June 30, 1871, the transactions of that branch of the public service were as follows:

	Acres.
Disposal of public lands for cash	1,369,969.97
By military bounty-land warrant locations under acts of 1847, 1850, 1852, and 1855	535,920.00
By homestead entries under act of 1862 and amendments	4,600,928.33
By agricultural college scrip locations	494,446.88
By approvals to railroads	2,911,988.30
By approvals to wagon-roads	239,088.69
By approvals to States as swamp lands and swamp-land indemnity	428,897.01
By Chippewa and Sioux Indian scrip locations	16,513.00
Making a total of	10,606,792.00

This statement shows an increased disposal, as compared with the preceding year, of 2,511,379.08 acres.

The cash receipts during the past fiscal year, under various heads, including fees to local officers, &c., amount to $2,929,264 70.

The public surveys have been extended during said year over 22,616,608 acres, which, with the area already surveyed, make an aggregate of 550,879,069 acres, leaving an estimated area yet to be surveyed equal to 1,384,119,931 acres. In addition to this, the eastern boundary line of Nevada has been completed and verified in the field by astronomical observations and determinations, and a contract has since been entered into for the survey of the Utah-Idaho boundary line, which survey is now being prosecuted.

The estimates submitted by the Commissioners for the astronomical surveys of boundaries between certain States and Territories are recommended to the favorable consideration of Congress, in view of their importance as controlling questions of jurisdiction and title.

The Commissioner's report contains a very full synopsis of the laws governing the adjustment of private land-claims in California. Special attention is invited to that part of the report relating to private land-claims in the Territories of New Mexico, Arizona, and Colorado, setting forth the necessity for further legislation in regard to such claims. The increased value of lands in these Territories, consequent upon the extension of railroads, is rapidly attracting settlers, and it is a matter of the greatest importance to their future prosperity that the private lands should be separated from the public domain at the earliest possible period, to accomplish which result existing legislation is inadequate.

I join in the recommendation made by the Commissioner for the appointment of a commission similar to that created by the act of 3d March, 1857, for the adjustment of titles of the same kind in California, and for the enactment of a statute explanatory of the intent of Congress as to whether the provisions of the second section of the act of March 3, 1869, (United States Statutes, vol. 16, page 342), relating to the issuing of patents, applies only to claims confirmed by said act, or also to claims or titles to which were confirmed by previous acts, but which contained no provision for the issuing of patents. The Commissioner, treating upon the operations of the preemption privilege, and the complications constantly arising under the same, thinks it questionable whether the preemption law, as now administered, is any longer a necessity to our public-land system, regarding the provisions of the homestead act sufficient at the date of its passage for a measure of complete substitution for the preemption laws, if we except the omission of the single feature of prior-right of settlement, which was not recognized under the preemption laws. I coincide with the views entertained by the Commissioner, that a complete unification of the laws of settlement and rights is now not only desirable, but eminently practicable, and recognizing the fact that some action should be taken to secure this, I therefore indorse the recommendation for further legislation suggested by the Commissioner for the reasons detailed in his report.

Under the homestead law the necessity for additional legislation to meet special cases not contemplated or foreseen by the original framers of the law has become apparent, and when called to the attention of Congress will, I trust, receive such favorable action as will adequately relieve the cases referred to.

It is also suggested, and the suggestion has my approval, that agricultural college scrip be by legislation made assimilated to military land-warrants, to the extent that such scrip may be receivable in commutation of homestead entries. I also fully concur in that part of the report relating to homesteads which recommends that credit be given for such time in the late war for the full term of service rendered by them in the war, and that the same may be deducted from the term of years required by law to perfect a homestead. In view of the reasons given by the Commissioner, I would also recommend the confirmation of all entries regularly made under the graduation acts of August 4, 1854, (now repealed,) so far as the land may be shown to have been actually settled upon or substantially improved by the original purchasers, or their assignees, to the end that this class of anomalous entries may be finally disposed of.

The operations under the mining statute of 1866 and subsequent amendments have shown a steady increase in the work of that important branch of the service. Delay, however, is a great measure to the difficulties which are encountered in properly notifying the parties interested in any mine for which an application for patent has been made, the work has been somewhat retarded. I therefore concur in the recommendation of the Commissioner that, in order to properly notify all parties whose interests may be affected by an application for the exact ground sought to be patented, a survey of the claim should be first made, and the required notice be then given for the period prescribed by law, and that the expiration of said time no further adverse filing be received.

In the matter of the increase of compensation to the employees of the General Land-Office, the suggestions of the Commissioner are well worthy the consideration of the legislative branch of the Government, with whom the remedy for the evils enumerated by him lies. The application is based, not upon the deserving merits of industrious clerks—which, aside from other considerations, would justify Congress in providing for their sufficient pay—but upon the absolute necessities of the Bureau, in safely and correctly administering the laws relating to the disposal of the public lands, and in perfecting titles to the homes of thousands of worthy citizens. Equally important is the request for authority to appoint special agents, at fixed compensation, to investigate charges against district land officers, and to assist in the opening of new offices. Believing, as I do, that those recommendations, if acceded to, will, in the end, prove to be measures of actual economy, beside securing a more efficient execution of the important work of that Bureau, I have no hesitation in giving them my hearty approval. The Bureau, under the control of the present Commissioner, has been improved in many important features, tending to insure greater efficiency in the discharge of its important and delicate trusts, and the general administration of the affairs of the Bureau has been entirely satisfactory.

