## OREGON CITY ENTERPRISE EXTRA!

## PRESIDENT'S MESSAGE.

To the Senate and House of Representa tives: In transmitting to you my fourth until population shall enter and occupy the annual message, it is with thankfulness to territory, some trivial contests of neighbors the Giver of all good to the Nation. We may again array the two Governments in have been blessed for the past year with antagonism; I, therefore, recommend the peace at home and abroad, and a general prosperity has been vouchsafed to us.

With the exception of the recent devastating fire which swept from the earth with a breath, as it were, millions of accumulated wealth in the city of Boston, there have been no overshadowing calamities within the year to record. It is gratifying to note how, like their fellow-citizens in the city of Chicago, under similar circumstances, a year earlier, the citizens of Bos ton are rallying under their misfortune, and the prospect is that their energy and perseverance will overcome all obstacles and show the same prosperity that they would have attained had no disaster be fallen them; otherwise we have been free from pestilence, war, and those calamities which often overtake nations, and as far as human judgment can penetrate the future no cause seems to exist to threaten our present peace.

When Congress adjourned in June question had been raised by Great Britain, and was then pending, which for a time seriously imperiled the settlement by friendly arbitration of the differences existing between this Government and that of Her Britannic Majesty. The Treaty of Washington had been referred to the Tribunal of Arbitration which met at Geneva in Switzerland. The arbitrators, however, disposed of the question which had jeopardized the whole of the treaty, and threat ened to involve the two nations in unhap py relations towards each other, in a man her entirely satisfactory to this Govern- Mountains, has been organized and enment, and in accordance with the views and policy which it has maintained. The Tribunal, which convened in December, concluded its laborious session on the 14th of September last; on that day, having availed itself of the discretionary power given to it by the Treaty to award a sum in gross, it made its decision, whereby it awarded the sum of \$15,500,000 in gold as the indemnity to be paid by Great Britain to the United States for satisfaction of all and people we have so many causes of time in providing for the unpaid balance claims referred to its consideration. This friendship and so many common sympa- of its debt to the United States, which havdecision, happily, disposes of a long stand-ing difference between the two Governments, and, in connection with another award made by the German Emperor under reference to him by the same Treaty, leaves the two Governments without a shadow on their friendly relations, which it is my sin- pire, relating to naturalization; also of a cere hope may forever remain equally un- treaty with the German Empire, relating clouded. The report of the agent of the to consuls and trademarks, also of a treaty United States appointed to attend the Geneva Tribunal, accompanied by protocols of the proceedings of the arbitrators, ar- duly proclaimed. guments of counsel of both Governments of counsel of both Governments, award of the Tribunal and opinions given by the the Commissioners on the part of the several arbitrators, is transmitted here-

points to the importance of establishing, y natural objects or other measurements the actual line between the territory acquired by purchase from Russia and the djoining possessions of Her Britannic Majesty. The region is now so sparsely occupied that no conflicting interests of individuals or of jurisdiction are likely to interfere to the delay or embarrassment of the actual location of the line. If deferred until population shall enter and occupy the

In my last annual message I recommended the legislation necessary on the part of the United States, to bring into operation the articles of the Treaty of Washington, of May, 1871, relating to the fisheries, and to other matters touching the re-

lations of the United States towards the British North American possessions, to become operative so soon as the proper legislation should be had on the part of Great Britain and her possessions. That legislation, on the part of Great Britain and her possessions, had not then been had, and during the session of Congress a question was raised, which, for a time, raised a doubt whether any action by Congress in the direction indicated would become im-

portant, a question which has since been disposed of, and I have received notice that the Imperial Parliament and the Legislature of the provincial Government have passed laws to carry the provisions of the Treaty on the matters referred to into operation. I, therefore, recommend your early adoption of legislation in the same direction, to carry out the part of this Government

The Joint Commission for determining the boundary line between the United States and the British possessions, between States and the British possessions, between the Lake of the Woods and the Rocky Mountains, has been organized and en-tered upon its work. It is desirable that the force be increased in order that the the force be increased, in order that the tral and of South America, we intend to completion of the survey and the deter-mination of the boundary of the boundary line may be sooner attended to, and to this end, I recommend that a sufficient appropriation be made,

With France, our earliest ally; Russia, the constant and steady friend of the United States; Germany, with whose Government thies, and the other powers of Europe, our ing originated in injuries to its citizens by relations are maintained on the most the Venezuela authorities, and having been friendly terms.

the treaty with the Austro-Hungarian Emwith Sweden and Norway, relating to naturalization, all of which treaties have been

