The principal item of increase in the estimates for "Salaries, contingent expenses, &c.," over the appropriations for the present fiscal year is for furnishing the west and center wings of the State, War, and Navy Department building, \$130,000. In the Army estimates that for pay, &c., of the Army is increased \$365,000. No provision was made in the last Army appropriation act for the pay of enlisted men detailed as cooks and nurses in hospitals, and an estimate of the amount (\$70,262.50) required for this necessary service during the present fiscal year will be submitted. The cost of transportation of the Army during the fiscal years 1884, 1885, and 1886, has exceeded the regular appropriations therefor, and additional amounts are required to complete the service of those years. The estimates for public works include for armament of fortifications, \$4,645,000; improving harbors and rivers, \$10,175,870, and \$150,000 for a building for the Signal Office.

The statement appended to this report shows in detail the appropriations under the direction of the War Department for the fiscal year ending June 30, 1886; the amount appropriated under each title of appropriation, the amount drawn by requisition upon the Treasury, and the balances subject to requisition July 1, 1886.

THE ARMY.

The Lieutenant-General reports the Army at the date of the last consolidated returns, to consist of 2,103 officers and 23,946 enlisted men, divided as follows:

•	Officers.	Enlisted men.
Generals.	. 10 573 411 272 836	1, 212 6, 942 2, 473 10, 721 595 2, 003
General staff Ten regiments of cavairy Five regiments of artillery		
Indian scouts.		
Detachmenta, recruiting parties, &c		
-	2, 103	23, 940

During the year the Army and the country have been called to mourn the death of Major General Hancock. He was a brave and accomplished soldier, who served with great distinction in two wars, and was thanked by Congress for his gallant, meritorious, and conspicuous share in the great and decisive victory at Gettysburg. He also had in full measure the respect and love of all his countrymen. Due military honors were paid to his memory throughout the country.

In the Division of the Atlantic little has occurred of military importance, the duties of the soldiers being mainly confined to garrisons along the sea coast, and to the care of forts. The general commanding the division recommends the concentration of the light batteries in his command for their better instruction and discipline, and arrangements are in progress by which this may be done. He also calls attention to

the condition of the fortifications and armaments under his command and their absolute inefficiency. The necessity of repairs, both of barracks and quarters, in this division is also imperative. In selecting a place for the imprisonment of the Apache Indians recently captured it was found difficult by reason of inadequacy of barracks and quarters and their want of repair to find a proper post for their confinement. The quarters for officers and men at the Dry Tortugas, built to accommodate a large garrison, are in an uninhabitable condition, and at many other places buildings are decaying and going to ruin for want of the necessary appropriations to repair them. It is safe to say that in the event of a sudden call to furnish shelter to any considerable number of troops in this division they could not be provided for, mainly because of the want of repair of existing buildings.

Under the appropriations of the last session the enlargement of Fort Niagara and the reconstruction of Fort Porter have been begun; and the work upon the new post at Atlanta, Ga., has been continued. These improvements will contribute much to the comfort of the troops of this division; and by the abandonment of small, unimportant, and inconvenient posts now occupied for shelter merely, and by concentrating the troops in larger numbers at these new and other important places, it is hoped that good results will be obtained, not only in their discipline, but in reduced cost of maintaining them.

In the Division of the Missouri, now under the command of Major-General Terry, no important changes have occurred, except the permanent transfer of the district of New Mexico to the Department of Arizona, and the transfer of Brigadier-General Miles from the Department of the Missouri to the Department of Arizona, in place of Brigadier-General Crook, relieved at his own request and assigned to the Department of the Platte.

There have been no hostilities or serious disturbances in this division during the past year. But constant vigilance has been required of officers and men. In Montana it has been necessary to prevent raids by Indians into other reservations, and to protect agents and secure settlers from roving bands who have escaped from or have been permitted to leave their reservations. In Colorado, north of Fort Lewis, difficulties have occurred, and it was necessary to establish two summer camps in the Blue Mountain region, by which precautions the fears of settlers have been allayed and all danger avoided.

In Utah last winter the White River Utes and the Uncompanders on the Uintah and Uncompander Reservations became very turbulent and rebellious, resisting the authority of the agent. At the request of the Secretary of the Interior an investigation was made by an officer of the Army, and four companies of infantry and two of cavalry were stationed at a cantonment, which has been named Fort Du Chesne, at the junction of the Grand and Du Chesne Rivers. These precautions have had the desired effect; the Indians are now quiet and the authority of the agent

the second of th