WASHINGTON, Dec. 6.—Both houses of congress were presented with the president's message on assembling to-day. As will be seen it is devoted, in addition to the usual review of executive work, to a consideration of the effect of the changed political conditions on the commercial and financial business of the country. The measage as read is as

To the Senate and House of Representatives:
In submitting my annual message to congress,
I have great satisfaction in being able to say
that the general condition affecting the commercial and industrial interests of the United
States are in the highest degree favorable. In
comparison of the existing conditions with these of the most favorable period in the his-tory of the country will, I believe, show that so high a degree of prosperity and so general a diffusion of the comforts of life were never be

fore enjoyed by our people.

The total wealth of the country in 1860 was \$16,150,616,666; in 1890 it amounts to \$62,610,000,-

000, an increase of 285 per cent.

The total mileage of railways in the United States in 1860 was 20,626: in 1890 it was 167,741. an increase of 488 per cent and it is estimated there will be about 4,0.0 miles of track added by the close of the year of 1892. The official returns of the eleventh census and those of the tenth census for seventy-five leading cities fur-nished the basis for the following comparisons: In 1880 the capital invested in manufacturing was \$1,22,82,670. In 189) the capital invested in manufacturing was \$2,990,735,844. In 1890 the number of employes was \$1,20,388. In 1890 the number of employes was \$2,971,134. In 1880 the number of employes was \$2,971,134. In 1890 the wages carned were \$401,065,778. In 1890 the wages carned were \$1,221,170,454. In 1890 the wages carned were \$1,221,170,454. In 1890 the value of the product was \$2,711,579,999. In 1890 the value of the product was \$4,800,285,837.

There never has been a time in our history

when work was so abundant, or when wage were so high, whether measured by the cur-rency in which they are paid, or by their power to supply the necessaries and comforts of life. It is true that the market prices of cotton and wheat have been low. It is one of the unfavorable incidents of agriculture that the farmer cannot produce upon orders. He must sow and reup in ignorance of the aggregate production of the year, and is peculiarly subject to the depreciation which follows over production But while the facts I have stated are true as to the crops I have mentioned, the general average of prices has been such as to give to agriculture a fair participation in the general pros-perity. The value of our total farm products has increased from \$1,361.616.865 in 1861 to \$4,-500,000,000 in 1891, as estimated by statisticians an increase of 230 per cent. The number of hogs January J. 1891, was 53,625,103 and their value \$210,19 ,025. On January I, 1892, the num-ber was 54,398 019 and the value \$211,9 1,415. On Januars 1, 1891, the number of cattle was 36, 87,5:8 and the value 8541,127,908. On Januar; 1, 1892 the number was 37,651,239 and the valu

any are discontented with their state here; if any believe that the wages or prices, the returns for honest toll, are inade quate, they should not fail to remember that there is no other country in the world where the conditions that seem to them hard,

would not be accepted as highly prosperous.

I believe that the protective system, which
now for something like thirty years has prevalled in our legislation has been a mighty instrument for the development of our national wealth and a most powerful agency in protect ing the homes of our workingmen from the in vasion of want. I have felt a most solicitous interest to preserve to our working people rates of wages that would not only give daily bread, but supply a comfortable margin for attractions and family c forts and enjoyments without which life is neither hopeful nor sweet. They are American citizens-a part of the great people fo whom our constitution and government were framed and instituted - and it cannot be a per version of that constitution to so legislate a to preserve in their homes the comfort, independence, loyalty and sense of interest in the government which are essential to good citi zenship and which will bring them, as in 1861 to the defense of the flag when it is assault

It is not my purpose to renew here the argu-ment in favor of a protective tariff. The resulof the recent election must be accepted as hav-ing introduced a new policy. We must assume that the present tariff, constructed upon the lines of protection, is to be repealed and that there is to be substituted for it a tariff law constructed solely with reference to revenue.
that no duty is to be higher because the in crease will keep open an American mill or keep up the wages of an American workman, but that in every case such a rate of duty is to be imposed as will bring the treasury of the United States the largest returns of revenue. The contention has not been between schedules, but between principles and it would be offensive to suggest that the prevailing party will not carry into legislation the principles ad vocated by it and the piedges given to the peo-ple. The tariff bills passed by the house of representatives of the last session were. I supposed, even in the opinion of their promoters, inadequate and justified only by the fact that the senate and house of representatives were not in accord and that a general revision could not, therefore, be undertaken.