duly proclaimed. Congress, at its last session, having made an appropriation to defray the expenses of being unprovided with powers for the United States to the International Statistiwith. I have caused to be communicated cal Congress at St. Petersburg, the persons It is hoped, however, that the interchange to the heads of the three friendly Powers, who complied with the joint request made to them under the Treaty, the thanks of season be laid before you. This Congress expected when the revision of the treat meets at intervals of about three years, and has held its sessions in several of the countries of Europe. I submit to your consideration the propriety of extending an invitation to the Congress to hold its next Japan and China, and to further aid in meeting in the United States. The Centennial Celebration, to be held in 1876, people and secure to us our share of the would afford an appropriate occasion for such meeting. Preparations are making for the Inter-national Exposition, to be held during next be made to support at loast four American year in Vienna, on a scale of very great magnitude. The tendency of these expositions is in the direction of advanced eivilization and the elevation of industry and labor, and the increase of human happiness, as well as of greater intercourse and good will between nations. The Exposition is to be the first which will have been held in Eastern Europe, and it is believed of those countries, who know our language that American inventors and manufacturers will be ready to avail themselves of the opportunity for the presentation of Ministers. pointment of one or more agents to represent this Government at the Exposition. The authority thus given has been exer-cised; but in the absence of any appropria-tion there is danger that the important ben-efits which the Exposition offers will in a large degree be lost to the citizens of the United States. I commend the subject mend that an adequate appropriation be made for the purpose. To further aid American exhibitors at the Vienna Exposi-It is understood to be customary with other tion, I would recommend, in addition to an appropriation of money, that the Secretary of the Navy be authorized to fit up two naval vessels to transport between our Atlantic cities and Trio, or the most convenient post for Vienna, the articles of exhibition. such circumstances. It is well known that Since your last session the President of the Mexican Republic, distinguished by his high character and by his services to his country, has died. His temporary suc cessor has now been elected with great lence on their part in his patriotism, which it is believed will be confirmed by the results of his administration. It is particu larly desirable that nothing should be left undone by the Governments of the two republics to strengthen their relations as tions, have nothing to spare for such purneighbors and friends. It is much to be regretted that many lawless acts continue to disturb the quiet of the settlements on the border between our territory and that of Mexico, and that complaints of wrong to American citizens in various parts of the country are made. The revolutionary conluct in which the neighboring Republic has so long been involved has in some degree contributed to this disturbance. It is to be hoped that a more settled rule of or- 642,177 73; from tax on National Banks, etc. expected for the present government, and that the acts of which just complaint has been made will cause. The proceedings of the Commission under the convention with Mexico on the 4th of July, 1868, on the two Governments, which it is believed will

absence of regulations for enforcement, it was but a feeble step toward emancipation, but it was a recognition of the right, and was hailed as such and exhibited Spain in harmony with the sentiments of humanity and justice, and in sympathy with other powers of the Christian and civil-ized world. Within the past few weeks regulations for carrying out the laws of emancipation have been announced, giving evidence of the sincerity of the intention of the present Government to carry into effect the law of 1870. I have not failed to urge the considerations of the wisappointment of a commission, to act jointly dom, the policy, and the justice of a more with one that may be appointed on the part of Great Britain, to determine the line between our territory of Alaska and the adjoining possessions of Great Britain. close to our border, as well as the expediency and justice of conceding other re-forms of which the propriety is not ques-tioned. Deeply impressed with the con-viction that the countenancing of slavery is the most active cause of the continuance of or those claiming to be such, are large holders in Cuba of what is there claimed as property, but which is forbidden and denounced by the laws of the United States. They are thus contributing to the continuance of this distressing and sicken-

ing contest. In my last annual message referred to this subject, and I again recom-mend such legislation as may be proper to denounce, if not to prevent and discourage American citizens from dealing in slaves. It is gratifying to announce that the ratiification of the Convention, concluded under the auspecies of this Government, between Spain on one part and the allied Re-publics of the Pacific on the other, providing for an armistice have been exchanged. A copy of the instrument is herewith transmitted. It is hoped that this may be followed by a permanent peace between the same parties. The differences, which at one time threatened the

maintain the most friendly relations. It is with regret, however, that I announce that the Government of Venezuela

has made no further payment on account of the awards under the Convention of 25th April, 1866. That Republic is understood to be now almost, if not quite, tranquillized. It is hoped therefore, that it will lose no time in providing for the unpaid balance acknowleged pursuant to a treaty in the Since my last annual message an ex- most solemn form known among nations, change has been made of ratifications of would seem to derive preference over debts of a different origin and contract. In a dif-

ferent manner this subject is again recommended to the attention of Congress for such action as may be deemed proper. Our treaty relations with Japan remain

unchanged. An Embassy from that intersigning of a convention in this country, no conclusion in that direction was reached.

\$117,819,630 25; from March 1, 1871, to the capitalists and managers engaged in the detection and punishment of many of claims pending at that date. The number their construction. In addition to these, a these persons has tended greatly to the re- of pensions of all claims granted during that date. The number their construction. In addition to these, a these persons has tended greatly to the re-\$64,047,237 84; total, \$363,696,959 87. With the great reduction of taxation by acts of the United States' side, which has been ag-Congress at its last session the expenditures of the Government in collecting the Revenue will be much reduced for the ing to the great future of the country, and titled under the Constitution and laws, I next fiscal year. It is very doubtful, how-ever, whether any further reduction of so might be well, while on the subject, not heavy a burthen upon the people will be practicable for the present. At all events, it is examined the reports upon the various practicable routes for connect-with those rights. I look with confidence the next year. as a measure of justice to holders of the ing the Mississippi with tide-water on the nation's cortificates of indebtedness, I Atlantic, but the feasibility of almost conwould recommend that no more legislation tinued land-locked navigation from Maine be had upon this subject unless it be to coc- to the Gull of Mexico. Such a route along rect the errors of omission or commission in the present laws until sufficient time has do inestimable value in case of prosecutions or inflict punishments to proelapsed to prove that it can be done and a foreign war. Nature has provided the text citizens from the lawless doings of such census be taken in 1875, which recommenstill leave sufficient revenue to meet the greater part of this route, and the obstacles current expenses of the Government and to be overcome are easily within the skill pay the interest on the public debt and of the engineer. I have not alluded to this provide for the sinking fund established subject with the view of having any furby law. Preservation of our national credit ther expenditure of the public money at the unhappy condition of Cuba, I regret to believe that citizens of the United States, portance to this comes the solemn duty to provide a national currency of fixed and unvarying value, as compared with gold, as soon as practicable, having due regard for the interests of the debt or class and the viscissitudes of trade and commerce, and convertibly into gold at par. The report of the Secretary of War shows

