[CONTINUED FROM FIRST PAGE.]

that can be celebrated after its effects have been realized, as its expectation has been in Europe, as well as in American cities, the authors and promoters of it will be entitled to the highest praise.

Experience of Past Years.

We have had in our history several expertences of the contrasted effects of a reveneu and of a protective tariff, but this genera-tion has not felt them, and the experience of one generation is not highly instructive to the next. The friends of the protective system, with undiminished confidence in the principles they have advocated, will await the results of the new experiment.

The strained and too often disturbed rela-

The strained and too often disturbed rela-tions existing between the employes and the employers in our great manufacturing estab-lishments have not been favorable to a calm consideration by the wage earner of the effect upon wages of the protective system paid in like callings in the world and that a maintenance of this rate of wages in the ab-sence of protective duties upon the product of 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 the present rates of wages are thereby maintained or increased, either absolutely or in their purchasing power, and that the aggregate volume of work to be done in this country is increased or even naintained: 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.

Dangers Attending Reduction of Wages.

A general process of wage reduction can not be contemplated 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, bu the conflict that stands between the pro ducer and that result and the distress of our working people when it is attained are not pleasant to contemplate. The society of the unemployed, now holding its frequent and threatening parades in the streets of foreign not be allowed to acquire an

WORK OF THE ADMINISTRATION.

Public Business Transacted in a Manner Above Reproach.

The reports of the heads of the several executive departments, which are herewith submitted, have very naturally included a resume of the whole work of the administration, with the transactions of the last fiscal year. The attention, not only of congress, but of the country, is again invited to the methods of administration which have been pursued and to the results which have been attained. Public revenues amounting to \$1,414,079,293,28 have been collected and disbursed without loss from misappropriation, without a single defalcation of such importance as to attract the public attention ad at a diminished per cent of cost for col-ection. The public business has been transacted not only with fidelity, but progressively and with a view to giving to the people in the fullest possible degree the benefits of services established and maintained for their protection and comfort.

OUR POREIGN RELATIONS. Work of the State Department-Treaties

Which Have Been Negotiated. Our relations with other nations are now undisturbed by any serious controversy. The complicated and threatening differences with Germany and England relating to Samoan affairs, with England in relation to the sea

fisheries in the Bering sea and with Chili growing out of the Baltimore affair have been adjusted. 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 Gautemala,

vador, the German empire, Great Britain, Nicaragua, Honduras and Austria-Hungary have been concluded since my last message. Under these treaty arrangements a free favored admission 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 underlying 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, i this policy is maintained, greatly augment our export trade.

New Fields for Trade Opened.

The full benefits of these arrangements cannot be realized instantly. New lines of trade are to be opened. The commercial traveler must survey the field. The manufacturer must adapt his goods to the new markets and facilities for exchange must be established. This work has been well begun; our merchants and manufacturer have entered the new field with courage and enterprise. In the case of food products, and especially with Cuba, the trade did not need to wait and the immediate results have been most gratifying. If this policy and the trade arrangements can be continued in force and aided by the establishment of American steamship lines, I do not doubt that we shall within a short period secure fully one-third of the total rade of the countries of Central and South America, which now amounts to about \$600, 000,000 annually. In 1865 we had only 8 per cent of this trade.

Reciprocity's Good Work.

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 Increa-being in some almost wholly and in others effect up to September 39, 1892, the increase being in some almost wholly and in others in an important degree the result of these agreements: The demestic experts to Germany and Austria-Hangary have increased in value from \$47,613,756 to \$57,993,064, an increase of \$10,319,308-621,03 per cent. With American countries the value of our experts has increased from \$44,150,285 to \$54,613,508, an increase of \$10,453,313, or \$57,575,575. an increase of \$10,453,313, or 23.67 per cent. The total increase in value of exports to all the countries with which we reciprocity agreements has been \$20,772,621. This increase is chiefly in wheat, flour, meat and dairy products and manufactures of iron and steel and lumber. There has been a large increase in the value of imports from \$74,294,525, but it has been entirely in in ports 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.

Bering Sea Controversy. A treaty providing for the arbitration of

A treaty providing for the arbitration of the dispute between Great Britain and the United States as to the killing or souls in the Bering sea was concluded on the 29th of Pebruary last. This treaty was accompanied by an agreement prohibiting pedagic scaling pending the arbitration and a vigorous effort was made during this season to drive out all peaching steamers from the Bering sea. Six naval vessels three revenue cutters and one vessel from the tish commission, all under the command of Commander Evans of the havy, were sent into the sea, all of which havy, were sent into the sea, all of which were systematically patrolled. Some seizures were made and it is believed the catch in the Bering sea by poachers amounted to less than 500 seals. It is true, however, that in the north-ern Pacific while the seal herds were on their way to their pastures between the Aleutian islands a very large number, probably 35,000, were taken. The existing statutes of the United States do not restrain our citizens from taking seals in the Pacific ocean, and pershaps should not until the prohibition can be extended to the citizens of other nations. I recommend that power be given to the president, by proclamation, to prohibit the taking of seals in the north Pacific by American vessels in case the result of findings of the tribunal of arbitration are such that the restraints can be applied to the vessels of all countries. The case of the United States

pared with great care and industry by Hon. John W. Foster, and the counsel who repre-sent this government express confidence that a result substantially establishing our claims and preserving this great industry to the benefit of all nations will be attained.

