reducing postage rates on correspondence exchanged with those countries; and further efforts have been made to conclude a satisfactory postal convention with France, but without success.

I invite the favorable consideration of Congress to the suggestions and recommendations of the Postmaster-General for an extension of the free-delivery system in all cities having a population of not less than 10,000; for the prepayment of postage on newspapers and other printed matter of the second class; for a uniform postage and limit of weight on miscellaneous matter; for adjusting the compensation of all postmasters not appointed by the President, by the old method of commissions on the actual receipts of the office, instead of the present mode of fixing the salary in advance upon special returns; and especially do I urge favorable action by Congress on the important recommendations of the Postmaster-General for the establishment of United States postal savings depositories.

Your attention is also again called to a consideration of the question of postal telegraphs and the arguments adduced in support thereof, in the hope that you may take such action in connection therewith as in your judgment will most contribute to the best interests of the country.

DEPARTMENT OF JUSTICE.

Affairs in Utah require your early and special attention. The Supreme Court of the United States, in the case of Clinton vs. Englebrecht, decided that the United States marshal of that Territory could not lawfully summon jurors for the district courts; and those courts hold that the Territorial marshal can not lawfully perform that duty, because he is elected by the legislative assembly, and not appointed as provided for in the act organizing the Territory. All proceedings at law are practically abolished by these decisions, and there have been but few or no jury trials in the district courts of that Territory since the last session of Congress. Property is left without protection by the courts, and crimes go unpunished. To prevent anarchy there it is absolutely necessary that Congress provide the courts with some mode of obtaining jurors, and I recommend legislation to that end, and also that the probate courts of the Territory, now assuming to issue writs of injunction and habeas corpus and to try criminal cases and questions as to land titles, be denied all jurisdiction not possessed ordinarily by courts of that description.

I have become impressed with the belief that the act approved March 2, 1867, entitled "An act to establish a uniform system of bankruptcy throughout the United States," is productive of more evil than good at this time. Many considerations might be urged for its total repeal, but, if this is not considered advisable, I think it will not be seriously questioned that those portions of said act providing for what is called involuntary bankruptcy operate to increase the financial embarrassments of the country. Careful and prudent men very often become involved in debt

in the transaction of their business, and though they may possess ample property, if it could be made available for that purpose, to meet all their liabilities, yet, on account of the extraordinary scarcity of money, they may be unable to meet all their pecuniary obligations as they become due, in consequence of which they are liable to be prostrated in their business by proceedings in bankruptcy at the instance of unrelenting creditors. People are now so easily alarmed as to monetary matters that the mere filing of a petition in bankruptcy by an unfriendly creditor will necessarily embarrass, and oftentimes accomplish the financial ruin, of a responsible business man. Those who otherwise might make lawful and just arrangements to relieve themselves from difficulties produced by the present stringency in money are prevented by their constant exposure to attack and disappointment by proceedings against them in bankruptcy, and, besides, the law is made use of in many cases by obdurate creditors to frighten or force debtors into a compliance with their wishes and into acts of injustice to other creditors and to themselves. I recommend that so much of said act as provides for involuntary bankruptcy on account of the suspension of payment be repealed.

Your careful attention is invited to the subject of claims against the Government and to the facilities afforded by existing laws for their prosecution. Each of the Departments of State, Treasury, and War has demands for many millions of dollars upon its files, and they are rapidly accumulating. To these may be added those now pending before Congress, the Court of Claims, and the Southern Claims Commission, making in the aggregate an immense sum. Most of these grow out of the rebellion, and are intended to indemnify persons on both sides for their losses during the war; and not a few of them are fabricated and supported by false testimony. Projects are on foot, it is believed, to induce Congress to provide for new classes of claims, and to revive old ones through the repeal or modification of the statute of limitations, by which they are now barred. I presume these schemes, if proposed, will be received with little favor by Congress, and I recommend that persons having claims against the United States cognizable by any tribunal or Department thereof be required to present them at an early day, and that legislation be directed as far as practicable to the defeat of unfounded and unjust demands upon the Government; and I would suggest, as a means of preventing fraud, that witnesses be called upon to appear in person to testify before those tribunals having said claims before them for adjudication. Probably the largest saving to the National Treasury can be secured by timely legislation on these subjects of any of the economic measures that will be proposed.

