated by the Illinois Central Railroad Company. It has received from the Government 640,256.11 acres of land, of which it has sold 613,808.74 acres. No report has been received from the company the past year.

ST. JOSEPH AND GRAND ISLAND.

The mileage of this road is 320.70 miles.

<table>
<thead>
<tr>
<th>Total assets</th>
<th>$13,749,651.61</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total stock and debt</td>
<td>13,746,308.42</td>
</tr>
<tr>
<td>Surplus</td>
<td>3,343.19</td>
</tr>
</tbody>
</table>

HANNIBAL AND ST. JOSEPH.

The total length of this road is 296.06 miles.

<table>
<thead>
<tr>
<th>Total assets</th>
<th>$25,151,424.82</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total stock and debt</td>
<td>22,953,353.89</td>
</tr>
<tr>
<td>Surplus</td>
<td>2,198,070.93</td>
</tr>
</tbody>
</table>

MISSOURI PACIFIC.

This company owns and operates 1,103 miles of road. It owns 229 locomotives, 159 passenger cars, and 8,830 freight and other cars.

<table>
<thead>
<tr>
<th>Total assets</th>
<th>$78,467,572.27</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total stock and debt</td>
<td>73,968,379.24</td>
</tr>
<tr>
<td>Surplus</td>
<td>4,499,193.03</td>
</tr>
</tbody>
</table>

MISSOURI, KANSAS AND TEXAS.

This company owns and leases 1,386 miles of road. The number of acres patented December 31, 1886, is 622,950.98. The total amount received from the sales of land is $2,276,782.82. And there are outstanding on time sales $42,047.49.

<table>
<thead>
<tr>
<th>Total stock and debt</th>
<th>$93,144,412.66</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total assets</td>
<td>89,344,011.32</td>
</tr>
<tr>
<td>Deficit</td>
<td>3,800,401.34</td>
</tr>
</tbody>
</table>

ST. LOUIS, IRON MOUNTAIN AND SOUTHERN.

The total mileage of this road is 1,101 miles. The company owns 158 locomotives, 52 passenger cars, and 4,358 freight and other cars. Up
to December 31, 1886, there had been patented to the company by the Government 1,326,691.81 acres of land. It yet retains 874,139.76 acres. It has received from sales of lands $1,436,009.88, and there are outstanding on time sales $640,004.14.

Total assets .................................................. $62,829,293.38
Total stock and debt ...................................... 59,054,205.27

Surplus .................................................. 3,775,083.11

ST. LOUIS AND SAN FRANCISCO.

The mileage reported as owned December 31, 1886, was 929.6 miles. The company has 117 locomotives, 92 passenger cars, and 3,983 freight and other cars.

Total assets .................................................. $63,708,848.40
Total stock and debt ...................................... 60,601,622.40

Surplus .................................................. 3,107,225.54

MEMPHIS AND LITTLE ROCK.

This company operates 135 miles of road and received from the Government 184,185.08 acres of land.

Total assets .................................................. $646,465.54
Total liabilities ........................................... 185,658.72

Surplus .................................................. 460,806.82

ATCHISON, TOPEKA AND SANTA FE.

The mileage of this company December 31, 1886, was 3,373 miles. The company is also interested in railways connected with it of the length of 2,228 miles, making about 5,601 miles in the whole system at present. The company operates 361 locomotives, 264 passenger cars, 9,777 freight cars, and 706 miscellaneous cars. The Government has patented to the company 3,331,920.64 acres of land, all of which has been sold. The receipts from these sales amounted to $10,963,741.31. There are outstanding on account of time sales $1,178,256, principal, and $165,561.32 interest.

Total assets .................................................. $119,112,360.91
Total stock and debt ...................................... 111,585,511.22

Surplus .................................................. 7,526,849.69

ATLANTIC AND PACIFIC.

The mileage operated by this company is 910.6 miles. Since 1880 the company has received $662,801 from the sales of land, and there is due from time sales $177,698.98. The company still owns 23,037.36 acres of land.

Total stock and debt ...................................... $105,696,164.89
Total assets .................................................. 102,654,139.04

Deficit .................................................. 3,042,025.85
THE TEXAS AND PACIFIC.

The report of this company only embraces the New Orleans Pacific Division. The rolling stock consists of 41 locomotives, 14 passenger cars, and 847 freight and other cars. The company has received from the Government 67,969.70 acres of land, but reports no sales thereof. The company gives no account of its financial condition or the business of its road.

SOUTHERN PACIFIC RAILROAD OF CALIFORNIA.

The total length of this road, embracing owned and leased lines, is 1,063.57 miles. The Government has patented to it 1,229,015.07 acres of land, of which there have been sold 1,024,009.58 acres. The total receipts from sales of land amount to $4,116,780.09. There are outstanding on account of sales 2,301,685.05.

| Total assets | $83,943,021.11 |
| Total stock and debt | 79,744,727.38 |
| Surplus | 4,198,293.73 |

THE INTER-STATE COMMERCE COMMISSION.

Section 18 of the act approved February 4, 1887, providing for the organization of the Inter-state Commerce Commission, directs that—

The Commission shall have authority to employ and fix the compensation of such other employees as it may find necessary to the proper performance of its duties, subject to the approval of the Secretary of the Interior. The Commission shall be furnished by the Secretary of the Interior with suitable offices and all necessary office supplies. * * * All of the expenses of the Commission, including all necessary expenses for transportation incurred by the Commissioners, or by their employees under their orders, in making any investigation in any other places than in the city of Washington, shall be allowed and paid, on the presentation of itemized vouchers therefor approved by the chairman of the Commission and Secretary of the Interior.

And in section 21 it is provided—

That the Commission shall, on or before the first day of December in each year, make a report to the Secretary of the Interior, which shall be by him transmitted to Congress, etc.

I respectfully recommend that the Commission be authorized to report directly to the President; to appoint its own officers and employees; and to draw upon the Treasury for the payment of the salaries of its subordinates as well as for all expenses incurred under the act.

When the Commission makes its report I shall transmit it to you and accompany it with an abstract of all disbursements made by this Department for said Commission since its organization.
During the year this Bureau has completed the investigation into convict labor. The information was collected in response to a joint resolution of Congress, approved August 2, 1886, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Commissioner of Labor be, and he is hereby, authorized and directed, under the direction of the Secretary of the Interior, to make a full investigation as to the kind and amount of work performed in the penal institutions of the several States and Territories of the United States and the District of Columbia, as to the methods under which convicts are or may be employed, and as to all the facts pertaining to convict labor and the influence of the same upon the industries of the country, and embody the results of such investigation in his second annual report to the Secretary of the Interior: Provided, That the investigation hereby authorized can be carried out under the appropriations made for the expenses of the Bureau of Labor for the fiscal year ending June 30, 1887.

Under the foregoing resolution, with my approval, a very full investigation has been carried on, extending to all penal institutions of all grades in all the States and Territories and the District of Columbia in which the inmates are in any degree employed in productive labor. The agents of the Bureau were supplied with carefully prepared instructions and a series of schedules embodying inquiries relative to each plan or system followed in the various institutions.

The general systems of employment of convicts, in brief, are as follows:

1. The contract system, under which a contractor employs convicts at a certain agreed price per day for their labor, the prisoners working under the immediate direction of the contractor or his agents. Under this system the institution usually furnishes to the contractor the power necessary, and even the machinery, for carrying on the work.

2. The piece-price system, which is simply a modification of the contract system. Under this system the contractor furnishes to the prison the materials in a proper shape for working, and receives from the prison the manufactured articles at an agreed piece price, the supervision of the work being wholly in the hands of the prison officials.

3. The public-account system, under which the institution carries on the business of manufacturing like a private individual or firm, buying raw materials and converting them into manufactured articles, which are sold in the best available market.

4. The lease system, under which the institution leases the convicts to a contractor for a specified sum and for a fixed period, the lessees usually undertaking to clothe, feed, care for, and maintain proper discipline among the prisoners while they perform such labor as may have been determined by the terms of the lease.