PATENTS.

There were filed in the Patent Office during the year ending September 30, 1871, 19,429 applications for patents, including reissues and designs; 3,337 caveats, and 181 applications for the extension of patents. Twelve thousand nine hundred and fifty patents, including reissues and designs, were issued, and 147 extended; 514 applications for trade-marks were received, and 452 trade-marks issued. The fees received during said year amount to $1,553 81, and the expenditures for the same period were $550,041 67, leaving a surplus of $111,542 14 of receipts over expenditures. The appropriation asked for the next fiscal year is $606,400.

The number of applications for patents, including reissues and designs, received during said year, is a small increase over the number received the preceding year, while the number of patents issued is not quite so great. It is worthy of remark, however, that the labors of the clerical force of the office are increased proportionally more than the number of applications would seem to indicate, inasmuch as each year's operations add about 20,000 to the number of patented and rejected applications, with which the examining corps must become familiar, in addition to those previously filed. The examiners are, generally, men of distinguished ability and nothing industry, but their number is inadequate to properly and promptly discharge the increasing duties demanded of them.

The act of January 11, 1871, abolished the old form of annual report of the Patent Office, and authorizes the Commissioner to substitute therefor full copies of the specifications and drawings of all patents issued, these to be deposited in the clerk's office of each United States District Court, and in certain libraries. This law was passed in the belief that there was very little public demand for, or interest in, the annual reports of the Patent Office, which belief the Commissioner thinks was not well founded, although approving of the law, and regarding it as a means of placing fuller information before those interested, and at a much less cost than before. Beside copies of the specifications and drawings for disposition under the law, other copies are printed for subscribers. These publications are rapidly becoming popular among those interested in patents, and will be of great benefit to the office in various ways. For the convenience of subscribers, the publication of the specifications and drawings has been arranged into 176 different classes, according to their subject matter, so that subscribers need not necessarily pay for the entire issue, but only for the particular class or classes in which they may be interested.

The rapidly extending business of the office requires more room, and although additional room has been provided during the year by the transfer of the Pension Office clerks to another building, the Patent Office is still without sufficient room for the transaction of its business in a satisfactory manner. The general business of the office has been promptly and satisfactorily administered during the term of the present Commissioner, and his efficiency and capability for its delicate duties is cheerfully attested.

PENSIONS.

There are at the present time on the pension rolls the names of 694 widows of soldiers in the Revolutionary War, a decrease of 93 since the last annual report; 49 were married prior to Jan. 1, 1800, and 545 were married subsequent to that date. There are on the rolls the names of 1,214 widows and children of soldiers who served in the war subsequent to the Revolution and prior to that of the Rebellion, being 72 less than the preceding year.

During the past fiscal year there were examined and allowed 7,807 original applications for invalid pensions of soldiers, at an annual aggregate rate of $491,905 89, and 3,479 applications for increased pension of invalid soldiers at an aggregate yearly rate of $176,522 80. During the same period 8,282 original pensions to widows, orphans, and dependent relatives of widows were allowed, at an aggregate annual rate of $1,118,188, and 1,816 applications of the same class for increase of pensions were also admitted at a total annual rate of $88,212 14. The number of claims, original and increase, admitted during the year was 21,284, and the annual amount of pensions thus granted was $1,836,786 74. On the 30th day of June, 1871, there were on the rolls 91,200 invalid military pensioners, whose pensions annually aggregated $8,147,734 85, and 112,628 widows, orphans, and dependent relatives of soldiers, whose yearly pensions amounted to $14,212,551 19, making an aggregate of 203,718 army pensioners, at a total annual rate of $22,894,287 04. The whole amount paid during the last fiscal year to invalid military pensioners was $12,304,526 27, and to widows, orphans, and dependent relatives, $20,188,409 70, making a grand total of $22,492,936 07, which includes the expenses of disbursement.

Since the passage of the act of February 14, 1871, granting pension to the soldiers of the war of 1812, and to their widows, 727 claims for pension thereunder have been allowed, at a total annual rate of $67,792. There has been paid during the last fiscal year to pensioners of this class $5,066 66. During the same year there were admitted 127 new applications for invalid Navy pensions, at an annual rate of $11,806; 67 applications of the same class for increased pensions, at an annual aggregate rate of $8,986; 117 original applications of widows, orphans, and dependent relatives of those who died in the Navy, at an aggregate rate of $17,394; and seven pensions of the same class were increased at a total yearly rate of $262. At the close of the last fiscal year there were borne on the rolls of the Navy pensioners 1,377 invalids, at an annual aggregate of $136,238 16, and 1,073 widows, orphans, and dependent relatives, at an aggregate annual rate of $297,862, making the number of such pensioners 2,450, at a total annual rate of $433,848 25. The total amount paid during the said year to Navy invalids was $106,615 38, and to widows, orphans, and dependent relatives, $191,342 09; a total amount of $297,957 61.