I recommend that the whole subject of tariff revision be left to the incoming congress. It is matter of regret that this work must be d layed for at least three months, for the threat of great tariff changes introduces so much uncertainty that an amount not easily estimated, o business inaction and of diminished production will necessarily result. It is possible also that this uncertainty may result in decreased reve nues from customs duties, for our merchants wi make cautious orders for foreign goods in view of the prospect of tariff reductions and the un certainty as to when it will take effect

Those who have advocated a protective tarifican well afford to have their disastrous fore casts of a change of policy disappointed. If a system of customs duties can be framed that will set the idle wheels and looms of Europe in motion and crowd our warehouses with foreign made goods and at the same time keep our mills busy; that will give us an increased participation in "the markets of the world" of a greater whether that the home markets had the appropriate that the the home markets had the appropriate that the the home markets had the appropriate that the home markets had the appropriate that the home market had the home market had the home market had the home had had the home had th value than the home market that we surrer that will give increased work to foreign work men upon products to be consumed by our pe ple without diminishing the amount of work to be done here: that will enable the America manufacturer to pay to his workmen from 3 100 per cent more in wages than is paid in the foreign mill and yet to compete in our mar kets and in foreign markets with the foreign producer; that will further reduce the cost of articles of wear and food without reducing the wages of those who produce them; that can be celebrated, after its effects have been realized, as its expectation has been in Europe, as well as in American cicies, the authors and promoters of it will be entitled to th highest praise. We have had in our history several experiences of the contrasted effects of a revenue and of a protective tariff: but this generation has not felt them and the experi-ence of one generation is not highly instructive to the next. The friends of the protective sysciples they have advocated, will await the

sults of the new experiment. The strained and too often disturbed relations existing between the employes and employers in our great manufacturing establishments been favorable to a consideration by the wage earher of the effect upon wages of the

rotective system.

The fact that his wages were the highest The fact that his wages were the highest paid in the like cralings of the world and that a maintenance of this rate of wages in the about the period from March 1, 1885, to March 1, 1889; sence of protestive duties upon the product of and third, that under the existing tariff up to

his labor, was impossible, were obscured by the passion evoked by these contests. He may now be able to review the question in the light of his personal experience under the operation of a tariff for revenue only. If that experience shall demonstrate that present rates of wages are thereby maintained or increased, either ab-solutely or in their purchasing power and that the aggregate volume of work to be done in this country is increased or even maintained: that there are more or as many days' work in a year at as good or better wages for the American workman as has been the case under the protective system every one will rejoice. A gen-eral process of wage reduction cannot be contempiated by any patriotic citizen without the gravest apprehension. It may be, indeed, I believe is, possible for the American manufacturer to compete successfully with his foreign rival in many branches of production without the defense of protective duties, if the pay rolls are equalized but the conflict that stands between the producer and that result and the distress of the people, when it is at-tained, are not pleasant to contemplate. The society of the unemployed, now holding its fre-quent and threatening parades in the streets of foreign cities, should not be allowed to acquire

Relations With Foreign Powers Our relations with other nations are now disturbed by any serious controversy complicated and threatening differences Bermany and England relating to Samoan affairs, with England in relation to the seal growing out of the Baltimore affair have been

There have been negotiated and concluded under section 3 of the tariff law commercial agreements relating to reciprocal trade with the following countries: Brazil, Dominican republic, Spain for Cuba and Puerto Rico, Guatemala, Salvador, the German empire, Great Britain for certain West Indian colonies and British Guiana, Nicaragua, Honduras and

Austria-Hungary. Of these, those with Gustemals, Salvador, the German empire, Great Britain. Nicaragua Honduras and Austria-Hungary have been con cluded since my last annual message. Under these trade arrangements, a free favored ad-mission has been secured in every case for an important list of American products. Especial care has been taken to secure markets for farm products in order to relieve that great under-lying industry of the depression which the lack of an adequate foreign market for our surplus often brings. An opening has also been made for manufactured products that will undoubtedly, if this policy is maintained, greatly aug-ment our export trade. The full benefits of these arrangements cannot be realized instant

The following statistics show the increase in our trade with the countries with which we have reciprocal trade agreements from the date when such agreements went into effect up to September 30, 1892, the increase being in som almost wholly and in others in an important de-

gree the result of these agreements:
The domestic experts to Germany, Austria and Hungary have increased in value from \$47,-673,756 to \$57,993 cot, an increase of \$10,319,-308. With American countries our exports have increased from \$41,163,285 to 51,513,598, an increase of \$10,438,343, or 23,67 per cent. The total increase in the value of exports to all the countries with which we have reciprocity agreements has been #01,672,621. This increase is chiefly in wheat, flour, meat and dairy products, and manufatures of iron and steel and lumber. There has been a large increase in the value of imports from all these countries since the commercial agreements went into effect amounting to (7),291,525, but it has been entirely in imports from the American countries, consisting mostly of sugar, coffee, India rubber and crude drugs. The alarmed attention of our European competitors for the South American market has been attracted to this new American policy and to our acquisition and their loss of South American trade

THE AFFAIR WITH CHILL Congress at the last session was advised of the progress of the threatening differences with the republic of Chili. It gives me now great gratification to report that the Chilian govern-ment, in a most friendly and honorable spirit, has tendered and paid as an indumnity to the families of the sailors of the Baitimore who were killed and to those who were injured in the outbreak in the city of Valparaiso the sum of \$75,000. This has been accepted, not only as an indemnity for a wrong done, but as a most gratifying evidence that the government of Chili rightly appreciates the disposition of this government to act in a spirit of absolute fairand friendliness in our intercourse wit that brave people. A further and conclusive evidence of the mutual respect and confidence now existing is furnished by the fact that a convention submitting to arbitration the m tual claims of the citizens of the respective governments has been agreed upon. these claims have been pending for many years and have been the occasion of much unsatis factory diplomatic correspondence.