Dealings With Canada.

During the past year a suggestion was received through the British minister that the Canadian government would like to confer is to the possibility of enlarging upon terms of mutual advantage the commercial ex-hanges of Canada and of the United States, nd a conference was held at Washington ith Mr Blaine acting for this government, nd the British minister at this capital with hat the British minister at this capital with hree members of the Dominion cabinet art-az as a commissioner on the part of Great britain. The conference developed the fact hat the Canadian government was only pre-ared to offer the United States in exchange for the concessions asked the admission of natural products. The statement was then ade that favored rates could not be given ed States as against the mother This admission, as foreseen, nece arily terminated the conference upon this

The benefits of an exchange of the natural oducts would be almost wholly with the ople of Canada. Other topics of interest ere considered in the conference and have examining the Alaskan boundary, the water of Passamaquoddy bay, adjacent to East-sort, Me, and on the initiation of an ar-angement for the protection of fish life in ous or neighboring waters of our north boundary.

The Welland Canal Controversy.

The controversy as to the tolls upon the Welland canal, which was presented to congress at the last session by special message, having failed of adjustment, I felt con-strained to exercise the authority conferred v the act of July 26, 1892, and to proclaim; suspension of the free use of the St. Mary's Falls canal to cargoes in transit to ports in Canada. The secretary of the treasury cablished such tolls as were thought to quivalent to the exactions unjustly levied n our commerce in the Canadian canals If, as we must suppose, the political tions of Canada and the disposition of Canadian government are to remain un changed a somewhat radical revision of ou trade relations should. I think, be made. Our relations must continue to be intimate, and they should be friendly. I regret to say, however, that in many of the controversies notably those as to the fisheries on the Al lantic, the scaling interests on the Pacific and the canal tolls, our negotiations with Britain have continuously thwarted or retarded by unreasonable and unfriendly objections and protests from Canada. In the matter of the canal tolls, treaty rights were flagrantly disre

Privileges Enjoyed by Canadians. It is hardly too much to say that the Cana dian Pacific and other railway lines which parallel our northern boundary are sustained by commerce having either its origin or the originators or both in the United States. The Canadian railroads compete with those of the United States for our traffic, and without the restraints of our interstate commerce net. Their cars pass almost without detention in and out of our territory. The Camadian Pacific railway brought into the United railway brought into the United States from China and Japan via British Columbia during the year ended June 30, 1892, 23,239,689 pounds of freight, and it carried from the United States to be shipped to China and Japan via British Columbia 24, 088,346 pounds of freight. There were also shipped from the United States over this road from eastern points of the United States government to Pacific ports during the same year 13,912,013 bounds of freight and there were received over this road at the United States eastern ports from ports or the Pacific coast 13,293,515 pounds of freight Mr. Joseph Nimmo, jr., former chief of the bureau of statistics, when before the senate

thus transported between different points it the United States across Canadian territor; probably amounts to \$100,000,000 a year."

select committee on relations with Canada April 26, 1890, said that "the value of goods

Advantages That Should Be Taken. There is no disposition on the part of the sople or government of the United States to nterfere in the smallest degree with the political relations of Canada. That question is wholly with her own people. It is time for us, however, to consider whether, if the esent state of things and trend of things are to continue, our interchanges upon lines of land transportation should not be put upon a different basis, and our entire independence of Canadian canals and of the St. Lawrence as an outlet to the sea secured by the con-struction of an American canal around the falls of Niagara and the opening of ship com-numication between the great lakes and one of our own seaport towns. We should not of our own scaport towns. We should not hesitate to avail ourselves of our great natural trade advantages. We should with-draw the support which is given to the rail-roads and steamship lines of Canada by a traffic that properly belongs to us, and no longer furnish the cartifugs which lighten the otherwise crushing weight of the enor-mous public subsidies that have been given to them

The object of the power of the treasury to deal with this matter without further legis lation has been under consideration, but circumstances have postponed a conclusion. It is probable that a consideration of the opriety of a modification or abrogation of e article of the treaty of Washington relating to the transit of goods in bond involved is the only complete solution of the

question. Our Sister Republics. Congress at the last session was kept advised of the progress of the threatening differences between Chili and the United States. It gives me now great gratification to report that the Chilian government in a most friendly and honorable spirit has tendered and paid as an indemnity to the families of sailors of the Baltimore 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 a an indomnity for a wrong done, but as most gratifying evidence that the govern ment of Chili rightly appreciates the dis-position of this government to act in a spirit of absolute faleness and friendliness in intercourse with that brave people. A further and conclusive evidence of the mutual re spect and confidence now existing is fur-nished by the fact that a convention submit ting to arbitration the mutual claims of the citizens of the respective governments has been agreed upon. Some of these claims have been pending for many years and have been the occasion of much unsatisfactory diplomatic correspondence.