The schedule of inquiries comprehended for each institution its locality, name, character, number of contractors or lessees, as the case might be; the kind, grade, and value of goods manufactured; the hours
of labor; the price per day or otherwise for convict labor, both for males and females; the average daily wages of free laborers in the same industries as those carried on in the prison; the parties by whom power, machinery, or tools were furnished; the number of convicts employed in productive labor; the number of free laborers necessary to perform the same work; the number of male and female convicts employed in prison duties; the number idle; the average age of male and female convicts, and the average length of sentences; the amounts, if any, received by convicts for overtime work, and whether convicts are allowed to receive gifts or perquisites; the income from all sources, and the expenses. These inquiries were varied to comprehend the different systems under which goods are manufactured. In addition to these specific inquiries, the agents were directed to collect information on the following points:

1. The influence that the labor of convicts in each institution has upon free labor.

2. The influence of the system in vogue upon the criminal.

3. The general conditions under which work is carried on.

The data gathered by the Bureau cover as nearly as possible the fiscal year ending in 1886, a period terminating usually at some date between May and October.

The information is presented in two parts. Chapter I of Part I exhibits the sixteen general and detail tables. These tables exhibit for each convict institution the various facts secured by the schedule of inquiries before noted. They are followed by statistical summaries, presenting in brief compass the aggregated results.

Chapter II consists of a textual analysis of the preceding tables, bringing out their principal features and salient points.

The results of various State investigations are briefly stated in Chapter III, while the advantages and disadvantages of the various plans that have been suggested from time to time are considered in Chapter IV.

Part II consists of two divisions. The first is devoted to notes indicating to what extent the economic employment of convicts has been carried in ancient and modern times and in various countries. These notes have necessitated a great deal of research, for they have been found scattered through a wide range of historical and other works, many of them not accessible to the general reader. I know of no other collection of such notes on any very extended scale.

In the second division the laws of the States and Territories are brought together. The attempt has been made, and with fair success, to exhibit the laws of the country relating to convict labor in force at the close of the year 1886.

In addition to the preparation of the foregoing report the Bureau has carried on an investigation into the number, causes, duration, results, and other features of all strikes and lockouts occurring in the United
States between January 1, 1881, and December 31, 1886. This work, which is now rapidly approaching completion, will appear in the Third Annual Report.

During the same time the Bureau has taken up and continued the investigation into the employment, wages, condition, etc., of the working women of great cities. Much of the field-work relating to this subject has been completed.

The work of the Bureau for the past year has been carried on under improved conditions. Both the field and the office force have shown the result of experience. Not only has a larger amount of labor per capita been performed, resulting from that knowledge of the directest methods which comes from practice, but labor of a better quality has followed. The duties of a statistical office are such as make training and experience absolutely essential to the best results, and it is, therefore, a source of pleasure to observe the steady improvement and constant approach toward that ideal in which every one must rejoice who has good achievement in statistical work at heart.

BUREAU OF EDUCATION.

The Commissioner of Education reports a year's work of unusual amount and interest. Succeeding, as he did, a man so eminent in the domain of education as his predecessor, he endeavored to preserve the spirit and essential excellence of the past, while striving to increase the efficiency of the office for the future by simplifying methods and organization wherever possible.

The number of divisions was reduced from seven to three, and each was placed in charge of an experienced and competent officer, who was made personally responsible for the dispatch of the duties assigned to his branch; the result has been that much work previously in arrears has been finished, and that the newer labors undertaken have been performed with greater promptitude.

The work in arrears was of two kinds, one being the card catalogue of the library, and the other the annual reports and other publications of the office. The catalogue in question was nearly completed by the preparation of 8,000 cards, thus making this collection of 19,000 books and 60,000 pamphlets more than ever useful both to the office itself and to the persons outside who consult its contents in their investigations of subjects relating to education.

The other work found much in arrears was the preparation of the annual reports. The volume for 1884-'85 was not completed, and little of the material to be used in preparing that for 1885-'86 was collected when the Commissioner assumed charge of the office. The first-mentioned volume was completed, printed, and distributed, and the other was entirely compiled and sent to the printer during the fiscal year under review. In addition to these volumes, two incomplete circulars
of information were finished, printed, and distributed; the special re-
port on education at the New Orleans Exposition, previously prepared,
was printed and distributed; the second part of the special report upon
art and industry, originally undertaken in response to a Senate resolu-
tion dated February 2, 1880, was revised and partly printed; and the
special report upon Indian education and civilization, undertaken in
response to a Senate resolution dated February 23, 1885, was continued
and completed. The publications in arrears, thus printed or completed
for publication during the year under review, will aggregate at least
4,700 octavo pages.

The work in arrears thus brought up does not represent the whole
amount of labor accomplished. The correspondence of the office, com-
prising more than 337,000 pieces of mail matter, was kept up to date;
a special catalogue of the apparatus and articles in the educational
museum of the office was compiled, and the whole collection arranged
and displayed in suitable cases, thereby making it for the first time
really available in all respects for the public information and the serv-
ice of the office; an exhaustive "Index to the Publications of the Bu-
reau" from its foundation in 1867 to the close of the fiscal year under
review has been compiled and will appear among the appendices to
the report for the fiscal year 1886-'87. The other parts of the volume
just mentioned have been pushed as energetically as circumstances
would permit, making it sure of completion at a much earlier date than
any of its predecessors for many years past; and three new circulars
of information have been prepared and sent to the printer. Two of
these form part of the series of historical monographs upon American
education, for which, with my approval, the Commissioner has made
arrangements. Other works of value have also been undertaken, which
want of space prevents me from describing more fully at the present
time.

The appendices to the Education report will show in detail the char-
acter and extent of the public, corporate, and private instrumentalities
of nurture, teaching, and culture in the Union so far as facts relating
thereto are procurable. The progress, on the whole, is steady and sat-
isfactory; the public schools have never been more heartily supported
nor have other institutions of learning ever been more flourishing than
during the year under review.

EDUCATION IN ALASKA.

It is conceded that the perpetuity of our American institutions de-
pends in great measure upon the intelligence of its citizens, and it is
claimed that this intelligence is due in no small degree to our system
of public education and the success of its schools.

The education of the Indian, and his elevation in the scale of civiliza-
tion, has become the settled policy of the Government, and has had
my earnest co-operation and consideration. If the intelligence of the
American citizen is so necessary to the security of his liberties; how much more important is it that these aborigines, who are now being endowed with all the rights of citizenship, should be prepared by education to appreciate and value their new relations?

It was made the duty of the Secretary of the Interior, by the organic act of May 17, 1884, providing a civil government for Alaska, to make "needful and proper provision for the education of the children of school age in that Territory, without reference to race, until permanent provision shall be made for the same," and the sum of $25,000 was appropriated for that purpose.

In view of the nature of the duties assigned to the Commissioner of Education by section 516 of the Revised Statutes, and deeming him the proper officer through whom this legislation should be carried into execution, my predecessor, the Hon. H. M. Teller, on the 2d of March, 1885, devolved upon him the duty of preparing a plan of operation and initiating such steps as were necessary for that purpose.

On the 11th of April, 1885, Hon. John Eaton, then Commissioner of Education, appointed Rev. Sheldon Jackson general agent of education in Alaska. This was done by my authority and with my approval. To him was assigned the duty of organizing and superintending the schools. Schools were established by him during the spring of 1885 at several points, and these, with others, have since been maintained with a fair degree of success. In the spring of the present year the present Commissioner, Hon. N. H. R. Dawson, with my concurrence and approval, prepared a plan of organization and series of regulations for the government of these schools, copies of which accompany this report.

The execution of this plan is conferred upon a local board composed of the governor of the Territory, the judge of the United States court, and the general agent of education. To this board is committed the local management of the schools, subject to the general supervision of the Commissioner of Education. It is authorized to appoint the teachers of the public schools, to prescribe their duties, to fix their salaries, to provide general rules for the government of the schools and the attendance of the children, to select the series of text-books, to see that all teaching is done in the English language, to provide the plans and supervise the erection of school-houses, and to lease houses for school purposes.

All salaries and other expenditures for educational purposes are to be audited by the Territorial board, approved by the Commissioner of Education, and transmitted to me for my approval, and when so approved, are paid by the disbursing clerk of the Department out of the funds provided for the education of the children of the Territory. It will thus be seen that the Bureau of Education has neither personal nor official connection with the direct expenditure of the money.

At the close of the school year the board is required to make a report to the Commissioner of Education, transmitting the report of the
general agent, with such recommendations as shall be deemed expedient for the general welfare of education in the Territory.