OTHER FORRIGN MATTERS. Our relations with Hawaii have been such as to attract an increased interest and must con-tinue to do so. I deem it of great importance that the projected submarine cable, a survey for which has been made, should be promoted both for naval and commercial uses. We should have quick communication. We should before have availed ourselves of the concession, made many years ago to this government for a harbor and naval station at Pearl river. Many evidences of the friendliness of the Hawaian government have been given in the past and it is gratifying to believe that the advantage and necessity of

The friendly act of this government in expressing to the government of Italy its repro-bation and abhorrence of the lynching of Italian subjects in New Orleans by the payment of 125,000 francs, or 121,331.90, was accepted by the king of Italy with every manifestation of grate-ful appreciation, and the incident has been highly promotive of mutual respect and good

In consequence of the action of the French government in proclaiming a protectorate over certain tribal districts of the west coast of Africa, eastward of the San Pedro river. I have felt constrained to make protest against this encroachment upon the territory of a republic which was founded by citizens of the United States and toward which this country has for many years held the intimate rela

The recent disturbances of the public peace by lawless foreign marauders on the Mexican frontier have afforded the government an opportunity to testify its good will toward Mexico and its earnest purpose to fulfill its obligations of international friendship by pursuing and dis-persing the evil doers. The work of relocating the boundary of the treaty of Guadalupe Hidalgo westward from El Paso is progressing

THE MONETARY CONFERENCE. Congress has already been advised that the nvitations of the government for the assembinvitations of the government for the ting of an internation of an enlarged issue of consider the question of an enlarged issue of the consider the question of an enlarged issue of the continue to which sliver was accepted by the nations to which they were issued. The conference assembled at Brussels on the 22nd of November, and has entered upon the consideration of this great question. I have not doubted, and have taken occasion to express that belief, as well in the invitations issued for this conference, as in my public messages, that the free coinage of sliver upon an agreed international ratio would great ly promote the interests of our people and equally those of other nations. It is too early predict what results may be accomplished by the conference. If any temporary check or de lay intervenes, I believe that sercial conditions will compel the now reluctant governments to unite with us in this move e culargement of the volume of money needed for the transaction of the business of the world.

Executive Departments.

THE TREASURY. The report of the secretary of the treasury will attract special interest in view of the many nisleading statements as have been made as to the state of public revenues. Three preliminary facts should not only be stated but emphasized before looking into details: First, that the public debt has been reduced since March, 1889. 255.074,230, and the annual interest charges \$11,681,160, second, that there have been paid out for pensions during this administration on up to November 1, 1892, \$432,564,178.70, an excess

December I about \$93,000,000 of revenue, which would have been collected upon imported sugars if the duty had been maintained, has gone into the pockets of the people and not into the pub-lic treasury, as before. If there are any who still think that the surplus should have been kept out of circulation by hoarding it in the treasury, or depositing it in banks without interests while the government continued to pay the very banks interest, upon the bonds deposited as security for the posits, or who think that the extended persion legislation was a public robbery, or that the duty on sugar should have been maintained. I am content to leave the argument where is now rests, while we wait to see whether these criticisms will take the form of legislation.

The revenues of the fiscal year ending June 33, 1892, from all sources, were \$423,864,263,22, and the expenditures for all purposes were \$415,953,833,53, leaving a balance of 59,914 453,98. There was paid during the year upon the pub lic debt \$10,570,467 98. The surplus in the treasury and the bank redemption fund, passed by the act of July 14, 189, to the general fund, furnished in large part, the cash available and used for the payments made upon the public debt. Compared with the year 1891, our re-ceipts from customs duties fell off \$12,069,211.98, while our receipts from internal revenue in-creased *8,281,8:3.13 leaving the net loss of revenue from these principal sources \$21,74,-417.93. The net loss of revenue from all sources was #32,575,974.81.

The revenues, estimated and actual, for the year ending June 30, 1833, are placed by the secretary at \$461, 330, 350, 44, and the expendi-tures at \$411,331,350,44, showing a surplus of receipts over expenditures of \$2,000,00. The eash balance in the treasury at the end of the fiscal year, it is estimated, will be \$21,904, 87.03. so far as these figures are based on estimates of receipts and expenditures for the remaining onths of the current fiscal year there are not only the usual elements of uncertainty but some added elements New revenue legislation, or even the expectation of it, may seriously reduce the public revenues during the period of uncertainty and during the press of business adjustment to the new conditions when they become known. But the secretary has very wisely refrained from guessing as to the effect of possible changes in sur revenue laws, since he scope of those changes and the time of their taking effect cannot in any degree be forecast or foretold by him. His ostimates must be based upon existing laws and upon a continuexisting business conditions, except so far as these conditions may be affected by causes other than new legislation.