the expenditures of the War Department for the fiscal year ending June 30, 1871, to be \$35,739,991 S2, and for the fiscal year ending June 30, 1872, to be \$35,362,157 20. showing a reduction in favor of the last fiscal year of \$427,834 62. The estimates for military appropriations for the next United States will be the weakest nation liscal year, ending June 30, 1873, are \$33,-801,368 78. The estimates of the Chief of Engineers are submitted separately, for fortifications, for river and harbor improvements, for public buildings and grounds, and for the Washington aqueduct. The affairs of the Freedmen's Bureau have all been transferred to the War Department, and regulations will be put into execution for the speedy payment of bounty and pay due to colored soldiers, properly com-ing under that Bureau. All warrants for money and property issued prior to 1671

have been examined and transmitted to the Treasury for final settlement. During the fiscal year there has been paid for trans-portation on railroads, \$1,300,000, of which \$800,857 was over the Pacific Railroad; for transportation by water, \$626,373 52, and by stage, \$48,975 84, and for the purchase of transportation, animals and wagons, hire of teamsters, etc., \$924,650 61. About \$3,705 have been collected from Southern railroads during the year, leaving about \$4,000,000 still due. The Quartermaster has examined and transmitted to the acting officers for settlement, \$367,172 72 of claims by loyal citizens for Quartermaster's stores during the war. Subsistence supplies to the amount of \$809,412 have been issued to the Indians. The annual average mean strength of the army was 29,210 white and 2,491 colored soldiers. The total deaths for the year are reported at 367 white and fifty-four colored. The distri-

bution of medical and surgical instruments | During the year eight new lines of railway has yet to be ordered by Congress. There post-offices have been established, with an exists an absolute necessity for a medical aggregate length of 2,909 miles. The numcorps of the full number established by the act of Congress of July 28,1866, there with foreign countries was 24,362,500-

project to facilitate commerce by the building of a ship canal around Niagara falls, on the United States' side, which has been ag- parts of the country, however, are in favor various causes, 914, leaving the grand to-itated for many years, will no doubt be of the full enjoyment by all classes of per- tal 232,229 pensioners on the rolls on the called to your attention this session. Lock- sons of those rights to which they are en- 30th of June, 1872. It is thought the claims this time than may be necessary to procure and place all necessary information before Congress in an authentic form, to enable it to these applications favorable considerahereafter, if deemed practicable and worthy, tion, but my action thereon is not to be to legislate on the subject without delay. The report of the Secretary of the Navy, herewith accompanying, explains fully the condition of that branch of the public ser-vice, its wants and deficiencies, the expenses incurred during the past year, and the necessary appropriations for the same. It also gives a complete history of the services of the navy for the past year. It is evident that, unless steps are taken to preserve our navy, in a very few years the upon the ocean of all the great powers. With an energetic, progressive business people like ours, penetrating and forming ousiness relations with every part of the known world, a navy strong enough to