The number of pensions, of all classes, granted during the past fiscal year was 17,000. During the same period 15,696 were dropped from the pension rolls, from various causes, leaving a grand total of 207,495 pensioners on the rolls June 30, 1871, at an aggregate annual rate of $29,694,894 39. The amount paid during the said year for pensions of all classes, including the expenses of the disbursements, was $28,077,383 63, being $3,226,571 52 in excess of the amount paid during the preceding year. This excess is chiefly owing to the operation of the act of July 8, 1870, making pensions payable quarterly, whereby the whole amount of pensions accruing between March 4, 1870, and June 4, 1871, became due and payable within the fiscal year just closed.

There were 2,598 bounty-land warrants issued during the year, for 408,160 acres, an excess of 840 over the number issued the preceding year.

Eight thousand nine hundred and eighteen persons availed themselves, during the year, of the benefits of the act of June 26, 1870, providing for artificial limbs and apparatus for resection, or commutation therefor, of whom 7,707 preferred the latter.

There are now on file, unadjusted, 33,182 claims for invalid pension, and 35,597 claims of widows, orphans, and dependent relatives, a total of 68,779 claims. On the 13th ultimo 24,844 claims for pension of survivors of the war of 1812 had been received, and 7,101 claims of widows of such soldiers, making a total of 31,945 applications of this class, 7,571 of which have been disposed of. The Commissioner estimates the number of those now living who are entitled to the benefits of said act to be 32,444; their average age seventy-nine years; their average duration of life less than six years; and the amount that will be required to pay, during the life of the pensioner, all pensions granted by said act, $18,096,855 44.

The act of July 14, 1862, and the acts supplementary thereto, make no provision for pension to the following officers in the naval service, their ranks having been created by acts passed subsequently to that of 1862, viz: Admiral, Vice-Admiral, Rear-Admiral, Commodore, Ensign, and Secretary to Admiral and Vice-Admiral. I recommend that the right of these officers, their widows, orphans, and dependent relatives be recognized by satisfactory provision.

The Commissioner, in his report, furnishes much interesting information relative to the various diseases and injuries, on account of which so much of the bounty of the Government is dispensed.

The time for the biennial examination of invalid pensioners, required by the act of March 3, 1869, occurred on the 4th day of September last, but the results thereof are not apparent, as the returns of the medical officers have not yet been received. The sound policy of such examinations is fully established by the experience of the office, and it is believed that the aggregate results of the recent examinations will exhibit a considerable reduction in the number of invalid pensioners.

Especial attention has been given to the investigation of frauds. Through the instrumentality of special agents, 301 persons have been dropped from the rolls during the year, and the cases of a greater number are under investigation. Thirty indictments have been found against dishonest attorneys or agents, of whom nine have been convicted, five are fugitives from justice, and the cases of 16 were pending at the date of the Commissioner's report. It is estimated that $30,000,000 will be required for the pension service for the next fiscal year.

Owing to the requirements of the Patent Office for more room for offices, it became necessary during the year, to vacate those rooms in the Patent Office building occupied by the Pension Bureau. To accommodate the latter Bureau, and at the same time to consolidate it into one building, I leased the Seaton House in this city, for a term of five years, at an annual rental of $10,000. That house was believed to be large enough to accommodate the entire Pension Bureau, and enabled us to vacate several outlying buildings which have been heretofore occupied by said Bureau, and, at the same time, to save some $5,000 per annum in rent. The policy of renting private buildings for office uses, and of keeping valuable public records in structures liable to destruction by fire, can only be excused on the ground of necessity. The Seaton House is as safe from any danger of loss by fire as the buildings which were vacated when it was leased, but it is not fire-proof, nor can any fire-proof buildings be obtained in the city. A due regard for the safety of the public records would dictate the pressing need for the construction of suitable buildings for the comfortable and safe occupancy of the Bureaus. I therefore renew the recommendation made by several of my predecessors, that early action be taken by Congress looking to the erection of a suitable building for this Department.

OFFICE OF EDUCATION.

The report of the Commissioner of Education exhibits, in fullest detail, the interesting and important results he has achieved, although the clerical force at his command would seem to be inadequate to the proper discharge of the duties with which the Bureau is charged. The details of the report will show the vast amount of work which the Commissioner has performed, and I take pleasure in attesting the ability, fidelity, and energy with which he has administered the affairs of his office.

It has been the design of the Commissioner to establish and maintain an intimate and constant communication with the various educational centers of the country; to seek and supply information; to distribute documents, and to pursue original investigations. In the course of official duties the Bureau of Education has received and sent about 2,000 written communications, has distributed about 12,000 printed documents, and has received many valuable accessions to its library. This sort of interchange is constantly and steadily increasing, and is already greater than the limited clerical force of the office can properly attend to, thus leaving very little opportunity for original investigation in its many interesting directions.