The estimated receipts for the fiscal year June 30, 1893, are \$49),121,335-33, and the estimated appropriations \$457,261,835.33, leaving an estimated surplus of receipts over the expenditures of :22,362,030.05 This does not in clude any parment to the sinking fund. In the recommendation of the secretary that the sinking fund law be repealed I concur. The re-demption of bonds since the passage of the law to June 3), 1892, has already exceeded the requirements by the sum of \$993,510,681.49. The retirement of bonds in the future before maturity should be a matter of convenience, not of compulsion. We should not collect revenue for that purpose, but only use any casual surplus. To the balance of \$8',869,032.06 of receipts over expenditures for the year 1894 should be added the estimated surplus at the begin-ning of the year, \$30,922,377.03 and from this aggregate there must be deducted, as stated by the secretary, about \$41,020,000 of estimated unexpended appropriations.

The public confidence in the purpose and ability of the government to maintain the parity of all our money issues, whether coin or paper, must remain unshaken. The demand for gold in Europe and the consequent calls upon us are in a considerable degree the result of the efforts of some of the European governments to increase their gold reserves, and these efforts should be met by appropriations upon our part. The conditions that have created this drain of the treasury gold are in an important degree political and not commercial. In view of the fact that a general revision of our revenue laws in the near future seems to be probable it would be better that any changes should be a part of that revision rather than of

During the last fiscal year the secretary put hased under the act of July 14, 1890, 54,335,748 ounces of silver and issued in payment thereof cal, 104,008 in notes. The total purchases since the passage of the act have been 123,479,081 ounces and the aggregate of notes issued \$110,781,593. The average price paid for silver during the year was #4 cents per ounce, the highest price being \$1.021/ July I, 1891, and the lowest \$0.83 March 21, 1892. In view of the fact that the monetary confer ence is now sitting and that no conclusion has as yet been reached I withhold any recommenlation upon this subject.

THE WAR OFFICE.

The report of the secretary of war brings again to the attention of congress some impor-tant suggestions as to the reorganization of the infantry and artillery arms of the service, which his predecessors have before urged that they be pressed. Our army is small but its organization should all the more be put upon the most approved modern basis. The conditions upon what we have called the "frontier" have peretofore required the maintenance of many small posts, bur now the policy of concentra-tion is obviously the right one. The new posts should have the proper stragetic relations to the only "frontiers" we now have, those of the seacoast and of the northern part of our southern boundary. I do not think that any question termine the location of the new posts. The organization and enlargement of the bureau of military information which the secretary has effected is a work the usefulness of which will come every year more apparent. The work of outling heavy gons and the construction of coast defenses his been well begun and should be carried on without check.

The report of the attorney-general is by law submitted directly to congress. but I cannot refrain from saying that he has conducted the increasing work of the department of justice with great professional skill. He has in several directions secured from the courts decisions making in creased protection to the officers of the United States and bringing some classes of crime that escaped to punishment in the tribunals of the United States, where they could be tried with impartiality.

The numerous applications for executive clemency presented in behalf of persons con-victed in the United States courts and given penitentiary sentences have called my atten-tion to a fact referred to by the attorney general in his report, namely that a time allowance for good behavior for such prisoners is prescribed by the federal statutes only where the state in which the pen-itentiary is located had made no such provision Prisoners are given the benefit of the provisions of the state law regulating the peniten tiary to which they may be sent. These are various, some perhaps too liberal and some per-haps too illiberal. The result is a sentence for five years means one thing if the prisoner is sent to one state for confinement, and quite a different thing if he is sent to another. ommend a uniform credit for good behavior be prescribed by congress

I have before expressed my concurrence in the recommendation of the attorney-general that degrees of murder shall be recognized in the federal statutes, as they are, I believe in all the states. These grades are founded or correct distinctions in crime. The recog-nition of them would enable the courts to exercise some discretion in apportic ing punishment and would greatly the executive of what is coming to be a very heavy burden - the examination of these cases

on application for commutation. The aggregate of claims pending in the court of claims is enormous. Claims to the amount of nearly \$40,000,000 for injury to persons claiming to be loyal during the war are now before that court for examination. When to these are added the Indian depredation claims and the French spoliation claims an ag-gregate is reached that is indeed startling. In defense of these claims the government is at a great disadvantage. The claimants have preserved their evidence whereas the govern-ment has to send agents to rummage the field for what they can find. This difficulty is peculiar-ity great where the fact to be established is the disloyalty of the claimant during the war. If this great threat against our revenue is to have no other check it is certain congress should sup ply the department of justice with appropria-

legal talent in the defense of these claims and o pursue its vage a search for evidence. THE POST OFFICE.