I have endeavored in every way to assure our sister republics of Central and South America that the United States government America that the United States government and its people have only the most friendly disposition toward them all. We do not covet their territory. We have no disposition to be appressive or exacting in our dealings with any of them, even the weakest. Our interests and our hopes for them all lie in the direction of stable governments by their people and of the largest development of their great commercial resources. The f their great commercial resources. The natual benefits of enlarged commercial ex-hanges and of a more familiar and friendly ntercourse between our people we do desire nd in this have sought their friendly co-op-

I have believed, however, while holding these sentiments in the greatest sincerity, that we must insist upon a just responsibil-ity for any injuries inflicted upon our official representatives or upon our citizens. This inslatence, kindly and justly but firmly made. will, I believe, promote peace and mutual re-

Our Relations With Hawaii. Our relations with Hawaii have been such as to attract an increased interest and must continue to do so. - I deem it of great im-portance that the projected submarine cable, a survey for which has been made, should be promoted, as both for naval and commercial uses we should have quick communication. We should before this have availed ourselves of the concession made many years ago to this government for a harbor and naval sta-

this government for a harbor and naval station at Pearl river.

Many evidences of the friendliness of the Hawaiian government have been given in the past and it is grarifying to believe that the advantage and necessity of a continuance of very close relations is appreciated.

The friendly act of this government in expressing to the government of Italy its reprobation and abhorrence of the lynching of Italian subjects in New Orleans by the payment of 125,000 francs, or \$24.330, was accepted by the king of Italy with every manifestation of gracious appreciation, and the compliment has been highly promotive of mutual respect and good will.

of mutual respect and good will Protest Against the Action of France In consequence of the action of the French government in proclaiming a protectorate for the tribunal of arbitration has been pre- over certain tribit districts of the west coast

of Africa, eastward of the San Pedro river, l 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 relation of a friendly coun-

Disturbances on the Mexican Border,

The recent disturbances of the public peace by lawless foreign maranders on the Mexican frontier have afforded the govern ment an opportunity to testify its good will for Mexico and its carnest purpose to fulfill the obligations of international friendship pursuing and dispersing the evil doers the work of relocating the boundary of the The work of relocating the boundary of the treaty of Gaudaloupe Hidalgo, westward from El Paso, is progressing favorably.

Our Intercourse with Spain.

Our intercourse with Spain continues on good terms. I regret, however, not to be able to report as yet the adjustment of the claims of the American missionaries arising from the disorders at Ponape, in the Caro-line islands, but I anticipate a satisfactory adjustment of the urgent representations to the government at Madrid.

Our Citizens in Turkey.

The treatment of the religious and educaional establishments of American citizens a Turkey has of late called for more than the usual share of attention. A tendency to prevailed is discernible, and ons called forth the carnest remonstrances of this government. Har-assing regulations in regard to schools strances of and churches have been attempted in certain localities, but not without due protest and the assertion of the inherent and conventional rights of our countrymen. Violations of domicile and search of the person and effects of citizens of the United States y apparently irresponsible officials Asiatic vilayets have from time to time been reported. An aggravated instance of injury to the property of an American missionary it Bourdeur, in the province of Koni, called forth an urgent claim for reparation, which I am pleased to say was promptly heeded by the government of the Porte. Interference with the trading ventures of our citizens in Asia Minor is also reported and the lack of serious drawback to instant and effective protection. I cannot believe that these inci-dents represent a settled policy and shall not cease to urge the adoption of proper rem

International Copyright.

International copyright has been ex-tended to Italy by proclamation in con-formity with the act of March 3, 1891, upon assurance being given that Italian law permits to citizens of the United States the benefit of the copyright on substantially the same basis as the subjects of Italy. By a special convention proclaimed fanuary 15, 1892, reciprocal provisions of copyright have been applied between the United States

with other countries to the same end.

The Nicaragua Canal. I repeat with great carnestness the recom-mendation which I have mentioned in previous messages as to the inadequate sup port given the American company engaged in the construction of the Nicaragua ship canal. It is impossible to overstate the value standpoint of this great enter

prise and I hope that there may be time given in this congress to give to it an im-petus that will insure the early completion of the canal and secure to the United States

its proper relations to it when completed. The Monetary Conference. This congress has already been advised that the invitations of this government for the assembling of an international monetary conference to consider the question of an enlarged issue of silver were accepted by the nations to which they were issued. The conference assembled at Brussels on the 22d 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 the conference as in my public messages, that the free coinage of silver upon an agreed international ratio would greatly promote the interests of our people and equally those of other nations. It is too early to predict what results may be accomplished by conference. If any temporary check or de lay intervenes I believe that very soon commercial conditions will compel the now re luctant governments to unite with us in this movement to secure the enlargement of the volume of money needed for the transaction of the business of the world.

TREASURY DEPARTMENT.