necessary for the fall protection of their rights. I recommend the careful consideration by Congress of the recommendations made its most ardent friends anticipated by the Secretary in the accompanying report of the Postmaster-General. It furnishes a full and satisfactory exhibit of the decreased their forays upon the white setoperations of the Post office Department | tlements, tended to give the largest opporluring the year. The ordinary revenues tunity for the extension of the great railof the Department for the fiscal year endof the Department for the fiscal year end-ing June 30, 1872, amounted to \$21,915,-426 37, and the expenditures to \$26,658,-192 \$1. Compared with the previous fiscal year, the increase of revenue was \$1,876,-380 95, and the increase of expenditures ing such as farther experience may show \$2,268,088 23. Adding to the ordinary rev- to be necessary to render it more efficient. subsidies on mail steamship lines from special appropriations, the deficiency paid out of the general treasury was \$3,317,-765 91-an excess of \$389,701 28 over the deficiency for the year 1871. Other inter the deficiency for the year 1871. Other inter the deficiency for the year 1871. Other inter- their removal of the territory has, within esting statistics relating to rapidly extend- the past year been presented to many tribes ing postal services are furnished in this report. The total length of railroad mail routes on the 30th of June, 1872, was 57,-911 miles, 8,607 additional miles of such a preliminary step to the organization of laws of that Territory by Congress, and the services having been put into operation. Such a territory, it will be necessary to con-During the year eight new lines of railway fine the Indians now resident thereon to post-offices have been established, with an farms of proper size, which should be seber of letters exchanged by the mails for the settlement of other friendly Indians. total weight of mails exchanged with erly without disturbing the harmony of economy, though many are only partially European countries exceeded 820 tons. those already there. A proper location, The cost of the United States transatlantic mail steamship service is \$220,201 70. The deavoring to acquire a knowledge of pastotal cost of the United States ocean steam- toral and agricultural pursuits can be as ship service, including the amounts paid well accommodated as upon the unoccupied the District its just share of the expenses to subsidized lines of mail steamers, was lands of the Indian Territory. A Territor- of these improvements. I recommend, \$1,027,020 97. The following are the only ial Government should, however, protect steamship lines now receiving subsidies the Indians from the inroads of the whites for mail service under special acts of Con- for a term of years, until they become sufticiently advanced in the arts of civilization to guard their own rights. For the same period, during the last fiscal year, there gress: The Pacific Mail Steamship Company receive \$500,000 per annum for carryng a monthly mail between San Francisco, Japan and China, which will be increaswere disposed of out of the public lands, ed to \$1,000,000 per annum for a semi-11,864,975 acres-a quantity greater by 1,monthly mail on and after October 1, 1873; 009,270 acres than was disposed of the previous year. Of this amount, 1,370,320 acres he United States and Brazil Steamship Company receive \$150,000 per annum for carrying a monthly mail between New with military warrants ; 4,671,332 acres York and Rio de Janeiro, and the Califor- taken for homesteads; 693,613 acres located nia and Oregon and Mexico Steamship with college scrip; 3,554,887 acres granted Company receive \$75,000 per annum for carrying a monthly mail between San Francisco and Honolulu, making the total amount of mail steamship subsidies, at present, \$725,000 per annum. Our postal \$3,218,100 during the same period; 22,016, communications with all parts of the civilized world have been placed upon the 608 acres of public lands were surveyed. which, added to the quantity before surveyed, amounts to 583,364,780 acres, leaving 1,257,653,628 acres of public lands still most advantageous footing by improved postal conventions. And arrangements recently concluded with the leading commercial countries in Europe and America, and unsurveyed. Reports from the subordinates of the Land Office contain interesting the gratifying statement is made that, with information in regard to their respective the conclusion of a satisfactory convention with France, the details of which have been definitely agreed upon by the French Postal Department, subject to the approval of the Minister of Finance, little reof produce evinces that in those States and nains to be accomplished by treaty for some time to come. In respect to the reexceeded the local demand, and liberal duction of the rate for the improved facilities of the postal service, your favorable consideration is respectfully invited to the recommendations of the Postmaster-Gen-During shipments have been made to distant eral for an increase of the service from a there were issued from the Patent Office monthly to a semi-monthly trip on the 14,636 patents, 23 extensions and 556 certifimail steamships to Brazil; for a subsidy in cates and registers of trade-marks. aid of the establishment of an American During the same time 19,587 applications for line of mail steamers between San Francisco, New Zealand and Australia; for the establishment of post-office savings banks, and for the increase of the salaries of the amounted to \$700,959 86 and the total exheads of bureaus. I have heretofore recommended the abolition of the franking privilege, and see no reason now for changing my views on that subject. It not hav-ing been favorably regarded by Congress, however, I now suggest a modification of under the same laws and general organizathe privilege to correct the glaring and tion as adopted at its origin, when only costly abuses. I would suggest, also, the from one to five hundred applications were appointment of a committee or commission to take into consideration the best method that the office has outgrown the original equitable to private corporations who have invested their time and capital in the plan and that a new organization has become necessary. This subject was preestablishment of telegraph lines, of acquir-ing title to all telegraph lines now in opersented to Congress in a special communication in February last, with my approval and the approval of the Secretary of the Ination, and of connecting this service with the postal service of the nation. It is not terior, and the suggestions contained in probable that this subject could receive said communication were embraced in a proper consideration during the limit of bill that was reported to the House by the the next session of Congress, but it may be Committee on Patents at the last session. initiated, so that further action may be fair The subject of the reorganization of the Patent Office, as contemplated by the bill to the Government and to the private parties concerned. There are but three lines referred to, is of such importance to the inof ocean steamers, namely-the Pacific dustrial interests of the country that I com-Mail Steamship Company, between San Francisco, China and Japan, with provimend it to the country that I commend it to the attention of Congress. The Comsion made for a semi-monthly service after missioner also treats of the subject of the October 1, 1873, the United States and Brazll separation of the Patent Office from the Department of the Interior. The subject Zealand and Australian line, monthlyis also embraced in the bill heretofore replying between the United States and forferred to. The Commissioner complains of eign ports, owned and operated under our the want of room for a model gallery, and flag. I earnestly recommend that such for a working force and necessary files for liberal contracts for carrying the mails be the office. It is impossible to transact the authorized with those lines as will insure business of the office properly without their continuance, if the expediency of exmore room in which to arrange articles tending the aid of the Government to lines and drawings that must be consulted hourof steamers which hitherto have not rely in the transaction of business. The ceived it should be deemed worthy of conwhole of the Patent Office building will sideration of Congress. Political and commercial objects make it advisable to bestow accommodation of the business of the such aid on the line under our flag between Patent Office. Panama and the South American ports.

that a great majority of the people in all to the time not far distant when the obvious advantages of good order and peace will considered as indicating any cessation of combinations therein named disturb the peace of the country. It is much to be regretted, and is regretted by no one more than myself, that the necessity has ever existed to execute the Enforcement act. No one can desire more than I that the necessity for applying it may never again be demanded. The Secretary of the Interior reports as

satisfactory the improvement and progression in each of the several bureaus under the control of the Interior Department. the current business has been promptly at the beginning of this Administration with regard to the management of the Indians has been as successful as within so short a time. It has reduced the expenses of their management. will be maintained without change, exceptresident upon other and less desirable portions of the public domain, and has genercured to them in fee, the residue to be used Efforts will be made in the immediate fu-

pression of such disorder. I do not doubt the last fiscal year was 3,338. During that period there were dropped from rolls, for be required for the pension service during

The ninth census, about completed, is the subject of congratulation, inasmuch as the achieve the abandonment of all combina- use to be made of the statistics therein concombinations. Applications have been dation should receive the ready attention made to me to pardon persons convicted of of Congress. The interval at present esviolations of said acts, upon the ground tablished between the Federal censuses is that clemency in such cases would tend to so long that the information obtained at the tranquilize the public and aid to test the periods of the material condition, wants virtue of that policy. I am disposed, so far and resources of the nation is of little value as my sense of justice will permit, to give after the expiration of the first half of that period. It would probably obviate the constitutional provision regarding the centennary census, if the census of 1875 should my determination to enforce with vigor be divested of all political character and no such acts so long as the conspiracies and apportionment of Congressional representation be made under it. Such a census, coming as it would in the last year of the first century of our National existence, would furnish a general monument of the progress of the United States during that century.