The report of the postmaster-general shows a most gratifying increase and a most efficient and progressive management of the great busi-ness of that department. The remarkable in-crease in revenues in the number of post offices and in the miles of mail interchange furnishes further evidence of the high state of prosperity which our people are enjoying. New offices mean new hamiles, towar, router mean the mean new hamlets, towns, routes mean the extension of our border settlements, and in-creased revenues mean active commerce. The postmaster-general reviews the whole period of his administration of the office and brings some of his statistics down to the month of The postal revenues have increased during the last year nearly \$1000.001. The deficit for the year ending June 30, 1892, is \$818,311 less than the deficiency of the preceding year. The deficiency of the present fiscal year it is estimated will be reduced to al, 752, 423, which will not only be extinguished during next fiscal year, but a surplus of nearly \$1,000. 00 should there be shown.

In these calculations the payments to be made under the contracts for ocean mail service have not been included. There have been added 1,500 new mail routes during the year with a mileage of 8,861 miles, and the total number of new miles of mail trips added during the year is nearly 17,000,000. The number of miles of mail journeys added during the last four years is about 76,000,000, this addition being 21,000,000 of miles more than there were in operation in the whole country in 1861.

The number of post offices has been increased.

by 2,790 during the year, and during the past four years and up to October 29 last, the total increase of the number of offices has been nearly 1,00). The number of free delivery offices has been nearly doubled in the past four years and the number of money order offices mere than doubled with that time. For three year ended June 30, 1892, the postage revenue amounted to \$198,741,359, which was an increase of \$52 263,150 over the revenue for three years ended June 30, 18 8, the increase during the last three years being more than thre- and a half times as great as the increase during the three years ended June 3), 1888 No such increase as that shown for these three years has ever previously appeared in the revenues of the department. The postmaster general has ex-tended to the post offices in the larger cities the merit of promotion, introduced by my di-rection, into the departments here, and it has resulted there, as in the departments, in a large volume of work, and that better done. Ever since our merchant marine was driven

from the sea by the rebel cruisers during the war of the rebellion, the United States has been paying an enormous annual tribute to foreign untries in the shape of freight and passenger moneys, our grain and meats have been taken at our own docks and our large imports there laid down by foreign shipmasters. An increase ing torrent of American travel to Europe has contributed a vast sum annually to the dividends of foreign ship owners. The balance of trade shown by the hooks of our custom houses has been largely reduced and in many years altogether extinguished by this constant strain in the year 1892 only 123 per cent. of our imports were brought in American vessels. The foreign steamships maintained be our traffic are many of them un der contract with their respective governments by which in time of war they will become a part of their armed naval establishments Profiting by our commerce in peace, they will become the most formidable destroyers of our commerce in time of war. I felt and have be-fore expressed the feeling that this condition of things was both intolerable and disgraceful. A wholesome change of policy and having so much promise as it seems to me, was begun by the aw of March 3, 1891. Under this law conhave been made by the postmaster-general for cleven mail routes The expenditure involved by these contracts for the next fiscal year ap-proximated \$954,123.33. As one of the good resuits reached, sixteen American ships of an ag-gregate tonnage of 57,400 tons, costing 47,000,000, have been built or contracted to be built in American ship yards. The estimated tonnage of all steamships

quired under existing contracts is 165.802, and when the full service required by these con-tracts is established there will be forty-one mail steamers under the American flag, with the probability of further necessary additions Brazilian and Argentine service. The contracts recently let for Transatlantic service will result in the construction of five ships of 10,000 tons each, costing :0,000,000 or \$10,000,000, and will add, with the City of New York and the City of Paris, to which the treasury department was authorized by legislation at the las session to give American registry, seven of the swiftest vessels upon the sea to our naval reserve. The contracts made with the lines sali-ing to Central and South American ports have increased the frequency and shortened the time of the trips, added new ports of call and sus tained some lines that otherwise would almost certainly have been withdrawn. The service to Buenos Avres is the first to the Argentine republic under the American flag. The service to southampton, Boulogne and Antwerp is als new, and is to be begun with the steamships City of New York and City of Paris in February next I earnestly urge a continuance of the policy in augurated by this legislation and that the ap opriations required to meet the obligation the government under the contracts may be promptly made so that the lines that have entered into these engagements may not be embarrassed. We have had by reason of connections with the trans-conti-nental railway lines constructed through our own territory s e advantages that we did n ess on the Atlantic. The construction of the Canadian Pacific railway and the estab lishment under large subventions from Canada and England of fast steamship service from Vancouver with Japan and China seri threaten our shipping interests in the Pacific This line of English steamers received, as stated by the commissioner of navigation, a direct subsidy of \$40.00 annually, or \$23,760 per trip for thirteen voyages. In addition to some further aid from the admiralty in connec tion with contracts by which the vessels may be used for naval purposes. The competing American Pacific Mail line, under the act of March 3, 1891, receives only \$6,359 per rec