Many Misleading Statements Made for

Political Effect Refuted. The report of the secretary of the treasury will attract special interest in view of the many misleading statements that have been made as to the state of the public revenues. Three preliminary facts should not only be stated, but emphasized, before looking into details: First, that the public debt has been reduced from March 4, 1889, \$259,074,200 and the annual interest charges \$11,634,400; second, that there has been paid out for pusions during this administration, up to nber 1, 1892, \$432,564,178,70, an excess of \$114,466,306,09 over the sum expended during the period from March 1, 1885, to March 1, 1889; and, third, that under the existing tariff, up to December 1, about \$93,000,000 of revenue, which would have been collected upon imported sugars if the duty had been main tained, has gone into the pockets of the people and not into the public treasury as pefore. 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 interest while the government continued to pay the very banks interest upon the bonds depos ited as security for the deposits, or who think the extended pension legislation was a public robbery, or that the duties upon sugar should have been maintained, I am content to leave the argument where it now rests, while we wait to see whether these criticisms will take the form of legislation. Revenues for the Fiscal Year.

The revenues for the fiscal year ending June 30, 1892, from all sources were \$425, \$68,260,22, and the expenditures for all pur-poses were \$415,363,806,55, leaving a balance of \$9.914.453.66. There was paid during the year upon the public debt \$40.570.467.98. The surplus in the treasury and the bank redemption fund, passed by the net of July 14, 1890, to the general fund, furnished in large part the cash available and used for the payment, and the payment the public debt. Commend ments made upon the public debt. Compares with the year 1891 our receipts from customs dues fell off \$42,069,241.08 while our receipts from internal revenue increased \$8,284,823.13, leaving the net loss of revenue from these principal sources \$33,784,417.95. The net loss of revenue from all sources was \$42,675, 972.81.

The revenues, estimated and actual, for the fiscal year ending June 39, 1833, are placed by the secretary at \$463,336,350.44 and the expenditures at \$461,336,350.44, showing a surplus of receipts over expenditures of \$2,000,000. The cash balance in the treasury at the end of the fiscal year, it is estimated with he \$20,000 (27) if

mated, will be \$10,002,317.03.
So far as these figures are based on the estimates of receipts and expenditures for the remaining months of the current fiscal year there are not only the usual elements of incertainty but some added elements. New revenue legislation, or even the expectation of it, may seriously reduce the public reve-nues 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 our revenue laws, since the scope of these changes and the time of their taking effect cannot in any degree beforecast or foretold by him. His estimates must be based upon existing laws and upon a continuance of existing business conditions, except so far as these conditions may be

iffected by causes other than new legisla-Estimates for the Coming Year.

tion.

The estimated receipts for the fiscal year ending June 30, 1863, are \$490,121,365.38, and the estimated appropriations \$457,201,335.83, leaving an estimated surplus of receipts over the expenditures of \$32,800,030.05. This does not include any payment to the sinking

In the recommendation of the secretary that the sinking fund law be repealed I con-cur. The redemption of bonds since the passage of the law to June 30, 1892, has already exceeded the requirements by the sum of \$600,510,681.49. 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 pose, but only use any casual surplus. To the balance of \$12,860,030.05 of receipts over expenditures, for the year 1894. added the estimated surplus at the beginning

of the year, \$20,992,377,33, and from this aggregate there must be deducted, as stated by the secretary, about \$44,000,000 of esti-

mated unexpired appropriations.

The public confidence in the purposes and ability of the govern-Necessity for Liberal Dealing With Ocean ment to maintain the parity of all our money issues, whether coin or paper, must remain unsharken. 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 governthe caurts of some of the furcional govern-ments 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 com-mercial. 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 a temporary nature.

Silver Parchases.

During the last fiscal year the secretar purchased under the act of July 14, 1890, 54,535,748 ounces of silver and issued in pay-ment thereof \$51,106,608 in notes. The total purchases since the passage of the act have been 120,479,981 ounces and the aggregate of notes issued \$116,783,500. The average price paid for silver during the year was 94 cents per ounce, the highest price being \$1.02% July 1, 1891, and the lowest \$0.83 March 21. SR2. In view of the fact that the monetary conference is now sitting and that no conclusion has as yet been reached I withhold idation as to the legislation upon this subject.

DEPARTMENT OF JUSTICE.

Work of the Attorney General-Claims

Against the Federal Government. The report of the attorney general is by law submitted directly to congress, but cannot refrain from saying that he has con ducted the increasing work of the Department of Justice with great professional skill. He has in several directions secured from the courts decisions making increased 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. Applicants for Executive Clemency,

The numerous applications for executive elemency presented in behalf of persons convicted in the United States courts and given penitentiary sentences have called in attention to a fact referred to by the atter ney general in his report, namely that time allowance for good behavior for suc prisoners is prescribed by the federal statutes only where the state in which the penitentiary is located had made no such rovision. Prisoners are given the sense of the provisions of the state law reg ulating the penitentiary to which they may be sent. These are various, some perhap-too liberal, and some perhaps too illiberal The result is, a sentence for five years mean one thing if the prisoner is sent to one state for confinement, and is quite a different thing If he is sent to another. I recommend that a uniform credit for good behavior be prescribed by congress. I have before expressed my concurrence in the recommenda-tion of the attorney general that degrees o murder should be recognized in the federa statutes, as they are, I believe, in all the states. These grades are founded on correcdistinctions in crime. The recognition of them would enable the courts to exercis some discretion in apportioning punishmen and would greatly relieve the executive of what is coming to be a very heavy burden the examination of these cases on applica