You will be advised of the operations of the Department of Justice by the report of the Attorney-General, and I invite your attention to the amendments of existing laws suggested by him, with the view of reducing the expenses of that Department. 252

DEPARTMENT OF THE INTERIOR.

The policy inaugurated toward the Indians at the beginning of the last Administration has been steadily pursued, and, I believe, with beneficial results. It will be continued with only such modifications as time and experience may demonstrate as necessary.

With the encroachment of civilization upon the Indian reservations and hunting grounds, disturbances have taken place between the Indians and whites during the past year, and probably will continue to do so until each race appreciates that the other has rights which must be respected.

The policy has been to collect the Indians as rapidly as possible on reservations, and as far as practicable within what is known as the Indian Territory, and to teach them the arts of civilization and self-support. Where found off their reservations, and endangering the peace and safety of the whites, they have been punished, and will continue to be for like offenses.

The Indian Territory south of Kansas and west of Arkansas is sufficient in area and agricultural resources to support all the Indians east of the Rocky Mountains. In time, no doubt, all of them, except a few who may elect to make their homes among white people, will be collected there. As a preparatory step for this consummation, I am now satisfied that a Territorial form of government should be given them, which will secure the treaty rights of the original settlers and protect their homesteads from alienation for a period of twenty years.

The operations of the Patent Office are growing to such a magnitude and the accumulation of material is becoming so great that the necessity of more room is becoming more obvious day by day. I respectfully invite your attention to the reports of the Secretary of the Interior and Commissioner of Patents on this subject.

The business of the General Land Office exhibits a material increase in all its branches during the last fiscal year. During that time there were disposed of out of the public lands 13,030,606 acres, being an amount greater by 1,165,631 acres than was disposed of during the preceding year. Of the amount disposed of, 1,626,266 acres were sold for cash, 214,940 acres were located with military land warrants, 3,793,612 acres were taken for homesteads, 653,446 acres were located with agricultural-college scrip, 6,083,536 acres were certified by railroads, 76,576 acres were granted to wagon roads, 238,548 acres were approved to States as swamp lands, 138,681 acres were certified for agricultural colleges, common schools, universities, and seminaries, 190,775 acres were approved to States for internal improvements, and 14,222 acres were located with Indian scrip. The cash receipts during the same time were \$3,408,515.50, being \$190,415.50 in excess of the receipts of the previous year. During the year 30,488,132 acres of public land were surveyed, an increase

over the amount surveyed the previous year of 1,037,193 acres, and, added to the area previously surveyed, aggregates 616,554,895 acres which have been surveyed, leaving 1,218,443,505 acres of the public land still unsurveyed.

The increased and steadily increasing facilities for reaching our unoccupied public domain and for the transportation of surplus products enlarge the available field for desirable homestead locations, thus stimulating settlement and extending year by year in a gradually increasing ratio the area of occupation and cultivation.

The expressed desire of the representatives of a large colony of citizens of Russia to emigrate to this country, as is understood, with the consent of their Government, if certain concessions can be made to enable them to settle in a compact colony, is of great interest, as going to show the light in which our institutions are regarded by an industrious, intelligent, and wealthy people, desirous of enjoying civil and religious liberty; and the acquisition of so large an immigration of citizens of a superior class would without doubt be of substantial benefit to the country. I invite attention to the suggestion of the Secretary of the Interior in this behalf.

There was paid during the last fiscal year for pensions, including the expense of disbursement, \$29,185,289.62, being an amount less by \$984,050.98 than was expended for the same purpose the preceding year. Although this statement of expenditures would indicate a material reduction in amount compared with the preceding year, it is believed that the changes in the pension laws at the last session of Congress will absorb that amount the current year. At the close of the last fiscal year there were on the pension rolls 99,804 invalid military pensioners and 112,088 widows, orphans, and dependent relatives of deceased soldiers, making a total of that class of 211,892; 18,266 survivors of the War of 1812 and 5,053 widows of soldiers of that war pensioned under the act of Congress of February 14, 1871, making a total of that class of 23,319; 1,430 invalid navy pensioners and 1,770 widows, orphans, and dependent relatives of deceased officers, sailors, and marines of the Navy, making a total of navy pensioners of 3,200, and a grand total of pensioners of all classes of 238,411, showing a net increase during the last fiscal year of 6,182. During the last year the names of 16,405 pensioners were added to the rolls, and 10,223 names were dropped therefrom for various causes.