In order to put this system into successful operation, and to ascertain, by personal observation and inspection the real condition of the educational affairs of the Territory, it was deemed expedient and necessary by me to send the Commissioner of Education in person to Alaska. He made this visit during the months of August and September, and has made a report, to which I call your attention.

Briefly summarized, this report shows that of the 35,000 or more inhabitants of Alaska 5,000 or more are children of suitable age for discipline and instruction by the agency of schools; that of these only 1,757 are at present enjoying any opportunity for such training, leaving more than 3,000 equally entitled thereto but as yet unfurnished therewith; that the schools now in operation are located at only fourteen places, almost entirely in the southeastern portion and the Aleutian peninsula and islands; that the present appropriation of $25,000 is barely sufficient, after having reduced the pay of the teachers now employed, to support these schools; that both the Territorial board of education and the Commissioner recommend the establishment of schools at eleven other points, where about 1,100 minors can be schooled and where schools, teachers, buildings, supplies are "urgently needed," and that at least $25,000 more will be required for this purpose.

In addition to these, the board point out eleven other places where, in the near future, schools should be opened; but schools at these points, in the opinion of the Commissioner, can not be organized to advantage during the next fiscal year.

In view of the facts thus presented by the Territorial board and fortified by the conclusions of the Commissioner of Education, reached after his personal and careful study of the situation on the spot, I do not hesitate to recommend that $50,000 be appropriated for the fiscal year ending June 30, 1880, for the maintenance of the schools now in existence, and for the establishment and support of those urgently needed at the eleven places specified in the Commissioner's report.

The plan devised for the local management of schools in the Territory is heartily accepted by the Territorial board provided for therein. The board have organized, and have undertaken their duties with zeal and discretion; the teachers have accepted a reduction of pay cheerfully in order that other necessary objects of expense might not be neglected for want of funds. As a consequence the Government now has suitable buildings for school purposes at four important point in the Territory. As soon as buildings are erected or bought at the other points occupied, a considerable saving in current expenses can be made, since the cost of renting or leasing suitable buildings is considerable.

I am satisfied that the visit of the Commissioner of Education to the Territory has been and will be productive of much good to the schools and to the whole population of Alaska. He is, I believe, the first
official, not immediately connected with the government of the Territory, who has ever visited any part of it upon such an important and beneficent errand. In this feeling of satisfaction the Territorial board heartily concur.

Another topic to which the Commissioner of Education calls attention is the migration of 1,200 civilized and Christian Indians from Metlakatla, British Columbia, to Annette Island, in Southeastern Alaska. Thirty years ago these people were barbarians so degraded that they were addicted to occasional cannibalism.

Under the wise and sensible supervision of Mr. William Duncan, an English lay missionary, they had become so peaceable, industrious, moral, and law-abiding that after building an excellent village of public and private structures and accumulating other property at Metlakatla, valued in the aggregate at more than $100,000, they gave up everything without recourse to violence, and moved to a new place in another country, where they hope that their civil rights and their religious predilections will be respected. With the cause of their previous dissatisfaction this Government has nothing to do, but the addition of such a community to the population of Alaska should be a subject of satisfaction for reasons too obvious to mention. The Commissioner was present at the time when the advance party of these immigrants welcomed the arrival of their tried and trusted friend, Mr. Duncan, to the place of their new habitation, after a long absence in their behalf.

At the request of Mr. Duncan, the Commissioner assured these deserving people of the sympathy and protection of this Government; of the moral certainty that their rights to their new homes would be secured to them whenever the general land laws of the United States should be extended in their application so as to include the Territory of Alaska; and of the probable speedy establishment of schools in their midst for the benefit of their children.

To the interesting details reported about this occasion, I invite the special and favorable attention of Congress.

ALASKA.

GENERAL CONDITION.

The condition of Alaska in its civil relations is anomalous and exceptional. The organic act of Congress, May 17, 1884, providing a civil government for the Territory, was deferred until nearly twenty years after the treaty of acquisition, and is an imperfect and crude piece of legislation. It provides little more than the shadow of civil government, without the right to legislate or raise revenue. It expressly inhibits the operation of the general land laws, while it provides that the laws relating to mines and mining, and the rights incident thereto, shall be in full force and operation. It provides no means by which its citi-
zens may acquire homes or homesteads, or obtain title to an acre of land in its ample domain of more than 700,000 square miles. It provides no means by which the towns and villages may be incorporated, and the inhabitants allowed the benefits and protection of municipal law. It has established a single tribunal with many of the powers of a Federal and State court, having a more extensive territorial jurisdiction than any similar court in the United States, but without providing the means of serving its process or enforcing its decrees.

This act has been well described as a "legislative fungus, without precedent or parallel in the history of American legislation." Its citizens are so embarrassed for the want of local self-government that their material progress and advancement are retarded, emigration is discouraged, and its rich and inviting fields of industry remain undeveloped. The failure of Congress to provide means of acquiring homesteads in such parts of the Territory as possess a temperate climate constitutes one of the principal embarrassments under which the people labor.

With immense forests of timber at their doors, nearly all the lumber must be obtained from Washington and Oregon, at fabulous prices and great inconvenience.

Tracts of land producing vegetables and the grasses, affording rich pasturage for cattle, may be found at many points on the islands and mainland. Here an industrious and enterprising population could find comfortable homes and develop thriving industries. The extension of the land laws to such portions of the Territory would be of great and signal benefit, and would invite the permanent settlement of citizens.

The climate in the southeastern sections, along the coast, near the influence of the Japan current, is temperate, and is greatly superior to that of those sections of the continent on the Atlantic coast in the same latitudes. On one-half of the coast of Alaska the thermometer seldom falls below zero.

The population is estimated at 35,000 whites, creoles, and natives, and is, as a general rule, provident, self-supporting, well-behaved, and law-abiding.

The industries consist of the fur trade, mining, canning of fish, and the sawing of lumber by a few mills for domestic purposes. The manufacture of lumber, whenever the laws permit, will become an important source of wealth.

With the same advantages of civil government which are enjoyed by the citizens of other Territories the people of Alaska would soon enter upon an era of prosperity which would justify the expectations of its most sanguine friends. In its present condition the laws can not be successfully enforced and administered. The only court is located at Sitka, and is separated by water, at long distances, from every other part of its jurisdiction. Criminals readily and frequently avoid arrest by taking refuge in the seclusion of remote parts of the Territory where there are no means to pursue them, and consequently escape trial and pun-
ishment. All of these evils should be remedied by appropriate special legislation.

Alaska is the gate of the North Pacific, and in the not distant future will become one of our most valuable possessions.

Meanwhile it is the duty of the Government to protect its citizens and to develop its rich resources.

GEOLOGICAL SURVEY.

I ask special attention to the report of the Director of the Geological Survey. Apart from the achievements of this Bureau as one of the great instrumentalities for the advancement of scientific research, I desire to express my admiration of its organized system for the transaction of business. In order to determine whether it was consistent with my duty to sanction the estimates of the Director for this Bureau, it became necessary for me to look into the details of its practical operations. While undertaking to perform this duty I was struck with the perfect adaptation of the system to the securing of efficient work and rigid economy as well as to fixing, by documentary evidence, the responsibility for the business transacted and of making the documentary and the actual responsibility coincident.

The Director reports that satisfactory progress was made in his topographic work of the year, an aggregate area of 55,684 square miles having been surveyed, all of which is shown in a table giving the States, the scale of publication, contour interval in feet, and approximate area in square miles.

The results of the work which has been done in the different geological divisions he reports as being important in their bearing on the solution of various scientific problems, and some of them have had marked economic significance. Among these may be mentioned "the elucidation of the structure of the iron and copper bearing rocks near Lake Superior; the mapping of the distribution of coal, iron, cement, etc., in the Appalachian region, and the study of the origin and mode of occurrence of petroleum and natural gas. An investigation respecting the quicksilver deposits of the United States, begun some years ago, has been completed," and an abstract accompanies the report of the Director, whose observations and studies of volcanic geology are interesting.

Among the chemical researches carried to a successful conclusion during the year is an elaborate study of the mineral waters of the Yellowstone National Park.

One of the duties imposed upon the Director of the U. S. Geological Survey is the collection of statistics in relation to mines and mining other than gold and silver, and the making of chemical analyses of iron, coal, and oil. The former branch of this work is carried on in the di-
REPORT OF THE SECRETARY OF THE INTERIOR. 57

vision of mining statistics and technology, by which the following table was prepared:

Metallic products of the United States in 1886.