Among the workings of the Bureau may be noted: First: The inauguration of a system of direct exchange of documents and information with foreign ministers of public instruction. Second: Visits by the Commissioner to the whole educational field in this country, especially in the South and on the Pacific Coast, for the purpose of personally acquainting himself with prominent educators, and the demands of the work to be done. Third: A great variety of original investigation, respecting orphanage, pauperism, crime, insanity, &c., in their relations to education. Fourth: The papers accompanying the report of the Commissioner comprise an abstract of State and city reports for the whole Union; a *resumé* of the progress of education in Europe, Asia, and Africa; a great number of statistical tables respecting public systems of States and cities, colleges, professional schools, and other institutions, and original articles on various educational subjects by universally acknowledged authorities.

CENSUS.

Attention is invited to the report of the Superintendent of Census. The enumeration of inhabitants at the Ninth Census, as well as the collection of social and industrial statistics, which, under the American system, is made a part of the census, has been completed since the last annual report of the Department; and the compilation of the statistical tables usually published in that connection, as well as of many others, which appear to be equally desirable, has been well advanced. Appreciating the importance of giving the results of the census to the country at the earliest possible date, I have fully met the views of the Superintendent in respect to the amount of clerical force to be employed. Three-fourths, in bulk, of the statistical tables which it is proposed to embody in the three volumes of the census authorized by resolution of Congress have already been sent to press, somewhat over 1,000 pages being already in type. The compilation of the remaining tables has been begun, and the completion of the work upon the three quarto volumes will be accomplished during the Winter. I would recommend that authority be given for the preparation and publication of an octavo volume, which shall contain the most important results of the census, with each department of inquiry, in a form convenient for popular use; and that of this volume a large edition be issued, of which 2,000 copies at least shall be by law preserved, not to be distributed until the occurrence of the next decennial enumeration.

I would particularly ask attention to the facts and considerations presented by the Superintendent, which appear to require extensive and radical changes in the Census law. The act of May 23, 1850, was, of necessity, in most of its parts, a tentative measure. Even were the conditions of the country and the requirements of statistical science substantially the same at the present time as at the date of that enactment, it would be unreasonable to assume that the experience of three censuses taken under that law had not shown occasion for many and important changes, both in the machinery of the census and in its schedules. But in the 21 years that have elapsed since the enactment of the Census law of 1850, the occupations of the people have become so greatly diversified that the present industrial schedules fail to reach some of the most vital interests of the country, and are plainly insufficient adequately to represent many of those which they assume to embrace. Within the same period, the area over which the agencies of the census are to be extended has been practically trebled, and has been made to include vast territories under conditions of settlement and of industry such as did not require to be provided for when the present law was enacted. By the creation of the system of internal revenue, and the enactment of the election law, the officers to whom the act of 1850 commits the supervision of the census work have been charged with duties so numerous and engrossing as to render it impossible for them to give to the census the time and attention absolutely necessary to its proper completion. Moreover, the whole scale of prices and of wages throughout the country has been so advanced as to render the rates of compensation, both for marshals and assistant marshals, as fixed by the act of 1850, generally inadequate; while, yet, the experience of the recent census has shown that this defect is neither to be justly nor economically remedied by any provision for a uniform per centum increase of compensation, but only by a thorough readjustment of the entire scheme. In the field of social investigation, again opened up by the act of 1850, the experience of the last year has shown that the schedules propose many inquiries for which the country is not yet prepared, and at the same time omit to notice many subjects appropriate to the census, in respect to which information is urgently required, in the interest alike of science and of good legislation. The last and most impressive reason I have to present for a general revision of the Census law is that the act of 1850, while charging important and critical duties upon this Department, fails to commit to it that control over its immediate agents in the census which is recognized in every other service known to the law as essential to the satisfactory performance of duty, and even to official responsibility for results.

The general plan of the report of the Ninth Census, as shown by those portions of it which are already in print, exhibits many interesting and valuable improvements in classification and arrangement over any preceding report, and the condition of the general work of the Census Bureau is so well advanced that the full reports of the census will be given to the public at a much earlier day than ever before. The Department acknowledges the valuable services of Gen. Walker, the Superintendent of the Bureau, whose thorough practical knowledge of the science of statistics has enabled him to effect such valuable improvements as cannot fail to be recognized by the public when the reports are issued.

GEOLOGICAL SURVEY.