The system adopted for the detection of frauds against the Government in the matter of pensions has been productive of satisfactory results, but legislation is needed to provide, if possible, against the perpetration of such frauds in future.

The evidently increasing interest in the cause of education is a most encouraging feature in the general progress and prosperity of the country, and the Bureau of Education is earnest in its efforts to give proper direction to the new appliances and increased facilities which are being offered to aid the educators of the country in their great work.

The Ninth Census has been completed, the report thereof published and distributed, and the working force of the Bureau disbanded. The Secretary of the Interior renews his recommendation for a census to be taken in 1875, to which subject the attention of Congress is invited. The original suggestion in that behalf has met with the general approval of the country; and even if it be not deemed advisable at present to provide for a regular quinquennial census, a census taken in 1875, the report of which could be completed and published before the one hundredth anniversary of our national independence, would be especially interesting and valuable, as showing the progress of the country during the first century of our national existence. It is believed, however, that a regular census every five years would be of substantial benefit to the country, inasmuch as our growth hitherto has been so rapid that the results of the decennial census are necessarily unreliable as a basis of estimates for the latter years of a decennial period.

DISTRICT OF COLUMBIA.

Under the very efficient management of the governor and the board of public works of this District the city of Washington is rapidly assuming the appearance of a capital of which the nation may well be proud. From being a most unsightly place three years ago, disagreeable to pass through in summer in consequence of the dust arising from unpaved streets, and almost impassable in the winter from the mud, it is now one of the most sightly cities in the country, and can boast of being the best paved.

The work has been done systematically, the plans, grades, location of sewers, water and gas mains being determined upon before the work was commenced, thus securing permanency when completed. I question whether so much has ever been accomplished before in any American city for the same expenditures. The Government having large reservations in the city, and the nation at large having an interest in their capital, I recommend a liberal policy toward the District of Columbia, and that the Government should bear its just share of the expense of these improvements. Every citizen visiting the capital feels a pride in its growing beauty, and that he too is part owner in the investments made here.

I would suggest to Congress the propriety of promoting the establishment in this District of an institution of learning, or university of the highest class, by the donation of lands. There is no place better suited for such an institution than the national capital. There is no other place in which every citizen is so directly interested.

CIVIL-SERVICE REFORM.

In three successive messages to Congress I have called attention to the subject of "civil-service reform."

Action has been taken so far as to authorize the appointment of a

board to devise rules governing methods of making appointments and promotions, but there never has been any action making these rules, or any rules, binding, or even entitled to observance, where persons desire the appointment of a friend or the removal of an official who may be disagreeable to them.

To have any rules effective they must have the acquiescence of Congress as well as of the Executive. I commend, therefore, the subject to your attention, and suggest that a special committee of Congress might confer with the Civil-Service Board during the present session for the purpose of devising such rules as can be maintained, and which will secure the services of honest and capable officials, and which will also protect them in a degree of independence while in office.

Proper rules will protect Congress, as well as the Executive, from much needless persecution, and will prove of great value to the public at large.

I would recommend for your favorable consideration the passage of an enabling act for the admission of Colorado as a State in the Union. It possesses all the elements of a prosperous State, agricultural and mineral, and, I believe, has a population now to justify such admission. In connection with this I would also recommend the encouragement of a canal for purposes of irrigation from the eastern slope of the Rocky Mountains to the Missouri River. As a rule I am opposed to further donations of public lands for internal improvements owned and controlled by private corporations, but in this instance I would make an exception. Between the Missouri River and the Rocky Mountains there is an arid belt of public land from 300 to 500 miles in width, perfectly valueless for the occupation of man, for the want of sufficient rain to secure the growth of any product. An irrigating canal would make productive a belt as wide as the supply of water could be made to spread over across this entire country, and would secure a cordon of settlements connecting the present population of the mountain and mining regions with that of the older States. All the land reclaimed would be clear gain. If alternate sections are retained by the Government, I would suggest that the retained sections be thrown open to entry under the homestead laws, or sold to actual settlers for a very low price.