Efforts have been making within the last year, as I am informed, to establish under similar conditions, a line between Vancouve and some Australian port, with a view of secur-ing there a trade in which we have had a large interest. The commissioner of navigation states that a very large per cent of our imports from Asia are now brought to us by English steamships and their connecting railways in Canada. With a view of promoting this trade, especially in tea, Canada has imposed a dis-criminating duty of 10 per cent, on tea and cof fee brought into the dominion from the United States. If this unequal contest between Amer ican lines without subsidy, or with diminished subsidies and the English Canadian line to we should at least see that the facilities fo customs entry and transportation across out territory are not such as to make the Canadian route a favored one, and that the discrimina-tion as to duties, to which I have referred is met by a like discrimination as to the mportation of these articles from Canada No subject, I think, more nearly touches the power and prosperity of our country than this of the development of our merchant marine upon the sea. If we could enter into conference with other competitions and all would agree to withhold government aid, we could perhaps take our chances with the rest, but our great competitors have established and maintained their lines by government subsidies until now they have praclly excluded us from participation. In my pinion, no choice is left us but to put the assue, poderately at least, on the same lines.

THE NAVY. The report of the secretary of the navy ex-hibits great progress in the construction of our new navy. When the present secretary entered upon his duties only three modern steel vessels were in commission. The vessels since put in commission and to be put in commission during the winter will make a total of nineteen during his administration of the department. During the current year ten war vessels and three navy tugs have been launched. Two other large ships and a torpedo boat are under contract and the work upon them well advanced and the four monitors are awaiting only the arrival of their armor, which has been tedly delayed, or they would have been

before this in commission.
Contracts have been let during this adminis-

crease of the navy, including new vessels and their appurtenances, to the amount of \$35,000,same period for labor at navy yards upon simi-lar work \$3,000,000, without the smallest scandal or charge of fraud or partiality. The enof the staff and line, have been greatly kindled. They have responded magnificently to the condence of congress and have demonstrated to the world an unexcelled capacity to construct in ordnance and in everything involved in the building equipping and sailing of great war ships. At the beginning of Secretary Tracy's administration several difficult problems re-mained to be grappled with and solved before the efficiency in action of our steam ships could be secured. It is believed that as the result of new processes in the construction of armor plate our later ships will be clothed with defensive plates of higher resistance than are found on any war vessel affoat. We were without torpedoes. Tests have made to ascertain the relative efficiency of different constructions, a torpede has been adopted and the work of construction is now being carried on successfully. We are without armocarried on successfully. We are without armor piercing shells. We are now making what is believed to be a projectile superior to any before in use. A smokeless pow-der has been adopted and a slow burning powder for guns of large caliber. High explo-sives, capable of use in shells fired from heavy guns have been found and the manufacture of gun cotton has been developed and the question

of supply is no longer in doubt. The development of a naval militla which has been organized in eight states and brought into cordial and co-operative relations with the navy, is another important achievement There are now enlisted in these organiza-tions 1,830 men and they are likely to be greatly extended. I recommend such legislation and appropriations as will encourage and develop this movement. The recommenda-tions of the secretary, will I do not doubt, receive the friendly consideration of congress for he has enjoyed, as he has deserved, the con fidence of all those interested in the development of our navy, without any division upon partisan lines. I earnestly express the that a work which has made such noble pro gress may not be staved. The wholesome in-fluence for the peace and increased sense of security which our citizens domiciled in other lands feel when these magnificent ships under the American flag appear, is already most gratefully apparent. The steamships from our navy which will appear in the harbor of New York, will be a convincing dem tion to the world that the United States is a great naval power.

THE INTERIOR

The work of the interior department always very burdensome, has been larger than ever be fore, during the administration of Secretary Noble. The disability pension law, taking the eleventh census, the opening of vast areas of Indian lands to settlement the organization of Oklahoma and the negotiations for the cession of Indian lands furnish some of the particulars of the increased work and the results achieved testify to the ability, fidelity and industry of end of the department and his efficient assistants.

Several important agreements for the cession of Indian lands negotiated by the Indian mission appointed under the act of March 2, 1839, are walting the act of congress. Perhaps the most important of these is that for the cession of the Cherokee strip. This has been a source of great vexation to the executive representative and great friction laures between the settlers in their desire to occupy it and the Indians who assert title. The agreement which has been made by the commission is perhaps the most satisfactory that could have been reached. It will be noticed that it is conditioned upon its ratification by congress before March 4, 1893. The secretary of the interior, who has given the subject care ful thought, recommends the ratification of the agreement and was inclined to follow this recnmendation. Certain it is that some action by which this controversy shall be brought to n end and the lands opened to settlement is urgent