The rapidly increasing interest in education is the most encouraging feature in the history of the country, and it is no doubt true that this is due in a great measure to the efforts of the Bureau of Education. That office is continually receiving evi-They are all in excellent condition. All dence, which abundantly prove its efficienknown world, a navy strong enough to the current business has been promptly cy, from various institutions of learning command the respect of our flag abroad is dispatched. The policy which was adopted and educatio 1 of all kinds throughout the country. The report of the Commissioners contain a vast amount of educational details of great interest. The bill now pending in Congress, providing for an appropriation of part of the proceeds of the sales of public lands for educational purposes, to aid the States in the general education of the rising generation, is of such great importance to our real progress and so unanimoasly approved by the leading friends of education, that I commend it to the favorable attention of Congress.

Affairs in the Territories are generally satisfactory. The capacity of the pioneers who are settling up the vast domains not yet incorporated into States is keeping pace seemed to be the policy of the Legislature of Utah to evade all responsibility to the Government of the United States, and even to hold a position of hostility to it. I recally been received by them with favor. As ommend a careful revision of the present instance, or something similar to it, as will secure the peace and the equality of all citizens before the law and the ultimate extinguishment of polygamy.

city of Washington and surroundings, and the increased prosperity of the citizens, is now available, where a people who are enobservable to the most casual visitor. The nation, being a large owner of property in this city, should bear with the citizens of therefore, an appropriation to reimburse the citizens of the District for the work done by them along and in front of the public grounds during the past year, and liberal appropriations, in order that the improvement and embellishment of the public buildings and grounds may keep pace with the improvements made by the territorial authorities. The report of the Commissioner of Agwere sold for cash; 389,460 acres located riculture gives a very full and interesting account of the several divisions of that Department-horticultural, agricultural, statistical, entomological and chemicalto railroads; 456,347 acres granted to wagon and the benefits conferred by each on the roads; 714,255 acres given to States as agricultural interests of the country. The swamp land, and 5,760 acres located by In- whole report is a complete history of the dian serip. The cash receipts from all sources in the Land Office amounted to workings of that Department in all its branches, showing the manner in which the farmer, merchant and miner is a farmer, and the extent to which he is aided in his pursuits. The Commissioner makes a recommendation that measures be taken by Congress to protect and induce the planting of forrests, and suggests that no part of the public lands should be disposed of without the condition that one-tenth of districts. They uniformly mention the it be reserved in timber where it exists, fruitfulness of the yield during the past and where it does not, an inducement eason, and the increased yield of all kinds should be offered for the planting of it. In accordance with the terms of the act **Ferritories** where mining is the principal of Congress, approved March 3, 1871, probusiness, the agricultural products have viding for the celebration of the one hundredth anniversary of American Independence, a Commission has been organized consisting of two members from During the year ending Sept. 30, 1872 each of the States and Territories. The Commission has held two sessions, and has made satisfactory progress in the organization and in the iniatory steps necessary for carrying out the propositions of patents, including reissues and designs the act, and for executing the provisions also of the act of June first, 1871, cre-ating a Centennial Board of Finance. have been received, and 3,100 caveats filed. The fees received during the same period A preliminary report of progress has been received from the President of the Compenditures \$623,553 90, making the net reeipts over expenditures \$77,400 56. Since mission, and is herewith transmitted. It 1836 2,000,000 applications for patents have been filed, and about 134,000 patents have will be the duty of the Commission at your coming session to transmit the report been issued. The office being conducted of the progress made and to lay before you the details relating to the exhibition of American and foreign arts, products and manufactures, which, by the terms of the act, is to be held under the auspices of the made per aanum, the Commissioner shows Government of the United States, in Philadelphia, in the year 1876. This celebration will be looked forward to by American citizens with great interest as making a century of greater progress and prosperity than is recorded in the history of any other nation, and proving its further good purpose in bringing together on our soil the people of all commercial nations of the earth, as a measure calculated to secure international good feeling. The desire has been felt to correct the abuses which have grown upon the civil service of the country through the defective method of making appointments to offices, which have been regarded as the reward of political services. Under the authority of Congress, rules have been established to regulate the terms of office and mode of appointments. It cannot be expected that any system or rule can can be entirely effective, and prove a perfect remedy for ex-isting evils, till they have been thoroughly tested by actual practice and and amended according to the requirements of the service. During my term of office it shall be my best endeavor to so apply the rules as to secure the greatest possible reform in the civil service of the Government; but it soon be needed, if it is not already, for the will require the direct action of Congress to render the enforcement of the system binding upon my successor, and I hope that the experience of the past year, to-gether with appropriate legislation by Con-

