5-25-1868

Union Pacific Railroad, eastern division.
UNION PACIFIC RAILROAD, EASTERN DIVISION.

MAY 25, 1868.—Referred to the Committee on the Pacific Railroad and ordered to be printed.

Mr. Garfield, from the Committee on Military Affairs, made the following REPORT.

The Committee on Military Affairs, to whom was referred a letter from the Secretary of War, enclosing a letter of Lieutenant General Sherman, dated March 4, 1868, recommending government aid to extend the Union Pacific Railway, eastern division, as "a military necessity" and a measure of public economy, beg leave to report:

That they have carefully considered the statements therein made, and have found them confirmed by the following facts, drawn from official record:

The cost to the government for transportation on the Union Pacific Railway, eastern division, in 1867, was $511,908 24

If the military supplies had been wagoned, and the mails carried by stage, and the troops marched, (taking the average rates at which the government made its transportation contracts for that year, as shown by certificates of the departments of the Quartermaster General and Postmaster General,) the cost would have been $1,358,291 06

Saving to the government in 1867 $846,382 82

At this rate of saving all the United States bonds issued in aid of this road, principal and interest, would be extinguished in less than four years.

These are the results of the use by the government of the finished portion of the road in Kansas in the last year.

In regard to the extension of the road beyond the point in Kansas at which its subsidy ends, the committee find that there are three regiments of troops in New Mexico, (two of infantry and one of cavalry,) nearly all of the supplies for which are wagoned from the end of the Kansas Pacific railway, at a cost of $1.28 per 100 pounds per 100 miles. At the present freight rates of the railway, as shown by their printed schedule, the saving in transportation on these supplies to Albuquerque, on the Rio Grande, a central distributing point in New Mexico, would be, per annum, $851,880. We have ascertained that the additional saving to the government in the transportation to Albuquerque of the mails, troops, and Indian supplies, would be $231,992. Total annual saving, $1,083,872.

But there is another consideration of economy in the public expenditure as the result of constructing the road. Lieutenant General Sherman has testified that one-half of the military force in New Mexico could be dispensed with if the road was constructed, owing to the greater mobility of the remainder, and the growth of self-protecting settlements on the line of the road. As his estimate of the cost of maintaining the two regiments of infantry and one of cavalry was about...
four millions of dollars a year, the committee find that an additional saving to
the government, of two millions annually, would thus be effected by the road.
This saving, added to the saving in the transportation of the diminished mili­
tary force that would be left in New Mexico, and of the supplies to maintain
them, including the carriage of the mails and Indian goods and supplies, would,
in less than six years, reimburse the entire loan necessary to extend the road
from its present terminus to the Rio Grande.

The committee have had satisfactory evidence presented to them that west
of Albuquerque, and through Arizona and Lower California, the same or even
larger proportionate economy in the public service would be effected by the
substitution of railway for wagon transportation, with the result of an equally
certain payment of the interest and extinction of the principal of the govern­
ment aid long prior to its maturity.

The committee have also had before them the written recommendation of
Major Philip H. Sheridan that the government at once continue its aid to the
Kansas Pacific railway, in the course of which he says:

It almost substantially ends our Indian troubles, by the moral effect which it exercises
over the Indians, and the facility which it gives to the military in controlling them. * * *
* * No one, unless he has personally visited this country, can appreciate the great assist­
anice which this road gives to economy, security, and effectiveness in the administration of
military affairs in this department.

The committee make no recommendations to the House, but merely report
the facts which they have ascertained in the consideration of General Sherman's
letter, and to ask that the same be printed and referred to the Committee on
the Pacific Railroad, and that the accompanying detailed statements, docu­
ments, and official certificates be referred to the same committee, without being
printed.