THE LAND OFFICE. The report of the secretary shows a very gratifying state of affairs as to the condition of the general land office. The work of issuing agricultural patents which seemed to be nopelessly in arrears when the present secretary undertook the duties of his office has been so expedited that the b reau is now upon current usiness. The relief thus afforded to honest and worthy settlers upon the public lands, by giving to them an assured title to their entries, has been of incalculable benefit in developing

he new states and the territories. The court of private land claims, established by congress for the promotion of this policy of peedily settling contested land titles ing satisfactory progress in its work and when the work is completed, a great impetus will be given to the development of those regions where unsettled claims under Mexican grants have so long existed their re pressive influence. When to these results are added the former cession of Indian lands which have been opened to settlement aggregatin during this administration nearly 23,000,000 acres, that agreements negotiated and now pending in congress for ratification by which about ten million additional acres will b

has been accomplished. THE INDIAN BUREAU. The work in the Indian bureau in the execu tion of the policy of recent legislation has been argely directed to two chief purposes tment of lands in severalty to the In dians and the cession of surplus lands, and, secondly, to the work of educating the Indians for their own protection in close contact with the white men and for the intelligent exercise of his new citizenship. Allotments have been made and patents issued to 5,000 Indians under the present secretary and have commissions, and 500 additional allotments have been made for which patents are now in process of preparation. The school attendance of Indian children have been increased over 13 per cent. enrollment for 1892 being nearly 20,000 form system of school test books and of study has been adopted and the work in these napasts of free common schools of the states These schools can be transferred and merge into the common school systems when the Indian has fully assumed his new relation to the organized civil community in which he resides, and the new states are able o assume the burden

PENSIONS. The report of the commissioner of pensions, o which extent notice is given by the of the interior in his report, will attract great attention. Judged by the aggregate amount of work done the last year has been the greatest in the history of the office. I believe that the organization of the office is efficient and that the work has been done with fidelity. The passage of what is known as the disability bill. has, as was foreseen, very largely increased the annual dispursements to the disabled veterans of the civil war. The estimate for this fiscal year was \$144,956,000, and that amount was ap-propriated. A deficiency amounting to \$10,008,-621 must be provided for at this session. The estimate for pensions for the fiscal year ending June 30, 1594 is \$165,000,000. The commissioner of pensions believes that if the present legislation and mothods are maintained and further additions to the pension laws are not made the maximum expediture for pensions will be reached June 30, 1834, and will be at the

highest point \$180,000,000 per annum.
I adhere to the views expressed in previous ssages that the care of the disabled soldiers of the rebellion is a matter of national concern and duty. Perhaps no emotion cools soone and duty. Ferhaps no embrion cools scorer than that of gratitude, but I cannot believe that this process has yet reached a point with our people that would sustain the policy of remit-ting the care of those disabled veterans to the inadequate agencies provided by local laws. The parade on the 20th of September hast upon the streets of this capital of 60,000 of the sur viving union veterns of the war of the rebellion was a most touching and thrilling episode and the rich and gracious welcome extended to them by the district of Columbia and the applause that greeted their progress from tens of thousands of people from all the states did much to the recollection of the grand re-view when these men and many thousand others now in their graves, were welcomed with grateful joy as victors in a struggle in which the national unity, honor and wealth which the national unity, honor and wealth

PAGIFIC BAILWAYS In my last annual message I called attention to the fact that some legislative action was

necessary in order to protect the interests the government in its relations with the Union Pacific railway. The commissioner of railroads has submitted very fully reports giving exact information as to the debt, the liens upon the

information as to the debt, the liens upon the company's property and its resources.

We must deal with the question as we find it and take that course which will, under existing conditions, best secure the interests of the United States. I recommended in my last annual message that a commission be appointed to deal with this question and I recommended. to deal with this question and I renew that recommendation and suggest that the commis-sion be given full power.

The report of the secretary of agriculture contains not only a most interesting state-

ment of the progressive and valuable work done under the administration of Secretary Rusk, but many suggestions for the enlarged usefulness of this important department. In the successful effort to break down the restrictions to the free introduction of our meat products in the countries of Europe, the secretary has been untiring from the first stimulating and aiding all the government officers, at home and abroad, whose official duties enabled them to participate in the work. The total trade in hog products with Europe in May, 1892, amounted to 82,000,000 pounds, against 46,000,000 in the same month of 1891; in June 1892, the exports aggregated (60) pounds, against 46,000,000 in the same month of the pounds in the same mouth of the previous year, in July there was an increase of 41 per cent and in August 55 per cent over the corre-sponding months of 1891. Over 42,00,000 pounds of inspected pork have been exported since the law was put into operation and a comparison of the four months of May. June, July and August, 1822 with the same months of July and August, 1892 with the same months of 1891, shows an increase in the number of pounds of our export of pork products of 62 per cent. The exports of dressed beef increased from 137,933,09) pounds in 1899 to 223,500,000 pounds in 1892 or about 60 per cent. During the past year there have been exported 334,607 head of cattle, against 205,783 exported in 1889. This increased exportation has been largely promoted by the inspection authorized by law and the faithful efforts of the secretary and his official subordinates to make that inspection thorough and to carefully exclude from all cargoes diseased or suspected cattle. The requirement of the English regulations that live cattle arriving from the United States must be slaughtered at the docks had its origin in the claim that pleurs-pneumonia existed among American cattle and the existence of the disease could only certainly be determined by

post mortem inspection.