In accordance with the act of the third session of the XLIst Congress making appropriations for the continuation of the geological survey of the Territories of the United States, under the direction of this Department, Prof. Hayden was appointed chief geologist. He was instructed to direct his attention to the little known but interesting region about the source of the Yellowstone and Missouri Rivers. He took as his initial point Ogden, Utah, and examined a belt of country northward to Fort Ellis, Montana; then proceeded up the valley of the Yellowstone, explored the wonderful ranges of mountains, cañons, falls, hot springs, geysers, &c., connected with that remarkable region. A careful topographical and pictorial chart, with soundings of the lake which forms the sources of the Yellowstone, was made. Numerous maps, charts, sketches, photographs, &c., of the entire route explored were obtained, and are now in the possession of this Department. The geologist was also instructed to direct his attention to the economical resources of the public domain, and thus a great amount of valuable notes and specimens, illustrating the agricultural, mineral, zoölogical, and botanical wealth of the West, was secured. The results of this expedition show it to have been a complete success, and it is the opinion of this Department that they fully justify the liberal provision made by Congress for it. A preliminary report of the results will be presented to Congress at an early date.

RAILWAYS.

The subscriptions to the stock of the Union Pacific Railroad Company amount to $96,722,000, of which $96,722,300 has been paid. The receipts from the transportation of passengers, freight, and miscellaneous sources for the year ending June 30, 1871, were $6,322,015 19. The entire cost of the road to said date (unadjusted balances with contractors not included) was, including fixtures, $113,799,618 20. The indebtedness of the Company amounted, at the time above mentioned, to $64,623,513, of which $27,236,512 is due to the United States.

Stock of the Central Pacific Railroad Company to the amount of $29,844,000 has been subscribed, and $24,369,190 paid. The receipts from transportation of passengers and freight for the year ending June 30, 1871, were $7,296,327 96, and the expenses $3,745,765 96, leaving net earnings to the amount of $3,550,562 12. At the close of said year the indebtedness of the Company amounted to $71,430,751 68, of which $27,857,000 was due to the United States. The act of Congress approved 6th May, 1870 (16th Statutes, 121), provided for fixing the point of junction of the Union and Central Pacific Railroads within the limits of certain sections of land therein specified. On the 7th September, 1871, the Department received certified copies of resolutions passed by the companies (that of the Union Company on the 12th July, 1870, and that of the Central June 21, 1871), fixing, in compliance with the law, the common terminus and point of junction of said railroad on a point on the line of said roads 1,038.68 miles west from the initial point of the Union Pacific Railroad, near Omaha, the same being five miles west of Ogden and five miles west of the crossing of the Utah Central Railroad, on section 1 of township 6 north, of range 2 west, of the principal meridian and base-line of the Territory of Utah." The Western Pacific, the California and Oregon, the San Francisco and Oakland, and the San Francisco and Alameda Railroad Companies have been consolidated with the Central Pacific, as shown by its last annual report.

The stock subscription of the Central Branch Union Pacific Railway is $1,000,000, of which $980,000 has been paid. The receipts for transportation of passengers for the year ending June 30, 1871, were $67,971 66, and for freight $137,625 78. The expenses on account of the road and fixtures have been $3,723,700, and the indebtedness of the Company (exclusive of first mortgage bonds, $1,600,000, and the Government loan, $1,000,000) is $208,076 78. On the 27th ultimo the Department received a map of the continuation of the road from Fort Riley to a junction with the Union Pacific Railroad at the one-hundredth meridian of longitude west from Greenwich. On the 30th of that month this office transmitted said map to you for approval.

Stock of the Kansas Pacific Railway Company to the amount of $5,975,500 has been subscribed and paid in. The receipts for the transportation of passengers, freight, &c., for the year ending June 30, 1871, were $3,146,661 82. The cost of construction and equipment of 639 miles of main line and 33 miles of branch line is $20,517,999 75. The road extends from the mouth of the Kansas River to Denver, Colorado, a distance of 639 miles. It was regularly opened for business on the 1st September, 1870, and since that date has been in operation, in connection with the Denver Pacific Railroad (106 miles), to Cheyenne, Wyoming, on the Union Pacific Railroad. The total funded debt is $26,061,100, and the other liabilities and indebtedness amount to $4,133,561 89, making a total debt of $29,194,694 89, of which $6,303,000 is due to the United States.

The amount of stock of the Sioux City and Pacific Railroad Company subscribed is $4,478,300, of which $1,791,400 has been paid. The receipts from the transportation of passengers, freight, &c., for the year ending June 30, 1871, were $316,257 55, and the expenses during that period were $216,867 34, the net earnings being $99,452 21. The cost of the road and fixtures is $4,650,000, and the indebtedness of the Company is $5,323,320. The line of this road commences at Sioux City, Iowa, and runs thence, by the most direct and practicable route, to a connection with the Union Pacific Railroad, at Fremont, about 48 miles west of Omaha, Nebraska. The entire length of the main line, as per map filed in this office, is 101.77 miles, beside extra tracks on each side of the Missouri River, and many miles of side-tracks; all of which, with the telegraph line, is now completed, equipped, and in successful operation. This Company also owns a branch-road from Blair to De Soto, in Nebraska, about 45 miles long, which was a portion of the Northern Nebraska Air Line, and was obtained through the consolidation of the two Roads. The Company have recently purchased of the Cedar Rapids and Missouri River Railroad Company the short line of road, heretofore operated by the latter corporation, between Missouri Valley and California Junction, which has proved indispensable, as affording direct communication between this Road and Chicago, and also by way of Council Bluffs, with St. Louis, &c., together with the valuable depot-grounds, side-tracks, and all other improvements and buildings. The Fremont, Elkhorn and Missouri Valley Railroad, commencing at Fremont, where it connects with this Company's line, and also with the Union Pacific Railroad, has been extended to Wisner, about 31 miles north-west of Fremont, and is now operated by said Sioux City and Pacific Railroad Company. This line was designed to open Northern Nebraska and create business for the last-named Company, the intention being to consolidate the two lines by lease or otherwise.