Claims Against the Government. The aggregate of claims pending against enormous. Claims to the amount of nearly \$40,000,000 for taking of evidence of injury to persons claiming to be loyal during the war are now before that court for examination. When to these are added the Indian deproduction claims and the French spolia tion claims an aggregate is reached that is indeed startling. In the defense of these claims the government is at a great disad vantage. The claimants have preserved their evidence, whereas the government has to send agents to runmage the field for what they can find. This difficulty is peculiarly great where the fact to be established is the disloyalty of the claimant during the war. If this great threat against our revenues is to have no other check it is certain congress should supply the Department of Justice with appropriations sufficiently liberal to secure the best legal talent in the defense of for evidence.

DEPARTMENT OF WAR.

Policies Suggested by the Changed Conditions of Recent Years. The report of the secretary of war brings again to the attention of congress some important suggestions as to the reorganization of the infantry and artillery arms of the service, which his predecessors have before urged should be passed. Our army is small, but its organization should all the more be put upon the most approved modern The conditions upon what we have the "frontier" have heretofore required the maintenance of many small posts but now the pelicy of concentration is ob-viously the right one. The new posts should have the proper strategic relations to the only "frontiers" we now have, those of the west and the north and part of our southern boundary. I do not think that any question of ndvantage in localities or states should determine the location of the new posts. The organization and enlargement of the oureau of military information which the secretary has effected is a work the useful ness of which will become every year more

The work of building heavy guns and the construction of coast defenses has been well begun and should be carried on without

POSTOFFICE DEPARTMENT.

Improvement in the Service Made and an

Increase in Revenues. The report of the postmaster general shows a most gratifying increase and a most efficient and progressive management of the great business of that department. The remarkable increase in revenues, in the num ber of postoffices and in the miles of mail in terchange furnishes another evidence of the high state of the prosperity which our people are enjoying. New offices mean new hamlets and towns. New 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 November last. The postal revenues have increased during

The postal revenues have increased during the last year nearly, \$5,000,000. The deficit for the year cuding Jane 39, 1892, is \$848,341, less than the deficiency of the preceding year. The deficiency of the present fiscal year, it is estimated, will be reduced to \$1,752,423, which will not only be extinguished during the gext fiscal year, but a surplus of nearly \$1,000,000 should then be shown.

Ocean Mail Service.

In these calculations, the payments to be made under the joshtracts for oceas mail service have not been included. There have been added 1,590 nov mail routes during the year, with a milenge for 8.863 miles, and the total number of miles of new 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 miles more than were in operation in the whole country

The number of postoffices has been increased by 2.700 during the year; and during the past four years and up to October 29 last, the total increase in the number of offices has been nearly 1,000. The number of free delivery offices has been nearly doubled in the past four years and the numoney order offices more than doubled in that time.

Postage Revenues for Three Years.

For three years, ending June 50, 1892, the postage revenue amounted to \$197,444,350, which was an increase of \$52,263,150 over the revenue for the three years ending June 30, 1889, the increase during the last three years being more than three and a half times as great as the increase during the three years ending June 30, 1889. No such increase as that shown for these three years has ever previously appeared in the revenues of the de-

resulted there, as in the departments, in a larger volume of work and that better done and develop this movemen

OUR MERCHANT MARINE.

Steamship Lines.

Ever since our merchant marine was driven from the sea by the rebel cruisers during the war of the rebellion, the United States thus paying an enormous annual tribute to foreign countries in the shape of freight and passage moneys, our grain and meats have been taken at our own docks and our large imports there laid down b foreign shipmasters. An increasing torren 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 books of our custom houses has been largely reduced and in many years altogether extinguished by this constant strain. In the year 1892 only 12.3 per cent o our imports was brought in American ves els. The foreign steamships maintained bur traffic are many of them under contrac with their respective governments by which in time of war, they will become a part of their armed naval establishments. Profit ing by our commerce in peace they will become the most formidable destroyers of our commerce in time of war. I felt and have before 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 law of March 3, 1891. Under this law contracts have been made by the postmuster general for cleve mail routes. The expenditure involved b these contracts for the next fiscal year ap-proximated \$954,123,301. As one of the good results reached sixteen American ships of an appregate tenuage of 57,400 tons, costing \$7,400,000, have been built or contracted to be built in American shinyards.

Recent Beneficial Legislation.