I renew my previous recommendation to Congress for general amnesty. The number engaged in the late rebellion yet laboring under disabilities is very small, but enough to keep up a constant irritation. No possible danger can accrue to the Government by restoring them to eligibility to hold office.

I suggest for your consideration the enactment of a law to better secure the civil rights which freedom should secure, but has not effectually secured, to the enfranchised slave.

U. S. GRANT.

SPECIAL MESSAGES.

WASHINGTON, December 2, 1873.

To the Senate and House of Representatives:

I herewith transmit to Congress a report, dated the 2d instant, with accompanying papers,* received from the Secretary of State, in compliance with the requirements of the sixteenth and eighteenth sections of the act entitled "An act to regulate the diplomatic and consular systems of the United States," approved August 18, 1856.

U. S. GRANT.

WASHINGTON, January 5, 1874.

To the Senate of the United States:

I transmit, for the consideration of the Senate with a view to ratification, a convention for the surrender of criminals between the United States of America and the Republic of Honduras, which was signed at Comayagua on the 4th day of June, 1873.

U. S. GRANT.

WASHINGTON, January 5, 1874.

To the Senate and House of Representatives:

In my annual message of December last I gave reason to expect that when the full and accurate text of the correspondence relating to the steamer *Virginius*, which had been telegraphed in cipher, should be received the papers concerning the capture of the vessel, the execution of a part of its passengers and crew, and the restoration of the ship and the survivors would be transmitted to Congress.

In compliance with the expectations then held out, I now transmit the papers and correspondence on that subject.

On the 26th day of September, 1870, the *Virginius* was registered in the custom-house at New York as the property of a citizen of the United States, he having first made oath, as required by law, that he was "the true and only owner of the said vessel, and that there was no subject or citizen of any foreign prince or state, directly or indirectly, by way of trust, confidence, or otherwise, interested therein."

Having complied with the requisites of the statute in that behalf, she cleared in the usual way for the port of Curaçoa, and on or about the 4th day of October, 1870, sailed for that port. It is not disputed that she made the voyage according to her clearance, nor that from that day to this she has not returned within the territorial jurisdiction of the United States. It is also understood that she preserved her American papers,

and that when within foreign ports she made the practice of putting forth a claim to American nationality, which was recognized by the authorities at such ports.

When, therefore, she left the port of Kingston, in October last, under the flag of the United States, she would appear to have had, as against all powers except the United States, the right to fly that flag and to claim its protection, as enjoyed by all regularly documented vessels registered as part of our commercial marine.

No state of war existed conferring upon a maritime power the right to molest and detain upon the high seas a documented vessel, and it can not be pretended that the *Virginius* had placed herself without the pale of all law by acts of piracy against the human race.

If her papers were irregular or fraudulent, the offense was one against the laws of the United States, justiciable only in their tribunals.

When, therefore, it became known that the *Virginius* had been captured on the high seas by a Spanish man-of-war; that the American flag had been hauled down by the captors; that the vessel had been carried to a Spanish port, and that Spanish tribunals were taking jurisdiction over the persons of those found on her, and exercising that jurisdiction upon American citizens, not only in violation of the rules of international law, but in contravention of the provisions of the treaty of 1795, I directed a demand to be made upon Spain for the restoration of the vessel and for the return of the survivors to the protection of the United States, for a salute to the flag, and for the punishment of the offending parties.

The principles upon which these demands rested could not be seriously questioned, but it was suggested by the Spanish Government that there were grave doubts whether the *Virginius* was entitled to the character given her by her papers, and that therefore it might be proper for the United States, after the surrender of the vessel and the survivors, to dispense with the salute to the flag, should such fact be established to their satisfaction.