<table>
<thead>
<tr>
<th></th>
<th>Quantity</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pig-iron, spot value</td>
<td>5,683,329</td>
<td>$95,195,760</td>
</tr>
<tr>
<td>Silver, coined value</td>
<td>30,445,912</td>
<td>51,000,000</td>
</tr>
<tr>
<td>Gold, coined value</td>
<td>1,811,250</td>
<td>35,000,000</td>
</tr>
<tr>
<td>Copper, value at New York City</td>
<td>161,335,381</td>
<td>10,527,631</td>
</tr>
<tr>
<td>Lead, value at New York City</td>
<td>135,620</td>
<td>12,667,749</td>
</tr>
<tr>
<td>Zinc, value at New York City</td>
<td>43,041</td>
<td>3,753,408</td>
</tr>
<tr>
<td>Quicksilver, value at San Francisco</td>
<td>29,981</td>
<td>1,000,000</td>
</tr>
<tr>
<td>Nickel, value at Philadelphia</td>
<td>214,920</td>
<td>127,157</td>
</tr>
<tr>
<td>Aluminum, value at Philadelphia</td>
<td>135,620</td>
<td>7,000</td>
</tr>
<tr>
<td>Antimony, value at San Francisco</td>
<td>42,641</td>
<td>3,753,408</td>
</tr>
<tr>
<td>Platinum, value, crude, at New York City</td>
<td>50</td>
<td>50</td>
</tr>
</tbody>
</table>

Total: 215,364,825

NOTE.—The value of the non-metallic mineral products of the United States during the same time, reported and estimated, was $249,963,063.

FINANCIAL STATEMENT.

Amounts appropriated for and expended by the United States Geological Survey for the fiscal year ending June 30, 1887.

<table>
<thead>
<tr>
<th></th>
<th>Geological Survey</th>
<th>Salaries, office of Geological Survey</th>
<th>Total appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts appropriated</td>
<td>$467,700.00</td>
<td>$35,540.00</td>
<td>$503,240.00</td>
</tr>
<tr>
<td>Amounts expended, classified as follows:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a. Salaries</td>
<td>34,980.94</td>
<td>34,980.94</td>
<td>34,980.94</td>
</tr>
<tr>
<td>b. Services</td>
<td>$340,836.92</td>
<td>$75,540.00</td>
<td>$416,376.92</td>
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<tr>
<td>c. Traveling expenses</td>
<td>20,342.77</td>
<td>20,342.77</td>
<td>20,342.77</td>
</tr>
<tr>
<td>d. Field subsistence</td>
<td>4,273.10</td>
<td>4,273.10</td>
<td>4,273.10</td>
</tr>
<tr>
<td>e. Field supplies and expenses</td>
<td>39,693.49</td>
<td>39,693.49</td>
<td>39,693.49</td>
</tr>
<tr>
<td>f. Field material</td>
<td>9,337.36</td>
<td>9,337.36</td>
<td>9,337.36</td>
</tr>
<tr>
<td>g. Instruments</td>
<td>6,179.41</td>
<td>6,179.41</td>
<td>6,179.41</td>
</tr>
<tr>
<td>h. Laboratory material</td>
<td>4,294.08</td>
<td>4,294.08</td>
<td>4,294.08</td>
</tr>
<tr>
<td>i. Photographic material</td>
<td>3,585.94</td>
<td>3,585.94</td>
<td>3,585.94</td>
</tr>
<tr>
<td>k. Books and maps</td>
<td>3,920.60</td>
<td>3,920.60</td>
<td>3,920.60</td>
</tr>
<tr>
<td>l. Stationery and drawing material</td>
<td>868.94</td>
<td>868.94</td>
<td>868.94</td>
</tr>
<tr>
<td>m. Illustrations for reports</td>
<td>1,988.00</td>
<td>1,988.00</td>
<td>1,988.00</td>
</tr>
<tr>
<td>n. Office rents</td>
<td>2,409.44</td>
<td>2,409.44</td>
<td>2,409.44</td>
</tr>
<tr>
<td>o. Office furniture</td>
<td>680.00</td>
<td>680.00</td>
<td>680.00</td>
</tr>
<tr>
<td>p. Office supplies and repairs</td>
<td>5,564.27</td>
<td>5,564.27</td>
<td>5,564.27</td>
</tr>
<tr>
<td>q. Storage</td>
<td>577.88</td>
<td>577.88</td>
<td>577.88</td>
</tr>
<tr>
<td>r. Correspondence</td>
<td>344.13</td>
<td>344.13</td>
<td>344.13</td>
</tr>
<tr>
<td>s. Bonded railroad accounts, freight, $1,494.05; transportation of assistants, $1,494.05</td>
<td>2,153.62</td>
<td>2,153.62</td>
<td>2,153.62</td>
</tr>
<tr>
<td>Total</td>
<td>462,900.32</td>
<td>34,980.94</td>
<td>497,881.26</td>
</tr>
<tr>
<td>Balance unexpended</td>
<td>4,799.68</td>
<td>559.66</td>
<td>5,359.34</td>
</tr>
<tr>
<td>Probable amount required to meet outstanding liabilities</td>
<td>4,799.68</td>
<td></td>
<td>4,799.68</td>
</tr>
</tbody>
</table>

HOT SPRINGS RESERVATION, ARKANSAS.

With the appropriation ($20,000) made in the act of August 4, 1886, "for completion of improvement of Hot Springs Creek," the culvert which had been constructed under prior appropriations down to the
southern boundary of the reservation and across Reserve avenue was continued a distance of 620 linear feet, ending about 160 feet north of Malvern Crossing. The filling between the reservation front and the wall of the culvert was also completed, the entire area leveled and graded to the street, a gravel foot-path laid, and an inexpensive post and chain fence constructed along the whole length of the reservation. When this space is further improved, as proposed by the superintendent, by setting it in grass and shade trees, it will afford a pleasant and attractive promenade.

In my last report I invited attention to applications for renewal of leases of permanent bath houses and of bath-house sites which expired December 16, 1883, but upon which no action had been taken in deference to a Senate resolution of February 25, 1886, declaring it to be the opinion of the Senate that such leases should not be renewed “unless the Forty-ninth Congress shall adjourn without having legislated in reference thereto.” I then stated that in order to remedy the uncertainty of tenure which had deterred the bath-house managers from keeping their buildings and appliances in a condition of repair necessary to the comfort and convenience of their patrons I would renew the leases if Congress at its then approaching session did not legislate to the contrary. No legislation upon the subject was perfected, and accordingly all the leases have been renewed (excepting that of the Rector bath house) for a period of five years, commencing from the expiration of the original lease, December 16, 1883. Before these leases were renewed the bath-houses were inspected by the superintendent and the lessees required to make repairs found to be necessary. The repairs of the Rector have not been made, and therefore the lease of that bath house has not yet been renewed.

On five of the available building sites upon the reservation, which were leased in 1883 and 1884, no bath houses have yet been erected. During the progress of the creek improvement the only approach to these sites was obstructed to an extent which interfered with building operations, and the Department did not insist upon compliance with the terms of the leases respecting the construction of buildings. This obstacle having been removed by the completion of the creek work, the lessees of these sites have been notified that their buildings must be completed, or their leases will be annulled. When these houses are in operation, it is believed that the additional bathing facilities they will provide will be amply sufficient to accommodate the increasing number of invalid visitors to this resort.

By the act of December 16, 1878, relating to the reservation (Stats., vol. 20, p. 258), the Secretary of the Interior was “directed to lease to the present proprietors of the Arlington Hotel or their assigns the grounds, not exceeding 1 acre, now occupied by them for a period of ten years, unless otherwise provided by law, at an annual rental of $1,000.” The lease made under this authority will expire December 16,
1888, and the question of its renewal will then demand consideration. I deem it proper that the attention of Congress should be directed to this subject, in order that there may be opportunity for timely legislation upon the subject.