At the close of the last fiscal year, June 30, 1871, the amount of subscribed stock of the Southern Pacific Railroad Company was $5,224,000, and the amount actually paid in, $1,994,800. Since the date of the last annual report of the Company 280 miles have been surveyed and explored. Of this distance, nearly all the work has been on that portion of the line from Gilroy through the different passes over the Mount Diablo Range to the San Joaquin Valley. The cost of the surveys has been $30,090 52. The amount received for the transportation of passengers is $256,410 13, and that received for the transportation of freight is $444,444 48. The expenses on account of the road and fixtures are $222,427 06. The principal of the Company's indebtedness on account of their bonds issued is $480,000, and, on account of the assumption of the bonded indebtedness of the San Francisco and San Jose Railroad Company, $740,000, possession having been taken of the latter Company's road, on the first of October, 1870; 50.26 miles of the Southern Pacific Railroad and telegraph line have been completed and accepted by you.

The second, third, and fourth sections, of 20 miles each, of the Oregon and California Railroad, were accepted by you on the 28th February last. This portion, with the section previously accepted, makes a length of line already reported upon and accepted of 80 miles, running from East Portland, Multnomah County, Oregon, to about half a mile beyond the station of the City of Albany.

Stock of the Northern Pacific Railroad Company to the amount of $100,000,000 has been subscribed, of which $2,241,600 has been paid. The expenses of the company to June 30, 1871, were as follows: Surveys, $473,603 11; construction, $4,065,315 43; rolling-stock, $267,534; general expenses, $112,318 83; total, $4,896,871 37. The indebtedness of the company to that date is as follows: First mortgage bonds issued, $7,441,500; bills payable for material *in transitu*, &c., $1,465,116 87; due contractors, $178,746 84; total, $9,085,763 71. A map of the Minnesota division, filed in this Department on the 18th instant, shows the line so far as then located and completed, beginning at its junction with the Lake Superior and Mississippi road, near the Dalles of the St. Louis River in Carlton County; thence running in a nearly westward course to Sandy River; thence in a general south-westerly direction to the crossing of the Mississippi River, at Brainard, in Crow Wing County; then in a nearly westward course to the crossing of Crow Wing River; thence in a general north-westerly course to the crossing of the Buffalo River, in Clay County; and thence in a nearly westerly course to the Red River, a few miles from Georgetown, Minnesota; a distance of 238.3 miles. Three lines have been surveyed in Dakota. The one extending from the point where the 47th parallel of latitude crosses the Red River, and thence in a general westerly direction to the mouth of Heart River, Dakota, has been adopted as the line of location, and has been put under contract. The work on it is being vigorously prosecuted, the contractors binding themselves to have the line completed to the Missouri by the 1st of July next. A preliminary line has also been run from the mouth of Heart River, in a nearly westerly direction, to the Yellowstone, and from this latter point to Bozeman's Pass; and from thence several lines have been run, testing the various passes of the Rocky Mountains, through to the Columbia River. On the Pacific coast lines have been run testing all the passes through the Cascade Range between the Columbia River and the boundary line. The line from Portland to Puget's Sound has been located, following the valley of the Columbia River from Portland to Kalama, crossing the river at that point; thence following the valley of the Cowlitz River to the mouth of of the Shookumchuck River, Washington Territory; from thence several lines have been surveyed, extending on both the eastern and western sides of the sound. Upon the lines, as located, the work of construction has been commenced, and twenty-five miles will be completed and in operation by the 1st of January next, as required by the company's charter.

You accepted on the 3d of January the completed portion of the California and Oregon Railroad, 77.6 miles, commencing at Roseville, Placer County, California, where said road connects with the Central Pacific Railroad, and thence running northerly through the City of Marysville to a point at or near the town of Chico, Butte County, California.

The initial point of the Atlantic and Pacific Railroad is near the town of Springfield, Mo., "upon the west line of the north-east quarter of the south-east quarter of section 12, township 29, range 22 west." As was stated in the last annual report of this Department, work on this road was commenced on the 4th of July, last, and 50 miles were completed, equipped, and opened for business on the 13th day of June, 1870. You have accepted said 50 miles, and also an additional section of 25 miles reported on since that date. One hundred and twenty miles of the road and telegraph line constructed by the Burlington and Missouri River Railroad Company in Nebraska has been accepted by you, and the commissioners for said road were, on the 30th ult., instructed to examine another section of 20 miles. The initial point of this road is at Plattesmouth, Nebraska.