The department of agriculture has labored with great energy and faithfulness to extirpate this disease, and on the 25th day of September last a public announcement was made by the secretary that it no longer existed within the United States. He is entirely satisfied after the most searching inquiry that this statement was justified and that by a continuance of the inspection and quarantine now required of cattle brought into this country the disease can be prevented from again getting any foothold. value to the cattle industry of the United States of this achievement can hardly be estimated. We can not perhaps at once insist that the eevidenc shall be accepted as satisfactory by other countries: but if the present exemption from the disease is maintained and the inspection of our cattle arriving at foreign ports, in which our own veterinarians participate, confirms it, we may justly expect that the requirement that our cattle shall be slaughtered at the docks will be revoked as the sanitary restrictions on our pork products have been. If our cattle can be taken alive to the in terior the trade will be enormously increased-Agricultural products constitute 71.1 per cent. of our unprecedented exports for the fiscal year, which closed June 33, 1892. The total exports being \$1,000.287,030 and the value of the agricultural products \$703,717,676 which exceeds by more than \$150,000,000 the shipments of any previous year.

An interesting and promising work for the

benefit of the American farmer has been through agents of the agricultural department in Europe, and consists in efforts to introduc the various products of Indian corn as articles, of human food. The high price of rye offer favorable opportunity for the experiment Germany of combining comment with rye to produce a cheap broad. A fair degree of success has been attained and some mills for grinding corn for food have been introduced. The secre tary is of the opinion that this new use for the products of corn has already stimulated exper-tations and that if diligently prosecuted large and important markets can presentl for the great American product

The suggestions of the secretary for an en-largement of the work of the department are recommended to your favorable consideration

The subject of quarantine regulations, inspec-tion and control was brought suddenly to my attention by the arrival at our ports in August last of vessels infected cholera quarantine reg-ulations should be uniform at all our ports. Under the constitution they are plainly within the exclusive federal jurisdiction when and so

far as congress shall legislate.

In my opinion the whole subject should be taken into national control and adequate power taken into national control and adequate power given to the executive to protect people against plague invasions. On the first of September last, I approved regulations establishing a twenty day quarantine for all vessels bringing immigrants from foreign ports. This order will be continued in force. Some loss and suffering have resulted to passengers, but a ducare for the homes of our people justifies in such cases the utmost precaution. There is danger that with the coming of spring cholera will again appear and a liberal appropriation should be made at this session to enable our quarantine and port officials to exclude the deadly plague, deadly plague, We are peculiarly subject in our great nation

of the spread of infectious diseases by rea-sons of the fact that the unrestricted immigration brings to us out of European cities in the overcrowded steerages of great steamshins a large number of persons whose surroundings make them the easy victims of the plague This consideration, as well as those affecting the po-litical, moral and industrial interests of our country lead me to renew the suggestion that admission to our country and to the high privileges of its citizenship shall be more restricted and more careful. We have, I think, a right and owe a duty to our own people and especially to our working people, not only to keep out the vicious, the ignorant, the civil disturber, the pauper and the contract laborer, but to check the too great flow of immigration now coming by further limitations.

REECTIONS. I have in each three annual messages, which

it has been my duty to submit to congress, called attention to the evils and dangers conto congress, nected with our election methods and practices as they are related to the choice of officers of the national government. In my last annual message I endeavored to invoke serious atten-tions to the evils of unfair apportionments for congress. I cannot close this message withous again calling attention to these grave and threatening evils. I had hoped that it was possible to secure a non-partisan inquiry by means of a commission into evils the existence of which is known to all and that out of that might grow legislation from which all thought of partisan advantage should be eliminated and only the higher thought appear of maintaining the free-dom and purity of the ballot and the equality of the elector without the guaranty of which the government could never have been formed the government could never have been formed and without the continuance of which it cannot continue to exist in peace and prosperity. It is time that the mutual charges of unfairness and fraud between the great parties should cease and that the sincerity of those who profess a desire for pure and honest elections should be brought to the test of their willingness to free brought to the test of their willingness to free our legislation and our election methods from everything that tends to impair the public con-fidence in the announced result. The necessity for an inquiry and for legislation by congress upon this subject is emphized by the fact that the tendency of the legislation in some states in recent years has in some important parti-culars away from and not toward free and fair elections and equal apportionments. Let fair elections and equal apportionments. Is it not time that we should come together upon the high plane of patriotism while we devise methods that shall secure the right of any man lifled by law to cast a fare ballet and to give every such ballot an equal value in choosing our public officers and in directing the policy of the government?

BENJAMIN HARRISON