REPORT
OF THE
SECRETARY OF THE INTERIOR.

DEPARTMENT OF THE INTERIOR,
WASHINGTON, Dec. 5, 1864.

SIR: I have the honor to submit for your information and the consideration of Congress the following synopsis of results attained during the past year in those branches of the public service which have been placed by law under the supervision and control of this Department.

THE PUBLIC LANDS.

From the foundation of the Government to the present time, the management and disposal of the public lands have engrossed a large share of the public attention. Of the two thousand millions of acres embraced in the territorial extent of the United States, one thousand four hundred millions belonged to the public domain.

By a liberal policy in granting and selling lands, about one-third of this vast patrimony has been disposed of, leaving about one thousand millions of acres still the property of the Government. About one-fourth of all the laws that have been enacted by Congress relate to the public lands, and to the settlement of the land claims derived from the Governments which formerly had jurisdiction of the soil.

At some periods of our national history, a considerable income to the treasury was derived from sales, and at others the cash receipts declined to a sum but little exceeding the cost of administering the land system. During the first sixty years of the present century, the revenue from sales was two and three-quarter millions of dollars per year, and the quantity disposed of by sale, and for military bounties, was about two hundred and five millions of acres.

During the last ten years the income from lands was less than during the preceding decade. This was occasioned by the large quantities of land—granted for national improvements and for military and other purposes—which have competed, in the market, with the lands of the United States; and, more recently, by the passage of the homestead law, under which large quantities have been entered at nominal rates. The annual receipts from ordinary sales for four years past have been as follows:

For the year ending June 30,	1861	$684,837 62
Do. do. do.	1862	125,048 39
Do. do. do.	1863	136,077 25
Do. do. do.	1864	676,007 31

The depressing influences of civil war have been felt during the last three years, but the results for 1861 just closed demonstrate a revival of the annual demand for the public lands, particularly for settlement and cultivation.

During the year ending June 30, 1864, public lands have been disposed of as follows:

Acres sold for cash	432,773 00
Do. located with military warrants	515,900 00
Do. located with agricultural scrip	414,401 00
Do. certified to States for railroads	857,180 87
Do. taken under the Homestead law	1,261,592 61
Do. disposed of during the year	3,281,855 53
During the quarter ending September 30, 1864,	
the aggregate quantity taken for the same purpose was	829,476 90
Making a total of	4,231,342 43

The cash receipts for sales, home-stead and location fees for the same five quarters, were $1,019,246 44.

The aggregate quantity of public lands surveyed, but not disposed of, was, on the 30th of September last, 138,617,587 acres. This has been the average quantity for several years past. The amount surveyed annually has been about equal to that disposed of annually.

Nineteen States have accepted the provisions of the acts donating lands "for the benefit of agriculture and the mechanic arts," and have received land and land-scrip amounting to 6,566,000 acres.

The jurisdiction conferred on this Department by the act of Congress of March 3, 1851, for the definite location of confirmed private land claims in California was taken from it by an act approved June 14, 1860, but has been recently restored under the act approved July 1, 1864. The quantity of land embraced in all the confirmations to the present date is 4,366,974 acres; of which 2,439,[illegible]50,40 acres have been finally surveyed and patented. What remains to be done, in the important work of severing the private from the public lands in that State, will be prosecuted with diligence, and brought to completion as rapidly as possible.

For further details in reference to the public lands, I respectfully refer to the annual report of the Commissioner of the General Land Office.

THE MINERAL TREASURES AND DISCOVERIES.

During the past year additional discoveries of precious metals, particularly of silver, have been made in the region extending on the eastward, from the mountain ranges of the Sierra Nevada. A vast belt of some one or two hundred miles in width, and eight or nine hundred in length, embracing portions of Idaho, Nevada, and Arizona, is rich in silver ore. Owing to the remote locality of these mines, and the difficulty of transportation thereto, but little machinery has been adapted to the rapid and economical reduction of the various ores has been manufactured. In that portion of Nevada through which the Pacific Railroad will pass, many rich veins have been found, and it is estimated by persons familiar with the subject, that if the mines now opened were supplied with the proper machinery, they would yield millions of dollars per month. In the same region vast beds of salt have also been found, which, from its value in the process of separating the silver in the ores, has given a fresh impulse to mining. When we reflect that the region of country in which these mines of the precious metals abound includes large portions of Utah, Nevada, and six Territories, and that the richest veins of ore heretofore discovered are yet but slightly developed, while new discoveries are constantly made, it will be perceived that the annual product of the mines in the United States must soon reach a magnitude without precedent in the history of mining operations.

The wealth imbedded in the rocks of that extensive region is actually inexhaustible, and it will furnish in future years, indirectly, a principal part of our means of liquidating the debt contracted by the Government for the overthrow of the great rebellion. As a measure tending to accelerate the production of the mines and deposits into available wealth, and to strengthen the public credit by an authentic publication of our vast resources, I respectfully recommend that provision be made for the appointment of experienced and skillful mineralogists to make a scientific examination of the principal mining localities, and of the mineral regions generally, and to report the results. The reports should be published in pamphlet form. An appropriation would be required for these purposes.

Much interest has been manifested in favor of the establishment of a Bureau of Mines and Minerals, to which the administration of all details in respect to this important subject should be committed. It is satisfied that such legislation will, before many years, be found necessary, if it has not already become so.

The attention of Congress has frequently been called to the importance of securing an income to the National Treasury from the products of the mines and placers. By the laws of Spain and Mexico, according to the principles generally accepted by civilized countries, the property of the sovereign extended to all the precious metals in the soil.

The first annual report from this Department contained a number of suggestions relating to the protection of this property, and to the raising a revenue from the mineral products. Since that time the same subject has been frequently mentioned in the annual reports of this Department, but Congress has never taken legislative action. Sound policy dictates the propriety of levying a revenue tax upon those who are engaged in gathering individual wealth from the mineral deposits. The Bureau of Internal Revenue recently established in the Department of the Treasury, furnishes a ready and suitable instrumentality for collecting it. The requirement of a moderate license fee from each person engaged in placer mining upon the public domain, and a reasonable tax upon the products of all mines, which might be graduated according to the cost of production, would not be burdensome nor insufficient to raise a revenue.

When it is considered that a nominal tax of one per centum upon the present product of the mines would yield a larger income than is now derived from the sales of the public lands, with the expense of collecting it comparatively small, and that the prospective revenue from this source is so great, the impolicy of granting the mines and mineral lands of the public domain, is apparent to all. It should, however, be accompanied with such provisions as will encourage the development of these precious deposits by the Government exercising sovereignty and jurisdiction over the soil.

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