The Missouri, Kansas and Texas Pacific Railway Company (formerly Union Pacific Railroad Company, Southern branch), having been authorized to extend their line through the Indian Territory, the Vice-President thereof reported, under date of 13th instant, that the extension of the road had been completed, and was then in operation from the southern boundary-line of Kansas to the Arkansas River, about 90 miles. He states that the piers for the bridge over said river are all built, and that it will be finished by the end of the present month. The road is graded from Arkansas to the Canadian River, a distance of 43 miles. It is definitely located to Red River, and the Company intend to have it in running order to that point by the 1st of July next, at which time the Texas Central Company promise to have their road constructed to the same point. When the connection is made, there will be one continuous line of rail from New-York City to Galveston. The initial point of this road is at Junction City, Kansas, six miles from Fort Riley, and it runs thence down the valley of the Neosho River to the southern line of the State of Kansas, and extends as above stated.

The act of July 1, 1862 (12 Statutes, 489), requires an annual report, under certain specified heads, to be made by the following-named Railroad Companies: Union Pacific, Central Pacific, Western Pacific, Central Branch Union Pacific, Denver Pacific, Sioux City and Pacific, and Kansas Pacific. And the act of June 26, 1868, requires that one shall be rendered by each of the Companies named below: Northern Pacific, Atlantic and Pacific, and Southern Pacific. Of these 10 corporations, two, the Denver Pacific Railway and Telegraph Company and the Atlantic and Pacific Railroad Company, have failed to make a report to this Department for the last fiscal year. The first section of the act of 25th June, 1868 (15 Statutes, 79), requires that the "reports shall furnish full and specific information upon the several points mentioned in the twentieth section of the said act of 1862, and shall be verified as therein prescribed, and on failure to make the same as herein required, the issue of bonds or patents to the Company in default shall be suspended until the requirement of this act shall be complied with by such Company." In each case where additional portions of roads have been completed and accepted during the year, the instructions given by you in regard to the issuance of patents for the lands due the Companies have been carried out by this Department.

CAPITOL.

The report of the Architect furnishes details of various improvements and repairs made upon the Capitol extension during the past year. The corridors leading from the Senate chamber to the hall of the House of Representatives have been enlarged, the floor of the hall between the rotunda and the old Representative hall raised to the level of the other floors, and the bronze doors taken from the corridor and placed at the center door of the east front. A steam-engine and two large fans have been placed in the basement of the south wing for the expulsion of vitiated air, and other important improvements have been made in both of the legislative chambers to effect better ventilation. The grounds on the south of the Capitol have been filled in, and a road-way made around the grounds on the north side which marks the line of the proposed street on that side. The Architect recommends that some provision be made by Congress for inclosing, planting, and otherwise improving the grounds surrounding the Capitol building which belong to the United States, and also for paving both of the streets and footways around the lower grounds of the building. The extension of the Government Printing-Office building, located on North Capitol-st., authorized by an act of Congress approved March 3, 1871, has been completed, and is now occupied. That portion of G-st. which lies north of the Patent-Office building, between Seventh and Ninth-sts., is being paved with an asphaltic concrete pavement, which has been approved by the Architect and by the owners of the property lying along the northern side of the said street. The appropriations asked for make an aggregate of $99,000, viz: Capitol extension, $60,000; Capitol repairs, $10,000; new dome, $4,000; filling and grading Capitol grounds, $10,000, and paving B-st. north-east, $25,000.

BENEVOLENT INSTITUTIONS.

The whole number of persons who received treatment in the Government Hospital for the Insane during the year ending June 30, 1871, was 648, a number greater by 138 than were treated the preceding year; 365 were from the army and navy; 491 were males; 194 patients were admitted during said year; 63 were discharged as recovered, 24 as improved, and 9 as unimproved. The recoveries were 45 per cent of the discharges including, and 66 per cent excluding, deaths. The number of deaths during the same period was 44, leaving under treatment at the close of said year 508, of whom 309 were from the army and navy. 2,999 persons, of whom 1,434 were native born, have been treated at the institution since it was opened. The expenditures for the past fiscal year were $116,702 72. The sum of $11,170 65 was received for board of private patients, and $1,016 18 from the sale of live stock, &c. The estimated value of the products of the farm and garden during the year was $10,186 12; and the live stock, farm and garden implements, &c., belonging to the institution, are estimated to be worth $14,118 25.

The Board of Visitors submit the following estimates: For support of the institution during the year ending June 30, 1873, including $500 for books, stationery, &c., $130,000; erection of additional building, $37,800; erection of two barns and poultry-house, $9,000; new heating boilers and connections, $6,000; and for completion of roads and walks, $2,000—a total of $185,300.