The estimated tonnage of all steamship required under existing contracts is 165.802 and when the full service required by thes contracts is established there will be forty one mail steamers under the American flag with the probability of further necessary ad ditions in the Brazilian and Argentine ser vice. The contracts recently let for trans atlantic service will result in the construc-tion of five ships of 10,000 tons each, costing tion 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 City of Paris, to which the Treasury department was authorized by legislation at the last session to give American registry, seven of the swiftest vessels upon the sea to our naval reserve. The contracts made with the lines sailing to Central and South American costs. South American ports have increased frequency and shortened the time of trips, added new ports of call, and sustained some lines that otherwise would almost eer tainly have been withdrawn. The service to Buenos Ayres is the first to the Argentin republic under the American flag. The service to Southampton, Boulogne and Ant werp is also new, and is to be begun with the steamship City of New York and City of Paris in February next.

I carnestly urge a continuance of the policy inaugurated by this legislation and that appropriations required to meet the obligations of the government under the contracts may be promptly made so that the lines that have entered into these engage ments may not be embarrassed.

Our Interests in the Pacific Threatened. We have had by reason of connections with the transcontinental railway lines con structed through our own territory some advantages in the ocean trade of the Pacific that we did not possess on the Atlantic The construction of the Canadian Pacific railway and the establishment, under lar subventions from Canada and England. fast steamship service from Vancouver to Japan and China seriously threaten shipping interests in the Pacific. ' line of English steamers recei English steamers receives, I by the commissioner of , a direct subsidy of stated navigation. \$400,000 annually, or \$30,767 per trip for thir-teen voyages, in addition to some further aid from the admiralty in connection, with contracts by which the vessels may be used for naval purposes. The competing American Pacific Mail, under the act of March 3, 1891,

receives only \$6,389 per round trip.
Efforts have been made within the last year, as I am informed, to establish under similar conditions a line between Vancouver and some Australian port, with a view of seizing there a trade in which we have had a large interest.

Canada's Discrimination.

sioner of navigation states that a very large per cent of our imports Asia is now brought to us by E steamships and their connecting railways in Canada. With a view of promoting this trade, especially in tea, Canada has imposed

a discriminating duty of 10 per cent on tea and ceffee brought into the Dominion from the United States. If this unequal contest between American lines, without subsidy, or with diminished subsidies, and the English Canadian line to which I have referred is to continue, I think we should at least see that the facilities for customs entry and trans-portation across our territory are not such as to make the Canadian route a favored one, and that the discrimination as to duties to which I have referred, is met by a like dis crimination as to the importation of these

rtieles from Canada. No subject, I think, more nearly touches the power and the prosperity of our country than this of the development of our merchant marine upon the sea. If we could enter into conference with other competitors 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 govern ment subsidies, until now they have practi cally excluded us from participating. In my opinion, no choice is left to us but to put, the issue, moderately at least, on the same lines

OUR NEW NATY.

Review of the Greek Work That Has Been

Accomplished. The report of the secretary of the navy exhibits 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 commission during the winter will make a | 000. This appropriation was not made, as i total of nineteen during his administration | should have been, and the oversight ough of the department. During the current year | to be remedied at the earliest possible dat ten war vessels and three navy tugs have en launched. Two other large ships and a torpedo boat are under contract and the work upon them will be advanced, and the four monitors are awaiting only the arrival of their armor, which has been unexpectedly delayed, or they would have been before this

All Done Without Scandal. Contracts have been let during this admin Contracts have been let during this admin-istration, under the appropriations for the increase of the navy, including new vessels and their appurtenances, to the amount of \$5,000,000, and there has been expended during the same period for labor at navy yards upon similar work \$5,000,000 without the smallest scandal or charge of fraud or partiality. The enthusiasm and the interest of our navel officers, both of the staff and of our novel officers, both of the staff and line, have been greatly kindled. They have respended magnificently to the confidence of congress and have demonstrated to the world an unexcelled capacity to construct in ordinance and in everything involved in the ordinance 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 remained to be grappled with and solved before the efficiency in action of our 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 justes of higher resistance than are found on any war vessel affort. Our Lutest Devices.

been made to ascertain the relative efficiency of different constructions and a torpedo has now been adopted and the work of construcnow been adopted and the work of construc-tion is now being carried on successfully. We were without armor-piercing shells. We are now making what is believed to be a pro-jectile superior to any before in use. A smokeless powder has been adopted and a slow burning powder for guns of large cali-ber. High explosives, 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 sup-ply is no longer in doubt.

We were without torpedoes. Tests have

dy is no longer in doubt.

The development of a naval militia, which has been organized in eight states and cought into cordial and co-operative relapartment.

The postmaster general has extended to the postmaster general has extended in these organizations 1,500 men and they are likely to be greatly extended. I recommend such legis-

lation and appropriations as will encourage

Proof of Progress.

The recommendations of the secretary viii, I do not doubt, receive the friendly con-ideration of congress, for he has enjoyed, as he has deserved, the confidence those interested in the development of ou those interested in the development partisan navy without any division upon partisan lines. I carriestly express the hope that a work which has made such noble progress may not now be stayed. The wholesome inmay not low be stayed. The wholesme 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 appearent. The steamships from our pany which will appear in the harbor of New York will be a con-incing demonstration to the world that the

APPARES OF THE INTERIOR.