The act of March 3, 1877 (Stats. vol. 19, p. 377), provided for the appointment of a superintendent to have charge of the reservation and authorized the Secretary of the Interior to fix a special tax on water taken from the springs upon the reservation sufficient to pay for the protection and necessary improvement of the same. The act of December 16, 1878 (vol. 20, p. 258), fixed the tax for use of the water at $15 per tub per annum, and required “that the superintendent shall provide and maintain a sufficient number of free baths for the use of the indigent, and the expense thereof shall be defrayed out of the rentals herebefore provided for.” The annual income from water rents and from ground rent of the Arlington Hotel site is $4,705. This amount is barely sufficient to defray the salary of the superintendent and the expense of maintaining and repairing the free bathing pools, leaving no money available for any improvement of the free bath-house. I commend to your consideration the following remarks upon this subject by the superintendent in his annual report:

I beg to invite the attention of the Secretary especially to the condition of the building known as the Free Bath-house. This is an institution set apart by the Government where the poor and diseased may come and take the baths without price or question. Nearly or quite four hundred individuals of these classes avail themselves of this gracious privilege daily, and the number is getting larger, so that the time is rapidly coming when there will not be room for all. This is made apparent by a glance at the building, which consists of only four small rooms (a dressing and pool room for each sex). The pools are so small (9 feet square) that sometimes standing room is not to be had in them. The building itself is a piece of patch-work, of rude construction, thrown together at different periods, the women's side being contracted, but fairly comfortable otherwise, whilst the part set aside for men is a small, flimsy shanty, uninhabitable in severe weather. Its entire appearance and reality is stunted, mean, and shabby, not in accord with the benevolent designs of the Department, and unworthy to be owned by this great Government. I respectfully recommend that Congress be asked to appropriate the sum of $6,000 with which to erect upon the present site a free bath-house, with larger and better pools and rooms, where that friendless class of unfortunate who are driven to it by disease and poverty may receive humane treatment in their fight for health. I cannot imagine a charity more worthily bestowed or one which will yield richer fruits.

I concur in the recommendation of the superintendent that some provision should be made for improving the free bath-house, and in view of the emergency disclosed in his statement it would seem most desirable that there should be an amount immediately available by appropriation by Congress for that purpose. If the tax for use of the hot water were increased by law, there would, in time, be a fund derived from that source which could be applied to this much needed improvement. During the time the rate of tax was left to the discretion of the Department, $60 per tub per annum was paid by the lessees of water privileges, without remonstrance, until the rate was reduced by law to
$15 per tub. I recommend that the water tax be materially increased, and suggest that $40 per tub, per year, would not be an unreasonable rate.

In my report for 1885, and again in 1886, as well as in the annual reports of my predecessor, attention was directed to the fact that three-fifths of the hot water from the reservation now runs to waste owing to the low position of the springs from which this portion of the supply is derived, and an appropriation was recommended for providing the piping, reservoirs and pumping machinery required to make this water available for use in the bath-houses to which it will not at present flow by gravitation. The estimated cost of the proposed system is $31,000, and I renew the recommendation of an appropriation of that amount for the purpose specified. The present available supply of hot water is barely sufficient to meet the requirements of the bath-houses now in operation and the Army and Navy Hospital. The collection and economical distribution of all the water, including that which is now wasted, will be necessary to meet the increased demand when the projected additional bath-houses require a supply.

Several applications have been made to the Department for authority to convey the hot water to bath-houses off of the reservation in the lower part of the city, and many good reasons are given why the law should be so changed as to permit this privilege to be granted. Whether, therefore, any general legislation shall be had in accordance with the general tenor of this report, I urge at least the adoption of a joint resolution by Congress authorizing the Secretary of the Interior to permit the use of the water to supply a limited number of bath-houses off of the reservation, and that he be further authorized to fix a tax for the use of the water at a larger sum per annum than is allowed under existing legislation, so that a greater fund can be realized for purposes of improvement and general expenses.

I also recommend that section 12, act of March 3, 1877, and section 7, act of June 16, 1880, be amended so as to authorize the sale of lots from the reservation at Hot Springs instead of at Little Rock. The experience of the Department under the present law upon this subject was referred to in my annual report for 1885, as follows:

At the two sales which have been held it has been claimed that combinations have existed among the comparatively few buyers in attendance to prevent fair competition and to secure the purchase of the lots at less than their real value. The lots were afterwards sold privately by the syndicate, and the profits which should have been realized by the Government were divided amongst its members. It is believed that if the sales could be held at Hot Springs the resulting increase in the number of bidders would render such combination impracticable, and much higher prices would be realized.

This experience has deterred the Department from authorizing any sale of lots since the last auction, in May, 1884, and any further sales would seem to be inadvisable under existing law.
In my last annual report I referred to the fact that Congress had made no appropriation for payment of salaries of the superintendent and assistant superintendents of the Park for the fiscal year ending June 30, 1887, the effect of which was to abolish these offices, which had been originally created and, from time to time, continued in the annual appropriation acts. I also stated that in compliance with my request the Secretary of War had detailed a company of cavalry, under command of Capt. Moses Harris, for service in the Park, as provided in the act of March 3, 1883 (Stats., vol. 22, p. 627).

During the past year the Park has been protected by this military force, and Captain Harris has performed the duties of superintendent under the direction of this Department. As Congress at its last session again failed to make any appropriation for the expenses of protecting and governing the Park, the military protection will have to be continued during the current fiscal year.

Captain Harris has been zealous and energetic in enforcing the regulations established by the Department for the protection of the Park, and in the performance of the other duties required of him as acting superintendent he has shown commendable interest and efficiency. It is due to him and to the force under his command that I should make this acknowledgment of my appreciation of the valuable assistance they have rendered in the management and protection of the Park.

I do not believe, however, that it is consistent with the purpose of Congress, as affirmatively expressed in existing law, that the Department should be obliged to resort to military assistance in the care of this reservation, except in emergency and as an adjunct to the civil superintendence, for which, until recently, provision was made. The act of March 3, 1883, provides for the "detail of troops to prevent trespassers or intruders from entering the Park for the purpose of destroying the game or objects of interest or for any other purpose prohibited by law, and to remove such person from the Park if found therein." In the same act provision was made for a superintendent and ten assistants "to be appointed by the Secretary of the Interior and reside continuously in the Park, and whose duty it shall be to protect the game, timber, and objects of interest therein."

The specification in the statute of the services that may be required of the military force detailed under its authority does not include many of the varied and important duties it is necessary to exact of a superintendent as the source upon which the Department must rely for information, as the medium of communication with persons who have been granted the privilege of providing hotels and other conveniences for visitors, and as the representative of the Department in its endeavor to secure to the public the most acceptable accommodation without extortion or other imposition. If it is the desire of Congress that, as now
provided by law, the Park shall remain under the "exclusive control of the Secretary of the Interior," that he shall be responsible for its care and management and be charged with the duty of carrying into effect the objects and purposes for which it was set apart, it would not seem unreasonable to expect that provision should be made, by appropriation, for the necessary assistance to enable him to discharge the duty thus required without having to depend upon the aid of another branch of the service.

I therefore recommend that the appropriation for compensation of superintendent and assistants, or, as they should be more appropriately denominated "Park police," and for contingent expenses of management be restored. The number of assistant superintendents should be increased from ten, as formerly provided, to at least fifteen. The necessity for the additional number will be more readily appreciated when it is remembered that as the attractions of the Park become more generally known and it is more numerously visited, greater vigilance will be required to protect the objects of interest, and that the disappearance of game from the country contiguous thereto, as it becomes more thickly settled, will increase the difficulty of protecting from the hunter that which is within the reservation.

Should Congress deem it best to direct that the present arrangement shall continue, then five experienced mountaineers should be employed as Park police. They should be invested with the powers of deputy marshals, including the power of arrest, and should be selected by the military commander and be under his control. They would be of invaluable service to him in the performance of his duty of preserving the Park from spoliation and the game from destruction, not only in enforcing obedience to law, but also as scouts, as they would be selected on account of their familiarity with the geography of the Park. The military should not have to prosecute offenses against the rules and regulations, but that duty should be performed by civilians.

I have heretofore invited attention to the inadequacy of the existing law, or, more properly, the absence of any law, providing a punishment for offenses committed within the Park. In my last annual report I took occasion to say:

While the acts of Congress confide the care and control of the Park upon the Secretary of the Interior, and confer upon him the power to make rules and regulations, no penalties are provided for their violation, nor is it clear where the jurisdiction over crimes committed in the Park resides. For all practical purposes it is a Government reservation, and the laws of the United States governing such reservations should be extended over it. It is certainly unfair that the people shall be invited into a park set aside for their benefit and enjoyment by the national laws, and yet find when they reach it no adequate protection for their persons or property.