This seemed to be reasonable and just. I therefore assented to it, on the assurance that Spain would then declare that no insult to the flag of the United States had been intended.

I also authorized an agreement to be made that should it be shown to the satisfaction of this Government that the *Virginius* was improperly bearing the flag proceedings should be instituted in our courts for the punishment of the offense committed against the United States. On her part Spain undertook to proceed against those who had offended the sovereignty of the United States, or who had violated their treaty rights.

The surrender of the vessel and the survivors to the jurisdiction of the tribunals of the United States was an admission of the principles upon which our demands had been founded. I therefore had no hesitation in agreeing to the arrangement finally made between the two Governments—an arrangement which was moderate and just, and calculated to

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^{*}Report of fees collected, etc., by consular officers of the United States for 1872, list of consular officers and their official residences, and tariff of consular fees.

cement the good relations which have so long existed between Spain and the United States.

Under this agreement the *Virginius*, with the American flag flying, was delivered to the Navy of the United States at Bahia Honda, in the island of Cuba, on the 16th ultimo. She was then in an unseaworthy condition. In the passage to New York she encountered one of the most tempestuous of our winter storms. At the risk of their lives the officers and crew placed in charge of her attempted to keep her afloat. Their efforts were unavailing, and she sank off Cape Fear. The prisoners who survived the massacres were surrendered at Santiago de Cuba on the 18th ultimo, and reached the port of New York in safety.

The evidence submitted on the part of Spain to establish the fact that the *Virginius* at the time of her capture was improperly bearing the flag of the United States is transmitted herewith, together with the opinion of the Attorney-General thereon and a copy of the note of the Spanish minister, expressing on behalf of his Government a disclaimer of an intent of indignity to the flag of the United States.

U. S. GRANT.

WASHINGTON, January 5, 1874.

To the Senate of the United States:

I transmit, for the consideration of the Senate with a view to ratification, a convention between the United States of America and the Republic of Salvador, which was signed at San Salvador on the 12th of May last, stipulating for an extension of the period for exchanging the ratifications of the treaty of amity, commerce, and consular privileges concluded between the two countries on the 6th December, 1870.

U. S. GRANT.

Washington, January 5, 1874.

To the Senate of the United States:

I transmit, for the consideration of the Senate with a view to ratification, a convention between the United States of America and the Republic of Salvador, which was signed at San Salvador on the 12th of May last, for an extension of the period for exchanging the ratifications of the treaty for the extradition of criminals concluded between the two countries on the 23d of May, 1870.

U. S. GRANT.

WASHINGTON, January 6, 1874.

To the Senate of the United States:

I transmit to the Senate an "agreement," signed at Lima on the 5th of June last by Mr. Francis Thomas, envoy extraordinary and minister plenipotentiary of the United States, and Mr. José de la Riva Aguero,

minister for foreign affairs of Peru, providing for an extension of the time for the exchange of the ratifications of the treaty of friendship, commerce, and navigation and the treaty of extradition between the United States and Peru of the 6th and 12th of September, 1870, respectively. The limit of the proposed extension is to be nine months from the time when the Senate of the United States may approve thereof. The expediency of this approval is consequently submitted to the consideration of the Senate. The instruments themselves were approved by that body on the 31st of March, 1871, and they were ratified by me in order that our ratifications might be ready for exchange for those of Peru. The omission of the latter seasonably to perform that act is understood to have been occasioned solely by the delay in the meeting of the Congress of that Republic, whose sanction, pursuant to its constitution, was necessary.

U. S. GRANT.

EXECUTIVE MANSION, Washington, January 7, 1874.

To the House of Representatives:

In reply to the resolution of the House of Representatives of the 15th of last December, requesting a revision of the estimates for the expenses of the Government for the fiscal year ending June 30, 1875, I have the honor to transmit herewith amended estimates and replies from the several Departments.

U. S. GRANT.

EXECUTIVE MANSION, January 8, 1874.

To the Senate and House of Representatives:

In compliance with the act of Congress approved March 3, 1873, entitled "An act to authorize inquiries into the causes of steam-boiler explosions," I directed the Secretaries of the Treasury and Navy Departments to create a commission to conduct the experiments and collect the information contemplated by the act. Such a commission was created, and I have the honor to submit herewith a report of the result of their labors to the present time.