Immense Amount of Business Conducted Faithfully by the Department.

United States is a great naval power

The work of the Interior department always very burdensome, has been larger than ever before during the administration of Secretary Noble. The disability pension law, the taking of 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 the head of the department and Several important agreements for the ces-sion of Indian lands negotiated by the Indian

commission appointed under the act of Manch 2, 1889, are awaiting the action of congress. Perhaps the most important of these is that for the cession of the Cherokee strip. This has tive representative, and great friction has immed between the settlers in their desire to occupy it, and the Indians, who assert little. The agreement which has been made will be noticed that it is condition The secretary of the interior, who has given the subject careful thought, recommends the ratification of the agreement and I am. clined to follow this recommendation certain that some action by which this con-troversy shall be brought to an end and the lands opened to settlement is urgent

The form of government provided by congress on May 17, 1884, for Alaska was, in its frame and purpose, temporary. The increas of population and the development of some important mining and commercial interests make it imperative that the law should be revised and better provision made for the arrest and punishment of criminals.

Land Office Affairs.

The report of the secretary shows a ver gratifying state of affairs as to the condite of the general land office. The work of iss ing agricultural patents, which seemed to hopolessly in arrears when the present se return undertook the duties of his office, has been so expedited that the bureau is nor upon current business. The relief thus af-forded to honest and worthy settlers upon the public lands, thus giving to them an red title to their entries, has been of in-culable benefit in developing the new

states and territories. at a tos and territories.

The court of private land claims, established by congress for the promotion of this policy of speedily settling contested land titles, is making satisfactory progress in its work, and when the work i great impetus will be given to the develoment of those regions where unsettled claims under Mexican grants have so long exerted their repressive influence. When to these results are added the former cession of Indian lands which have been opened to settlement, aggregating during this adminis-tration nearly 26,000,000 acres and the agreements negotiated and now pending in congress for ratification by which about 10,000,000 additional acres will be opened to settlement it will be seen how much has been accon-

Work of the Indian Bureau

The work in the Indian bureau, in the execution of the policy of recent legislation, has been largely directed to two chief purposes: First, the allotment of lands in sev eralty to the Indians and the cession plus lands; and, second, the work of ed cating the Indians for their own protection. lose contact with the white men and for the intelligent exercise of their new citi and patents issued to 5,900 Indians un der the present secretary, and many com-missions and 500 additional allotments have been made for which patents are now in

process of preparation.

The school attendance of Indian children has been increased over 13 per cent, the enrollment for 1893 being nearly 20,000, A uniform system of school text books and of study has been adopted and the work in these national schools brought as near a may be to the basis of the free common schools of the states. These schools can be schools of the states. These schools can be transferred and neighbor into the continuous school system, and when the Indian has fully assumed his new relation to the organized civil community in which he organized civil community in which he resides the new states will be able to assume the burden-

Politics Ought Not to Count.

I have several times been called upon to remove Indian agents appointed by me un have done so promptly upon every sustaine complaint of unitness or misconduct. believe, however, that the indual service at the agencies has been improved and is now administered on the whole with a good degree of efficiency. If any legislation is possible by which the selection of Indian agents can be wholly removed from all par-tisan suggestion or considerations. I am sure it would be a great relief to the executive and a great benefit to the service. The appropriation for the subsistence of the Chevennes and Arapaloce Indians made

The appropriation for the subsistence of the Cheyennes and Arapahoe Indians made at the last session of congress was inadequate. This smaller appropriation was estimated for by the commissioner upon the theory that the large fund belonging to the trine in the public treasury could be and ought to be used for their support. In view, however, of the pending depredation claims against this fund, and other considerations, the secretary of the interior in April last submitted a supplemental estimate for \$30.00. This appropriation was not made, as it

A Complication Needing Unraveling. In a special message to the last congress

the deed for the release to the United States by the Choctaws and Chickasaws of lands formerly embraced in the Cheyenne and Arapahoe reservation and remaining after Arapanoe reservation and remaining after allotiments to that tribe. A resolution of the senate expressing the opinion of that body notwithstanding the facts stated in my mes-sage, that the deed should be approved and the money, \$2,001,450, paid over, was pre-sented to me May 10, 1822. My special messented to me May 10, 1822. My special mes-sare was intended to call the attention of congress to this subject, and in view of the fact that it is conceded that the appropria-tion proceeded upon a false basis as to the amount of land to be pade for, and is by \$50,000 in excess of the amount they are ca-titled to reven if their claim to the land is given full recognition at the rate agreed upon, I have not felt willing to approve the deed, and shall not do so at least until both houses of congress have acted upon the subhouses of congress have acted upon the sub-ject. It has been informally proposed by the claimants to release this sum of \$50,000, but I have no power to demand or necept such a release, and such an agree-ment would be without consideration and yeld.

void.