The only punishment it is now within the power of the Department to impose upon any offender against law or order is to remove him from the Park and prevent his return. In the case of a hunter, his outfit, under existing regulations, may be confiscated. Experience has shown
that even the latter, when enforced, is not sufficient to prevent the offenders from again perpetrating the same or a like offense. It would seem to be only necessary to invite and attract the attention of Congress to the deficiency of the law in this respect to insure its early correction. Senate bill 2436, which passed the Senate by a large majority at the last Congress, or some similar measure, should at the present Congress become a law.

The boundaries of the Park are fixed by statute, but they have never been established by actual survey. In the enforcement of the law prohibiting permanent settlement within its limits questions have arisen which have been difficult of decision without possible injustice to settlers in the absence of definitely located boundary lines. These lines should be determined by careful survey and appropriately marked, in order that the home-seeker along the borders of the Park may have notice of the limits beyond which he may not encroach. The importance of this survey is strongly urged by the acting superintendent, who states that “the present uncertainty is a constant invitation to lawless hunters and others to encroach upon the Park and adds greatly to the annoyance and labors of those charged with its protection.” It has been estimated that $10,000 would cover the expense of such survey and I recommend the appropriation of that amount, or so much thereof as may be found necessary for the purpose.

In the rectification of the boundaries, there should be included within the Park additions to the east and south, in order that one of its main purposes, that of a great game and forest preserve, should be fully carried into effect. This increase would include an area of high mountain country, unfit for agriculture and free from mineral deposits. The increase has been favorably reported on by the committees of the respective Houses.

The report of the acting superintendent contains much interesting information respecting the Park, its present condition, and needs. It appears therefrom that although the hotel accommodations during the past season were not in every respect all that could be desired, they have, however, met the demands of travel. The principal hotels are equipped with requisite conveniences and generally are well conducted. The loss by fire, on the 14th of July last, of a new hotel at Norris Geyser Basin, which is said to have cost $60,000, was a serious misfortune to the owners, and, as it occurred at the season when the travel in the Park is greatest, occasioned at that place much discomfort and inconvenience to the visiting public.

The transportation facilities provided by lessees within the Park are reported to have been ample and of the best character. The drivers are skillful and reliable; no serious accidents occurred, and no complaints of negligence, incivility, or extortion were brought to the attention of the acting superintendent. He states that the enforcement of the regulation forbidding any person from engaging in business in the
Park without permission in writing from the Department has had the
effect of ridding the park of a large number of irresponsible persons
who during the summer came in to prey upon tourists.

The construction and improvement of roads and bridges is confided
by law to an officer of the Engineer Corps of the Army, who will, doubt­
lessly, submit, through the proper channel, a report of his operations
and an estimate of the amount required for his purposes during the next
fiscal year. It is understood that he will recommend an appropriation
of $130,000. I concur in the suggestion of the acting superintendent
that a liberal appropriation should be made for the extension of this
work over portions of the Park specified in his report, to which access
is now practically denied to tourists owing to the inconvenience and
danger of transportation where no roads exist.

I also concur in his recommendation that the appropriation should in­
clude a reasonable amount, to be ascertained after due appraisement,
for the purchase of the toll-bridge, known as Barronette's Bridge, across the
Yellowstone River, on the wagon-road between Mammoth Hot Springs
and Cooke City. While the exaction of toll for passage over any por­
tion of the Park would seem to be entirely inconsistent with its design,
the Départment has not felt justified in prohibiting it in this case, in
view of the fact that a bridge had been constructed at this point prior
to the reservation of the Park and has since been maintained as a pri­
ivate enterprise, to accommodate the travel over this road, upon which
no improvements have been made by the Government. The acting
superintendent estimates for $2,000, or so much thereof as may be
necessary, to extinguish whatever title there may be in the present
owners of the bridge, in order that it may be opened to free travel.

I wish especially to call the attention of Congress to the necessity of
providing a contingent fund for incidental expenses in the Park. Under
the last appropriation the only expenditure allowed was for roads. For
the protection and care of the Government property no fund was avail­
able, nor could any amount be expended in the preservation of the ob­
jects of interest which abound in this reservation.

I submit the following estimate of appropriation for the care and
management of the Park for the next fiscal year, in case it should be
deemed advisable by Congress to provide for its protection by a super­
intendent and assistants:

For pay of superintendent ...................................................... $2,500
For pay of fifteen assistant superintendents, at $1,000 each ................ 15,000
For pay of one secretary ....................................................... 1,500
Incidental expenses .............................................................. 7,500
For extinguishment of Barronette's bridge claim (or so much thereof as may
be awarded by a duly constituted commission appointed by the Secretary
of the Interior) ................................................................. 2,000
For accurately surveying and marking boundary lines in the Park ........... 10,000

38,500
NEW PENSION BUILDING.

The engineer and architect (General M. O. Meigs) in charge of this work reports that the building is now substantially completed. Ground was broken preliminary to its commencement November 2, 1882, and the work had progressed sufficiently by May, 1885, to permit of the removal of a portion of the force of the Pension Office to the building. From time to time thereafter, as additional room became available, the remainder of the force and records of the office were transferred, and since the 1st of December, 1885, the whole of the large force of the Pension Office, with its voluminous records and files, have been conveniently quartered in the building. The amount expended, for all purposes, upon the building to September 3, 1887, is $856,614.04.

The report of General Meigs contains interesting information respecting the dimensions of the building, certain details of construction, the floor and air space provided, and the measures adopted with a view to secure the best results in heating and ventilating. Excellent effect is claimed for the mode of construction in the improvement in health and comfort of the employes over that experienced in rented buildings.

ARCHITECT OF THE CAPITOL.

The Architect reports that the usual repairs have been made upon the Capitol necessary to keep the building in good condition. The work of preparing for the new elevators in the Senate and House wings is well under way, and a contract has been made for the machinery and cars. The Senate boiler vaults have been extended and two steam-boilers added aggregating 312 horse-power. A fan, with steam-engine, has been provided for ventilating the kitchen of Senate restaurant. Iron shelving has been placed in a room in the House wing cellar for convenient storage of the early records of the House of Representatives, and considerable additional shelving has been provided in the law library by increasing the length of the alcoves. The work of the heating and ventilating apparatus has been generally satisfactory, the temperature of the Senate Chamber having been kept, at the last session, within an average of one degree of stationary.

The report of the Architect calls attention to the four boilers, connected with the heating apparatus of the House wing, which have been in use since 1857. The service now required of them is greatly in excess of that for which they were originally intended, and it is represented that they will be inadequate to meet the increased demand upon them in operating the new elevator, and in heating and ventilating the extensive vaults and store-rooms now being constructed. It is recommended that two new boilers of improved pattern, similar to those recently added in the Senate wing, be provided for this service.
Experiments in lighting the Senate wing by electricity having proved successful, proposals were invited for introducing electric light into the entire Senate wing, for which appropriation was made in the act of August 4, 1886. As the proposals received were all in excess of the amount appropriated, nothing has been done in the matter beyond the arrangement of the steam-pipes from the new boilers, which have been so placed as to lead to the rooms set apart for the dynamo machines. The electric-lighting plant of the House wing is reported to be in good condition.

Work has been continued upon the sections of the terrace now under contract, and a contract has been awarded for completion of the marble and granite work of the terrace and stairways in the amount of $123,700, the north stairway to be completed by December 1, and the entire work by June 30, 1888. The large inlets running under the terraces, for fresh air to both wings of the building, have been constructed and the sewer and water pipes have been lowered and rearranged to conform to the new grade.

A brick building 30 by 57 feet, two stories in height, with wagon sheds, has been constructed at the corner of B and Third streets, southwest, in pursuance of the act of February 28, 1887, making appropriation for the construction of a stable and carpenter shop for the accommodation of the offices of the House of Representatives.

The Architect reports that, by authority of the Joint Committee on Library, improvements have been made at the Botanical Gardens as follows: The laying of a concrete walk from the Maryland avenue entrance to the Third street gate, placing new steam boiler in the camelia house, and erection of store-house for plants at the south grounds. The lawns have been filled and brought to grade and repairs to steam-heating apparatus, painting, and glazing have been done upon the conservatory and small greenhouses.