this Government for the appointment of arbitrators made by them respecting it, and giso my thanks to the eminent personages named by them, and my appreciation of the dignity, patience, impartial-ity, and great ability with which they discharged their arduous and high functions. Her Majesty's Government has communicated to me its appreciation by Her Majesty of the ability and indefatigable industry displayed by Mr. Adams, the arbitrato named on the part of this Government, during the protracted inquiries and discussions of the Tribunal. I cordially unite with Her Majesty in this appreciation, It is due to the agent of the United States before the Tribunal to record my appreciation of the marked ability, unwearied patience and the prudence and discretion with which he has conducted the very responsible and delicate duties committed to him, as it is also due to the learned and eminent counsel who attended the Tribunal on the part of this Government, to express my sense of the talent and wisdom their productions, if encouraged by proper which they brought to bear in the argu- aid and protection. At the last session of ment and upon the result so happily Congress authority was given for the apreached. It will be the province of Congress to provide for the distribution among those who may be entitled to it, of their respective shares of the money to be paid. Although it is not payable, until a year from the date of the award, it is deemed Advisable that no time be lost in making the proper examination of the several cases in which indemnification may be strongly to your consideration and recomdue. I consequently recommend the creation of a Board of Commissioners for that

By the thirty-fourth article of the Treaty of Washington, the respective claims of the United States and of Great Britain in their construction of the Treaty of the 15th of June, 1847, defining their boundary line between their respective territories, were submitted to the arbitration of His Majesty, the Emperor of Germany, to decide which of the claims was most in accordance with the true interpretation of the Treaty of 1846. His Majesty having been

pleased to undertake the arbitration, has the earnest thanks of this Government and unanimity by the people, a proof of confithe people of the United States for the labor, pains and care which he has devoted to the consideration of this long pending difference. I have caused an expression of my thanks to be transmitted to His Maesty. Mr. Bancroft, the representative of this Government at Berlin, conducted the case and prepared the statement on the part of the United States with the ability that his past services justified the public in expecting at his hands. As a member of the Cabinet at the date of the treaty which has given rise to the discussion between the Governments, as the Minister to Great Britain, when the obstruction now pro-nounced unfounded was first advanced, and as the agent and representative of the Government to present the case and to re- der through that Republic, which may be ceive the award, he has been associated with the question in all its phases, and in every stage has manifested a patriotic zeal and earnestness in the maintenance of the claim of the United States. He is entitled to much credit for the success which has subject of claims, have unfortunately been attended the commission, after a pa-tient investigation of the case and which measures have been taken by the of the statement of each party. His Majesty the Emperor of Germany, on the 21st day of October last, signed his award in writing decreeing that the claim of the Government of the United States that the boundary line between the territories of Her Britannic Majesty and the United States could be drawn through the DeHaro channel is most in accordance with

the true interpretation of the treaty concluded on the 5th of June, 1848, between the agents of Her Britannic Majesty and the United States. Copies of this case, prosented in behalf of the Government, and of the statement in reply to each, and a translation of the award, are transmitted herewith. This award confirms the United States in their claim to the important archias iyingnent and Vancouver island, which for twenty-six years-ever since the ratification of the treaty-Great Britain has held, and leaves us, for the first time in the history of the United States as a nation, without a question of disputed boundary between our territory and the possessions of Great Britain on this continent. It is my gratification to acknowledge the prompt and spontaneous action of Her Majesty' Government in giving effect to the award in anticipation of any request from this Government; and before the reception of of the elements of power or of a prospect of the award, signed by the Emperor, Her Majesty had given instructions for the removal of her troops stationed there, and for the cossation of all exercise or claim of jurisdiction, so as to leave the United States in exclusive possession of the lately disputed territory. I am gratified to be able to announce that the orders for the removal of the troops have been executed, and the be indifferent to its result, although humilitary joint occupation of San Juan manity could not be unmoved by many of has ceased. The islands are now in the its incidents wherever they might occur. exclusive possession of the United States. It is, however, at our door. I cannot doubt It now becomes necessary to complete the but that the continued maintenance of mend the appointment of a commission to forms in the administration of the Governact jointly with one which may be named ment in Cuba could not possibly fail to

prove successful. The Commissioners, appointed pursuant to a joint resolution of Congress, of 7th of May last, to inquire into depredations on the Texan frontier, have diligently made investigations on that subject. Their report upon the subject will be communicated to to you. Their researches were necessarily incomplete, partly on account of the limited appropriation made by Congress. Mexico, on the part of that Government, appointed a similar commission to investigate these outrages. It is not announced officially, but the press of that country states that the fullest investigation is decial appropriation be made at the earliest day practicable, to enable the Commission-\$969,153 40; total, \$106,918,520 30; total net disbursements, \$377,478,216 21; balance in ers on the part of the United States to retreasury, June 30, 1872, \$108,564,356 94. turn to their labors without delay, Total, \$484,042,573 15. From the foregoing statement it appears that the net reduction of the principal of the debt during the fiscal year ending June 30, 1862, was \$99,960 It is with regret that I have again to announce the continuance of the disturbed condition of the island of Cuba, and that 253 54. The source of reduction is as folno advance toward the pacification of the discontented portion of the population has lows: Net ordinary receipts during the been made. While the insurrection has year, \$364,691,229 91; net ordinary expendiof the elements of power or of a prospect of ultimate success than were exhibited a \$270,559,695 91; total, \$94,134,535; add the year ago, Spain, on the other hand, has not amount of receipts from premiums on succeeded in its repression, and the parties stand apparently in the same relative atti-tude which they have occupied for a long amount of reduction of the cash balance at time past. This contest has lasted now for the close of the year, accompanied with the a sale at the commencement of the year, sale at the commencement of the year, \$337,348 60; total, \$99,930,253 54. This state-ment treats solely of the principal of the public debt by the monthly statement of public debt, which adds together the prinmore than four years. Were it seen at a distance from our neighborhood, we might cipal and interest due and unpaid and interest accrued to date and deduct the cash survey and determination of that portion of the boundary line through DeHaro channel, upon which the commission strife. A terrible wrong is the natural re-the natural refollows: Reduction on principal account, which determined the remaining part of sult of a terrible evil. The abolition of follows: Reduction on principal account, the line were unable to agree. I recom- slavery and the introduction of other re- \$99,860,003 54; reduction on unpaid interest account, \$330,957 56; total, \$103,290,956 50; reduction in cash on hand, \$274,646,522; by Her Majesty for that purpose. The ex- advance the restoration of order. It is es- total, \$10,541,491 28; on the basis of the last totals, the statements show a reduction