U. S. GRANT.

EXECUTIVE MANSION, January 13, 1874.

To the Senate of the United States:

Since nominating the Hon. Caleb Cushing for Chief Justice of the Supreme Court of the United States information has reached me which induces me to withdraw him from nomination as the highest judicial officer of the Government, and I do therefore hereby withdraw said nomination.

U. S. GRANT.

Ulysses S. Grant.

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EXECUTIVE MANSION, January 19, 1874.

To the Senate of the United States:

In reply to the resolution of the Senate of the 8th instant, requesting information "relative to any unauthorized occupation or invasion of or encroachment upon the Indian Territory, so called, by individuals or bodies of men, in violation of treaty stipulations," I have the honor to submit herewith the reply of the Secretary of the Interior, to whom the resolution was referred.

U. S. GRANT.

WASHINGTON, January 27, 1874.

To the Senate of the United States:

I transmit, for the consideration of the Senate with a view to its ratification, a protocol relative to a claim on the Government of Chile in the case of the ship *Good Return*.

U. S. GRANT.

WASHINGTON, February 6, 1874.

To the House of Representatives:

I transmit to the House of Representatives, in answer to their resolution of the 16th ultimo, a report from the Secretary of State, with accompanying papers.*

U. S. GRANT.

WASHINGTON, February 6, 1874.

To the Senate and House of Representatives:

I transmit herewith a copy of a communication, dated the 22d ultimo, received from the governor of the State of New York, in which it is announced that, in accordance with the invitation of Congress as expressed in the act approved July 2, 1864, that State now presents for acceptance a bronze statue of George Clinton, deceased, one of its distinguished citizens.

U. S. GRANT.

EXECUTIVE MANSION, Washington, February 9, 1874.

To the House of Representatives:

I have the honor to transmit herewith the report of the Secretary of the Department of the Interior, to whom was referred the resolution of the House of Representatives of January 7, requesting "a statement of the extent and nature of the contracts, purchases, and expenditures for the Indian service made since July 1, 1873, setting forth which, if any, of them were made or entered into without conference with the Board of Indian

Commissioners appointed by the President, and the extent and description of contracts and vouchers objected to by said board, stating to what extent payments have been made thereon against their remonstrance."

U. S. GRANT.

EXECUTIVE MANSION, Washington, February 10, 1874.

To the House of Representatives:

I have the honor to transmit herewith reports from the Secretaries of the War Department and Department of the Interior, to whom were referred the resolutions of the House of Representatives of the 7th of January last, requesting "copies of all the correspondence between the different Departments of the Government and the peace commissioners during the war with the Modoc Indians in southern Oregon and northern California during the years 1872 and 1873; also copies of all the correspondence with and orders issued to the military authorities engaged in said war up to the period of the removal of said Modoc Indians from the States of Oregon and California."

U. S. GRANT.

WASHINGTON, February 17, 1874.

To the Senate and House of Representatives:

I transmit herewith a communication from the Secretary of State and accompanying papers.*

U. S. GRANT.

EXECUTIVE MANSION, February 19, 1874.

To the Senate and House of Representatives:

I have the honor to transmit herewith a memorial upon the "cultivation of timber and the preservation of forests," and a draft of a joint resolution prepared by the American Association for the Advancement of Science, together with a communication from the Commissioner of the General Land Office upon the same subject.

U. S. GRANT.

EXECUTIVE MANSION,
Washington, February 25, 1874.

To the Senate and House of Representatives:

I have the honor herewith to submit the report of the Centennial Commissioners, and to add a word in the way of recommendation.

There have now been international expositions held by three of the great powers of Europe. It seems fitting that the one hundredth anniversary of our independence should be marked by an event that will

^{*}Correspondence relative to the refusal of the United States consul at Cadiz, Spain, to certify Invoices of wine shipped from that port, etc.

^{*}Report of John M. Thacher, United States delegate to the International Patent Congress held at Vienna in August, 1873, and exhibits.