An act of Congress authorizing the prolonged restraint of inebriates, suggested by the Board of Visitors in their report, seems to be necessary to the effective reformatory treatment of cases of inebriety occurring in this District, and the passage of such an act, with carefully guarded provisions for determining the fact of confirmed inebriety, and the duration and character of the restraint, is respectfully recommended. It is understood that two or three public institutions for the care of inebriates, already in full operation, and having many of the material appliances required for the successful, moral, and hygienic treatment of their inmates, will take patients from a distance at a rate of board but slightly in excess of the current cost of their maintenance; and the suggestion of the Board, that an arrangement should be made with the proper authority of one or more such institutions to receive inebriates from the District, under the authority of such an act as Congress may see fit to pass, seems to be the only ready and feasible mode of undertaking the correction of that evil habit, which unquestionably gives rise to a large percentage of the crime and domestic suffering which are fearfully prevalent in this as in most other large communities. Unless Congress should make a small appropriation for the payment of the board of indigent inebriates, that class might be unable to avail themselves of any legal provision that may be made for their reformation.

It is certainly to be hoped that the moderate cost for which handsome and comfortable additional wards for chronic cases have been erected, furnished, and fitted up during the past year, will be regarded by the State and municipal authorities, upon whom the obligation rests, as affording whatever additional evidence may seem to be required that the expense of properly providing for the chronic indigent does not exceed what they can fairly afford, and, therefore, what they are in duty bound to expend, if it be necessary to effect the humane purpose in view.

On the 30th ultimo there were 104 pupils in the Columbia Institution for the Deaf and Dumb, 43 of whom were received since July 1, 1870. Sixty-four of them were in the collegiate department, representing 23 States and this district, and 119 have received instruction since July 1, 1870, of whom 101 were males. Eight pupils have left the college during the year, and seven have left the primary department, one of whom was removed by death.

In 1867 and 1868, provision was made by Congress for the admission of a limited number of indigent students from the States into the collegiate department free of charge. Twenty-five, the number authorized, were duly admitted, and were pursuing their studies with a view to graduation when Congress, in 1870, repealed the laws under which they entered. And not the directors been able, with funds derived from sources other than the United States Treasury, to continue to support these young men, they would have suffered the evident injustice of being dismissed from an institution to which they had been sent by the Government to be educated before the term of education for which they were entered was completed. Simple justice would seem to demand that Congress should so amend its action as to allow these youths to complete the course of study upon which they entered as beneficiaries of the United States; and, further, it would seem not improper that Congress, having established the only collegiate school for deaf-mutes in the country, and having provided it with suitable buildings and a competent corps of professors, should make its advantages available to persons of that class in the several States. I would commend the matter to the consideration of Congress, with the suggestion that probably some method of appointment could be devised, similar to that made use of in the military and naval schools of the Government, which should secure to the people of the States an impartial distribution of the benefits of this, the only institution of its grade. The directors urge, and justly, that Congress, having aided largely in the endowment of colleges for hearing youths, ought, in some way, to provide similar facilities for a class of persons who, though bereft of one sense, have proved themselves capable of receiving and profiting by education as readily and as fully as their more favored brethren. The receipts for the support of the institution during the last fiscal year exceeded the disbursements $389 40. The disbursements for the erection and fitting up of buildings were $8,380 30 less than those of the preceding year.

I deem it incumbent upon me, at this time, to allude to the pressing necessity for a new jail-building for this District. The present structure is utterly unfit for the purposes for which it is used. The arrangement of the cells, the absence of sewerage and proper accommodations, and the poor material of which it is built, render it a most unfit place for the confinement of prisoners, whether their safe-keeping or health be considered; and solitary confinement, classification, beyond that of sex, &c., are impracticable. The insecurity of the building necessitates the employment of a much larger force of guards than would be required were a proper jail-structure to be erected, involving a considerable item of expense which would be thereby avoided. The subject has been adverted to, at considerable length, in the three last annual reports of this Department, in one of which, that of Mr. Secretary Browning of Nov. 26, 1866, a full history of the matter is given. I earnestly concur in the suggestion made by Mr. Secretary Cox, in his report of Oct. 31, 1870, that the difficulties which exist in carrying into effect existing legislation be removed by Congress, in order "that the selection of a site for a new jail may be made."

ing should not be limited to one of the public reservations."

There were 46 boys confined in the Reform School on the 5th of October, 1870, and 58 were received during the year ending on the 5th ultimo, making 104 juvenile offenders who have been cared for during said year. The Criminal Court committed 3, the Police Court 4, the Board of Trustees 10, the Mayor of Washington 1, and the Mayor of Georgetown 1; 13 had lost both parents, and 24 one. Their ages range from 10 to 19 years, the majority being from 15 to 18 years old. All but 31 were born in this District and the adjoining States; 45 were of American parentage, and 37 were committed for petit larceny. Four were discharged during said year 38, and 1 escaped, leaving 65 in the School on the 5th ultimo, although the Board report that but 60 can be properly accommodated at present. Of those discharged 2 were fully reformed, 27 were released by the expiration of their respective terms of sentence, and 9 were sent away to make room for others committed by the courts, although, in