shall be undertaken. In this connection renew my recommendation of a year ago that to give importance and add to the efficiency of our diplomatic relations with maintainining the good opinion of these commerce destined to flow between these nations and the balance of trade of the

youths in each of these countries, to serve as part of the official family of our Minis. ters. Our Representatives would then be placed upon an equality with the representatives of Great Britain and some other powers. As now, our representatives in Japan and China have to depend for the interpretations and translations upon natives imperfectly, or procure for the occasion the services of employees of foreign business houses, or the interpreters to other foreign

I renew the recommendation made on a previous occasion for the transfer to the Department of the Interior, to which they seem more appropriately to belong, of all the powers and duties in relation to territory with which the Department of State is now charged by law or by custom.

Congress, from the beginning of the Government, has wisely made provision for the relief of distressed seamen in foreign countries. No similar provision, however, It is understood to be customary with other Governments to authorize their Consuls to extend such relief to their citizens or subjects in extreme cases. A similar authority, and an appropriation to carry it into effect. are recommended in the case of citizens of the United States destitute or sick under

our citizens resort to foreign countries in great numbers. Though most of them are able to bear the expenses incident to the location, there are some who, through accident or otherwise, become penniless, and have not friends at home able to succor them. Persons in this situation must either perish, cast themselves upon the charity of foreigners, or be relieved at the private charge of our own officers, who usually, even with the most benevolent disposiposes. Should the authority and appropriation asked for be granted, care will be taken to caary the munificence of Congress into effect, and that it will not be unnecessarily or unworthily bestowod.

The moneys received and carried into the Treasury during the fiscal year ending January 30, 1872, were: From eustoms, \$216,-370,286 77; from sales of public lands \$2,575,714 19; from internal revenue, \$130, \$6,523,396 39; from the Pacific Railroad Companies, \$849,861 87; from customs. fines, etc., \$1,136,442 34; from fees of Consuls, patents, lands, etc., \$2,284,095 92; from miscellaneous sources, \$4,412,354 71 total of ordinary receipts, \$364,694,229 91; from premiums on sales of coin, \$9,412,-637 65; total net receipts, \$374,016,837 56; balance in Treasury June 30th, 1871, \$10,-935,705 79, including \$1,822,835 received from unavailable assets; total available cash \$5\$4,042,573 15. The net expenditures by warrants drawn during the same period were: For civil expenses, \$16,189,079 70; for foreign interests, \$18,409,369 14; Indians, \$7,054,726 88; pensions, \$28,533,402 76; mili-tary establishment, including fortifications,

river and harbor improvements and arsenals, \$31,537,215 72; for naval establishments including vessels and machinery and improvements at the Navy-yards, \$21,249, 809 99; for miscellaneous civil expendi-tures, including public buildings, lighthouses and collecting the revenue, \$42,-958,329 08; interest on public debt, \$118,-

Have been carried on with energy and completed. The results have saved commerce many times the amount expended. The increase of commerce, with the greater depth of channels and greater security in navigation, and the saving of time, adds much to the wealth of the country and increases the resources of the Government. The bridge across the Mississippi river at Rock island has been completed, and a proper site has been determined upon for a bridge at La Crosse.

The able and exhaustive report made by the Commission appointed to investigate the Sutro tunnel has been transmitted to Congress

The observations and reports of the Signal office have been continued. Stations have been maintained at each of the principal lakes and ports and cities. Ten ad-ditional stations have been established in the United States, and arrangements have been made for the exchange of reports with

Canada, and similar exchange of observa-tions is contemplated with the West India islands. The favorable attention of Congress is invited to the following recommendations of the Secretary of War: A discontinuance of the appointment of extra men to serve as Adjutants and Quartermasters; the adoption of a code provid-

ing a specific penalty for well defined offenses, that the inequality of sentences adjudged by Courts-martial may be adjusted; the consolidation of the accounts under which expenditures are made, as a measure of economy; a reappropriation of the money for the construction of a depot at San Antonio, the title to the site now being perfected; a special act placing the cemetery at the City of Mexico on the same basis as other National cometories; authority to purchase sites for military posts in Texas; the appointment of Commissary Sergeants from non-commissioned officers.