The west wing of the court-house building has been prepared for the accommodation of the Civil Service Commission, as directed in the act of August 4, 1886, and is now occupied as the offices of the Commission, and extensive repairs have been made to the old portion of the building, which has also been heated by steam. The architect states that this extension of the heating apparatus renders it necessary that provision should be made for additional vaults for storage of fuel.

COLUMBIA INSTITUTION FOR THE DEAF AND DUMB.

The president and board of directors, in their report, present a statement of the courses of instruction pursued in the institution, which is divided into two separate departments: one, the Kendall school, for the younger pupils, and the other, for those more advanced, known as the National Deaf-Mute College.

It is stated that the general aim in the course of instruction followed in the school is to give the pupil a practical understanding and com-
mand of the English language, a knowledge of the principles of arithmetic sufficiently extensive to meet his needs in business transactions, a full course in political geography and a reasonable course in history. Daily instruction is given in articulation and lip-reading to every pupil that shows capacity for vocal improvement. A number of the boys in the school receive industrial training in carpentry and cabinet work, and the girls are taught sewing and other household duties. Instruction in painting and drawing is given to pupils in both the school and college.

In the college ancient and modern languages, the higher mathematics, natural science, history, philosophy, and political science are taught.

In the past year it was decided by the directors to admit young women to the college during the coming two years as an experiment, and six have entered the introductory class.

The number of pupils remaining in the institution on the 30th of June, 1886, was 91; admitted during the last fiscal year 21, and 26 have been admitted since the close of the year, making a total of 138 under instruction, of whom 112 are males and 26 are females. Of these 61 have been in the college and 77 in the school.

INSTRUCTION OF THE BLIND.

During the year thirteen blind persons from the District of Columbia were under instruction in the Maryland Institution for the Blind, at Baltimore, admitted by authority of this Department, as provided in section 4869 of the Revised Statutes. In addition to the course of instruction usually pursued in institutions of this character the pupils are trained in music, piano tuning, or in some branch of industry adapted to their capacity with a view to enable them to earn a livelihood after they leave the school. These beneficiaries of the Government are reported by the superintendent of the institution to have made good progress in study and music and in handicraft, preparing for lives of usefulness and measurable independence. The cost to the Government for each pupil is $300 per year, the amount paid by the State of Maryland for similar instruction. Payment for the education of the indigent blind of the District of Columbia is provided for in the "permanent annual appropriation" for that purpose.

GOVERNMENT HOSPITAL FOR THE INSANE.

The report of the Board of Visitors contains an interesting sketch of the original hospital building, the foundations of which were laid in 1853, of the structures which have been added from time to time, and of the special purpose to which each is devoted. The institution embraces a main hospital and six distinct buildings, not including the dining-hall, with fifty or more wards for the classification of 1,300 inmates in more than five hundred associate dormitories and single rooms.
The separate building for the convict and homicidal patients is now in course of construction under contract, and will be ready for occupancy before the close of the present fiscal year. Much advantage is anticipated from this important addition to the hospital in the greater security and better facilities it will afford for the safekeeping and treatment of the classes for which it is designed; but the greater benefit is expected to result to the other inmates, as it will be practicable upon removal of the dangerous and criminal cases from the wards in which they are now distributed, to accord more freedom to the milder patients and to relieve them of many of the restrictions to which they are now necessarily subjected.

The Board of Visitors estimate that $20,000 will be required during the next fiscal year for ordinary repairs and improvements, including care of the grounds. They refer to the growth of the institution in population and in extent of the buildings, and submit that the amount ($10,000) which has usually been appropriated for repairs is not adequate to the present needs of the hospital. Among the items of needed repairs are mentioned the renewal of heating apparatus, the painting of the wood work of the entire west wing, renewal of interior walls, ceilings, and floors, and other repairs necessary to prevent deterioration of the buildings.

They also recommend appropriations for special improvements as follows: For an infirmary building, with accommodations for 60 cases, $30,000; for a water-tank in the west tower of the main hospital, for storage of river water, connected with the fire-hydrant system, as an additional protection against fire, and to be used also for irrigation and sewerage, $4,000; for a tower clock, $750; for cementing basement floor of dining hall and finishing it for a recreation room for the inmates in wet and inclement weather, $1,200; for gardener's cottage and porter's lodge at the lower hospital entrance, $1,200. The reasons advanced by the board in support of these recommendations would seem to be sufficient to commend them to the favorable consideration of Congress.

The following table represents the changes in population of the hospital during the year ending June 30, 1887:

<table>
<thead>
<tr>
<th></th>
<th>Males</th>
<th>Females</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remaining June 30, 1886</td>
<td>906</td>
<td>301</td>
<td>1,207</td>
</tr>
<tr>
<td>Admitted during year ending June 30, 1887</td>
<td>266</td>
<td>63</td>
<td>329</td>
</tr>
<tr>
<td>Whole number under treatment</td>
<td>1,172</td>
<td>364</td>
<td>1,536</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DISCHARGED</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recovered</td>
<td>57</td>
<td>15</td>
<td>72</td>
</tr>
<tr>
<td>Improved</td>
<td>40</td>
<td>17</td>
<td>57</td>
</tr>
<tr>
<td>Unimproved</td>
<td>2</td>
<td>1</td>
<td>3</td>
</tr>
<tr>
<td>Died</td>
<td>73</td>
<td>19</td>
<td>92</td>
</tr>
<tr>
<td>Total discharged and died</td>
<td>181</td>
<td>52</td>
<td>233</td>
</tr>
<tr>
<td>Remaining June 30, 1887</td>
<td>991</td>
<td>314</td>
<td>1,305</td>
</tr>
</tbody>
</table>
FREEDMEN'S HOSPITAL.

The number of admissions to the hospital during the year was 2,254, an increase of 123 over the previous year. Of these, 789 were colored males, 816 colored females, 507 white males, and 132 white females; 3,036 persons were prescribed for in the dispensary attached to the hospital. Of the admissions, 195 were disabled ex-soldiers, who, coming to the city to look after their pension claims and being without means of support, were temporarily provided with food and shelter, and 27 were ex-soldiers delayed in the city awaiting transportation to or from the National Soldiers' Home, the latter being the only class of persons from whom any revenue is derived, the board of managers of the Home allowing a sufficient compensation to meet the cost of keeping them.

The surgeon in charge reports that the general sanitary condition of the hospital is good, and the buildings comprising the eight main wards have been thoroughly repaired under the appropriation made for that purpose at the last session of Congress.

The number of deaths was 224, which, though an increase of 8 over the previous year, the surgeon-in-chief does not regard as an excessive rate of mortality, considering the increase in number of persons admitted, and the fact that the patients are mostly from a class of persons in poor circumstances, subject to the worst hygienic and moral influences, and averse to receiving treatment unless forced to it by necessity, which is confirmed by a table submitted with his report, showing that over one-third of the total number of deaths occurred within a few days after admission.

EDUCATION OF FEEBLE-MINDED CHILDREN.

This Department is required by the act of June 16, 1880, to provide for the education of indigent feeble-minded children of the District of Columbia in some State institution, at a cost not to exceed that paid by the State for similar instruction. The amount appropriated for this purpose during the last fiscal year was $2,500, sufficient to defray the expenses of eight beneficiaries of the act above mentioned in the Pennsylvania Institution for Feeble-minded Children at Elwyn. The appropriation for the current year is in the same amount. A number of deserving cases has been brought to the attention of the Department, but applications in their behalf for admission to the institution have necessarily been denied owing to the inadequacy of the appropriation to meet the expenses of any addition to the number now under instruction. I therefore recommend that the appropriation for this purpose be increased to $4,500 for the next fiscal year.
WASHINGTON HOSPITAL FOR FOUNDLINGS.

The board of directors report that the institution was opened for the reception of children January 4, 1887, and that during the remaining six months of the fiscal year 20 were admitted, of whom 2 were adopted and 7 died. The average cost of maintenance per capita was 50 cents per day. This rate, it is expected, will be considerably lessened with the increase in the number of children, which it is thought will reach 50, the limit of capacity of the institution, during the current fiscal year. The directors state that the building is scantily furnished, and a considerable amount, which they hope to receive from private contributions, will be required for further equipment to provide for the increased number of inmates. They ask an appropriation by Congress of $7,000 for maintenance of the institution during the next fiscal year.