as a measure for securing better care and protection of supplies; an appropriation for catalogues and table of the anotomical section arms and medical museum; an appropriation of a sufficient amount for the manufacture of breech-loading arms, should the selection be so formed by the Board of officers as to have the former; the appropriations to be expended at the close of the fiscal year; the sale of such arsenals east of the Mississippi as can be spared, and the proceeds to be applied to the establishment of one large arsenal of construction and repair upon the Atlantic coast, and the purchase of a suitable site for approving and experimental ground for heavy ordnance; the abrogation of laws

which deprive inventors in the United States service from deriving any benefits from their inventions; the repeal of the law prohibiting promotions in the staff corps; a continuance of the work upon the coast defences; the repeal of the seventh section of the act of July 13, 1866, taking from the engineer soldiers the per diem granted other troops; a limitation of time for the preservation of subsistence supplies, under the act of July 4, 1864, and a modification in the mode of the selection of cadets for the Military Academy, in order to enhance the usefulness of the Academy, which is impaired by reason of the large amount of time necessarily expended in giving new cadets a thorough knowl- line, monthly, and the California and New edge of the more elementary branches of learning, which they should acquire before entering the academy; also, an appropria-tion for philosophical apparatus, and an increase in the number and pay of teachers at the Military Academy.

The attention of Congress will be called during its present session to the various enterprises for the more certain and cheaper transportation of the constantly increasng supplies of Western and Southern products to the Atlantic seaboard. The subiect is one that will force itself upon the legislative branch of Government sooner states that the fullest investigation is de-sired, and that the co-operation of all par-ties concerned is invited to secure that and that the co-operation of all par-ties concerned is invited to secure that and that a spe-By this means much trade now turned to fiscal year was \$30,469,340, an amount sippi valley with the Atlantic at Charleston, South Carolina, and at Savannah, Georgia, by way of the Ohio and Tennessee rivers: by canals and slack-water navigation. The Savannah and Ocmulgee rivers have been be better expended in the interests of the surveyed and a report made by an accomplished engineer and officer of the army. A second and a third new route will be trade. An expenditure of a few million dollars annually for the next five years, if proposed for the consideration of Conress, namely: by an extension of the it would restore to us our proportion of the carrying trade of the world, would be profitably expended. The price of labor Kanawha and James-river Canal to the Ohio, and by the extension of the Chesa-peake and Ohio Canal. I am not prepared in Europe has so much enhanced within o recommend Government aid to those or the last few years, that the cost of building other enterprises until it is clearly shown that they are not only of national interest, and operating ocean steamers in the United States is not so much greater than in Europe, and I believe the time has arrived for but that, when completed, they will be of Congress to take this subject into serious value commensurate with their cost. That production increases more rapidly consideration. than the means of transportation in our country, has been demonstrated by past A detailed statement of the disbursements through the Department of Justice will be furnished by the report of the Attorneyexperience; that the unprecedented growth in population and products of the whole General, and though these have been country will require additional facilities somewhat increased by the recent Acts of and cheaper means for the more bulky ar-Congress to enforce the rights of citizens of ticles of commerce to reach tide water, and the United States to vote in the several that a market will be demanded in the near States of the Union, and to enforce the profuture, is equally demonstrated. I would visions of the Fourteenth Amendment to the Constitution of the United States, and therefore suggest either a committee or a other amendments thereto, I cannot ques-tion the necessity and salutary effect of the commission to be organized to consider this whole question and to report to Congress at some future day for its better guidenactments. Reckless and lawless men, I ance in legislating on this important subregret to say, have associated themselves perience of the dimension of our admitted line of boundary after the occupation of territory and its settlement by those owing alle-grance to the respective Governments, ince, has remained unexecuted. In the

The amount paid for pensions in the last of America. The report of the Secretary of ors of tho war of 1812, The increase of the Treasury will show an alarming falling pensions by legislation of Congress has employees. off of our carrying trade for the last ten or twelve years, and even for the past year, I do not believe that the public treasure can do not believe that the public treasure can timated amount of \$750,000 per annum to whole people than in trying to recover this the rolls, without increasing the number of pensioners. We cannot, therefore, look for any substantial decrease in the expenditures of this bureau for some time to come, or as long as Congress continues to change the dates of pensions. The whole number of soldiers enlisted in the war of the rebellion was 2.685,523. The total number of claims for invalid pensins is 176,500 -enlisted men. The total number of claims on hand at the beginning of the year was 91,769. The number received during the year was 26,574; the number disposed of, 35,178—making a net gain of 1,264. The number of claims now on file is 79,085. On the 30th of June, 1872, there were on the rolls the names of 9,545 in-

taining faithful and efficient officers and (Signed) U.S. GRANT. Executive Mansion, Dec. 2, 1872. It is freely asserted by friends and sup-porters of the Administration that the late hird-term letter of Senator Brownlow gives

great offense to the President, as being wholly foreign to his personal feelings and incompatible with his respect for the great party which has elevated him for the second and last time to the highest place in the Government. The President was not disposed to attach any consequence to the letter, both in consequence of the physical infirmities and mental vagaries of the Tennessee Senator, and the too ready abase-ment of native Southern politicians of the dominant school. But the manner in which the matter has been taken up by many journals and public men of both sides elevates the letter to the rank of an annoyance to the subject if not the author of the epistle.

valid military pensioners, 113,518 widows, orphans and dependent relatives, making an aggregate of 208,923 army pensioners. At the same time there were on the rolls An English lady of family and fortune, the names of 1,449 navy pensioners and 1,730 widows, orphans and dependent rela-tives, making the whole number of naval about thirty years of age, has bestowed her 1,730 widows, orphans and dependent rela-tives, making the whole number of naval pensioners 3,179. There have been receiv-ed, since the passage of the act to provide pensions for survivors of the war of 1812, 36 551 anni attribution and the survivors of the sector o