THE TERRITORIES.

The reports submitted by the governors of the Territories are this year unusually full and interesting. They give as a whole a gratifying view of present prosperity, and express the brightest hopes for the near future. In all of the Territories there has been a considerable increase during the year in population and in wealth; the progress of the established industries of agriculture, stock-raising, and mining has been uniform and healthful, and the development of new resources varied and important.

POPULATION.

In Arizona and New Mexico the native population and that of Spanish extraction has not materially changed in numbers in the past ten years, while during that period the total population of New Mexico has increased about 20 per cent., and of Arizona more than 100 per cent. This increase represents a general movement of immigration of the most desirable character, coming in large measure from the older States of the Union, for the purpose of permanent settlement in the Territories. These new-comers, as a general rule, are taking land in small holdings, and are not seeking to build up immense estates or to establish extensive ranches. This is equally true of recent immigration in the northern Territories.

The present population of the Territories is estimated, respectively, as follows:

<table>
<thead>
<tr>
<th>Territory</th>
<th>Population</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arizona</td>
<td>90,000</td>
</tr>
<tr>
<td>Dakota</td>
<td>568,400</td>
</tr>
<tr>
<td>Idaho</td>
<td>97,250</td>
</tr>
<tr>
<td>Montana</td>
<td>190,000</td>
</tr>
<tr>
<td>New Mexico</td>
<td>160,000</td>
</tr>
<tr>
<td>Utah</td>
<td>196,500</td>
</tr>
<tr>
<td>Washington</td>
<td>142,391</td>
</tr>
<tr>
<td>Wyoming</td>
<td>85,000</td>
</tr>
</tbody>
</table>

Alaska has a population of 6,800 whites, 5,800 civilized natives, and 26,800 natives not civilized.
TAXABLE PROPERTY AND FINANCES.

The taxable property of the Territories is generally assessed below its real value, and complaint is made of irregular and unequal assessments. In Arizona there has been an increase of $6,000,000 during the year, and the aggregate assessed valuation is now $26,313,500. The financial affairs of the Territory are in good condition. Territorial taxes have been reduced 1 mill. New Mexico, on the other hand, is falling heavily in debt, and the governor urges that Congressional sanction be given for the convening of a special session of the Territorial legislature to consider ways and means of relief. The taxable property of New Mexico is now $63,000,000, an increase of $7,000,000 during the year.

The valuable mining properties of Idaho are not taxable, growing crops are exempt, and farm products rarely appear on the assessment rolls. The total taxable property of this Territory is assessed at $20,741,192, an increase of about $3,000,000 over that for 1886. Idaho expects a balance in its treasury on January 1, 1888, of $35,000 over all registered indebtedness.

Wyoming is not burdened with a public debt, except to a very limited amount, and its 6 per cent. bonds were promptly taken at a premium. Its taxable property is now $32,089,613, and the assessment, as in other Territories, is at an undervaluation. The taxable valuation reported in Utah is but $35,865,865.

In Dakota the taxable property has increased, in 1885, 23 per cent.; in 1886, 25 per cent.; and during the present year 20 per cent. The total assessment for the Territory for 1887 amounts to $157,084,365. The 4½ per cent. bonds of the Territory recently issued sold at a fractional percentage above par.

In Alaska no real estate is held in fee-simple, excepting a few lots of ground in the towns of Sitka and Kadiak provided for by treaty. The governor's estimate of the taxable property, including mines, at a fair valuation, but excluding the Alaska Commercial Company's establishment on the Seal Islands, is $10,000,000.

DISPOSAL OF THE PUBLIC LANDS.

During the year in Dakota the lands entered under the homestead, pre-emption, and timber-culture laws aggregate 1,067,271 acres; while the area acquired by final proof and cash entry was 1,586,672 acres. In Wyoming, 303,185 acres were taken up under the various laws, and in Idaho about 350,000 acres. In Utah the total disposition of the public lands since the opening of the land office in 1869 amounts to 4,158,743.38 acres. In Arizona and New Mexico settlement on the public lands has been rapid.

AGRICULTURAL PROGRESS.

The most marked feature in the recent agricultural development of the Territories is the discovery of the astonishing fertility of large areas...
heretofore supposed to be arid or desert lands, valuable only for grazing purposes. Garden farms in Arizona and New Mexico yield rich semitropical products in profusion, and orchards in Utah and Idaho furnish a great variety of fruits of such excellent quality that extensive shipments are already made to the eastward, and the highest prices obtained. Some of these fruit farms, yielding a considerable income to their industrious owners, occupy less than 20 acres—an area thought rather a meager allowance for the sustenance of a single animal where similar lands are used as cattle ranches.

Broad grain fields in Dakota, Montana, and Washington Territory have for several years been making inroads upon the so-called "desert" lands of the cattle range, and it is now being discovered in Wyoming, Arizona, and New Mexico that a ranch will produce more cattle and a better grade of beef if divided up into small holdings in the hands of a number of enterprising farmers, than under the former system; and that the profits realized from flocks and herds in such ownership will be retained and expended in the Territory, instead of going to eastern and perhaps to foreign proprietors. The governor of New Mexico estimates that fully one-half of the entire area of that Territory is capable of successful cultivation.

STOCK RAISING.

This rapid agricultural development, as well as the heavy losses in the northern Territories from the unusual severity of last winter, together with the low prices prevalent during the year, have somewhat checked the progress of the cattle industry, so far as it is carried on upon large ranches; but great advances in other important branches of stock raising have more than counterbalanced this depression. The aggregate stock wealth of the Territories in cattle, horses, sheep, and swine has kept pace with the general progress in other respects.

In Idaho, Utah, and Wyoming much attention is being paid to the introduction of better grades in horses, cattle, and sheep. Already it is claimed that "the Utah range horse is a better animal for his weight and size than any other in market; that the mountain qualities of fine feet and lungs remain with the horse for the remainder of his career, no matter where he may go;" and that the Wyoming horses have a "strong and enduring constitution, with a clear bright eye, and a frame knit together for hard service; their feet are compact and neither too large nor too small, but round and strong, with walls and frogs to support the animal."

To the altitude and rare bracing air, the peculiarities of the soil and of the turf, as well as to care in breeding, the excellence of these horses is attributed.

MINES.

The yearly product in precious metals of Arizona is estimated at $6,103,378; of New Mexico, in gold and silver, $3,850,000; Dakota,
The mines of Wyoming have not yet been largely developed, but its resources are undoubtedly rich and varied. Extensive oil fields have been discovered, promising a very large yield; but the wells have been plugged to await transportation facilities. Up to this time the greatest development of the mineral wealth of Washington Territory has been in its coal beds, which seem inexhaustible and furnish every grade of coal. In Alaska the mines on Douglass Island are producing $100,000 in bullion per month, and the capacity of the mills is to be increased.

The mining interests of the Territories have been benefited by their recent agricultural development. This is especially true in Arizona and New Mexico, where the reduced cost of living makes possible the working of mines formerly unprofitable. The governor of Idaho urges the repeal of the alien land act so far as mining properties are concerned. He says: "Had this law been applicable to agricultural, grazing, coal and timber lands only, it would have been just and right, but the mines of Idaho are mostly undeveloped and are in the hands of poor men, who are not able to make the necessary improvements. It can not be claimed that the holding of this class of property by aliens is any serious injury to any one. It certainly results in great benefit to the miners of this Territory." The governor of Montana makes a similar recommendation.

SCHOOL LANDS.

Attention is again called to the status of school lands in the Territories. Under existing laws the sixteenth and thirty-sixth sections in all the Territories are reserved from entry and settlement. The governors unite in asking the passage of an act authorizing the leasing of these lands for the benefit of the Territorial schools. It is suggested that the lessees should be prohibited from mining, cutting timber, or committing other waste, and that the leases in each Territory respectively should terminate upon its admission to the Union as a State.

In closing this report I do not think I should let the occasion pass without acknowledging my indebtedness to Assistant Secretary Muldrow for the able advice, unremitting labors, and perfect integrity with which he has co-operated in the general administration of this office. I desire also to express my high appreciation of the zeal, efficiency, and fidelity with which the chiefs of the several bureaus, the chiefs of divisions and their respective corps of officers and employés, have discharged the trusts confided to them.

Very respectfully,

L. Q. C. LAMAR,

Secretary.