I desire further to call the attention of congress to the fact that the recent agreement concluded with the Klowas and Comanches relates to lands which were a part of the "leased district," and to which the claim of the Choctaws and Chickasaws is preferred. The surplus land to which this claim would attach in the Klowa and Comanche reservations is 2,500,000 acres, and elaim would attach in the Klossa and Co-manche reservations is 2,500,000 acres and at the same rate the government will be called upon to pay to the Chectawa and Chickasaws for these lands \$3,125,000. This sum will be further augmented, especially if the title of the Indians to the tract, now Grier county, Texas, is established. The duty devolved upon me in this connection was simply to pass upon the form of the ded; but as in my opinion the facts men-tioned in my special message were not ade-quately brought to the attention of congress in connection with the legislation I have felt that I would not be justified in acting with-out some new expression of the legislative will.

Great Work of the Pension Office.

The report of the commissioner of pensions to which extended notice is given by the secretary of the interior in his report. Will at-

tract great attention. Judged by the aggreate amount of work done, the last year has een 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 act has, as was foreseen very largely increased the annual disturse-ments to the disabled veterans of the civil war. The estimate for this fiscal year was \$144,956,000, and that amount was appropriated. A deficiency amounting to \$10,058,621 ated. A deficiency amounting to \$10,058,621 ated. A deficiency amounting to \$10,058,621 ated. The estimates for pensions for the fiscal year ending June 30, 1894, is \$105,000,000. The commissioner of pensions believes that if the 1npresent legislation and methods are main-tained, and further additions to the pensions Pm are not made, the maximum expenditure for pensions will be reached June 30, 1894, and ill be at the highest point, \$188,000,000 per

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Soldiers Must Be Cared For,

Ladhere to the views expressed in previous messages that the care of the disabled soldiers of the war of the rebellion is a matter of national concern and duty. Perhaps no emotion costs sooner than that of grati-tude, but I cannot believe that this process has yet reached a point with our people that would sustain the policy of remitting the care of these disabled veterans to the fundequate agencies provided by local laws. The parade on the 20th of September last upon the streets of this capital of 300,000 of the the streets of this capital of 390,000 of the sarviving union veterans 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 greated their progress from tens of thousands of people from all the states did much to revice the recollections of the grand review when these means and many grand review, when these men and many thousand others now in their graves were me welcomed with grateful lov as victors in the struggle in which the national unity, honor and wealth were at issue.

Union Pacific Debt.

In my last annual message I called attention to the fact that some executive action was necessary in order to protect the incrests of the government in its relation with the Union Pacific railway. The commissioner of railroads has submitted a very full report, giving exact 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 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 recommendation and suggest that the commission be given full power.

RUSK'S WONDERFUL WORK.

Great Good Accomplished by the Secretary of Agriculture. The report of the secretary of agriculture

contains not only a most interesting state. elment of the progressive and valuable work in done under the administration of Secretary Rusk, but many suggestions for the enlarged h usefulness of this important department. Inthe successful effort to break down the restrictions to the free introduction of our ley meat products in the countries iCS Europe, the secretary has been untiring from the first, stimulating and aiding all other government officials 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 \$2,000,000 pounds, against 46,000,000 pounds in the same mouth of 1891; in June, 1892, the exports aggregated \$5,000,000 pounds, against 46,000,000 pounds in the same month of the previous year; in July there was an increase of 41 per cent and in August of 55 per cent over the corresponding months of 1891. Over 40,000,000 pounds of inspected pork have been exported since the law was put into operation, an a comparison of the four months of May, June, July and August, 189 with the same months of 1891 shows an I crease in the number of pounds of our port of pork products of 62 per cent, and ports of dressed beef increased from 137,900. 000 pounds in 1889 to 220,500,000 pounds i 1892 or about 60 per cent. During the past year there have been exported 594,607 head of cattle, against 205,786 head exported in 1889. This increased exportation has been mere largely promoted by the inspection author-

suspected cattle.

ized by law and the faithful efforts of the

secretary and his official subordinates to reep make that inspection thorough and to care-

fully exclude from all cargoes diseased or -

The requirement of the English regul tions that live cattle arriving from United States must be shaughtered a docks had its origin in the claim that pl docks had its origin in the claim that pleuro pactmosia—existed—among—American cattle—and—the—existence of—the disease—could—only—certainly—be—determined by a post—mortem—inspection. The Department of Agriculture—has labored with great energy and—faithfulness to exting pate—this disease, and on the 26th day of September last a public aumouncement—with made by the secretary, of the disease, that in o longer existed within the United States [He—is—entirely—satisfied, after the—mos searching—inquiry—that—this state ment—was justified—and—that—by—a continuance—of—the—inspection—and—quarantine—new required—of—cattle—brough—into this country—the—disease—can—be—ire—vented from again getting any foothold. The vented from again getting any foothold, value to the cattle industry of this ach ment can hardly be estimated. We can perhaps, at once insist that perhaps, at once insist that the evidence 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 are own veterinarious participate, confirms it, we may justly expect that the requirement that our cattle shall be slaughtered at the docks will be revoked us the sanitary restrictions on our pork products have seen. If our cattle can be taken alive to the interior, the trade will be enormously in-

Increased Agricultural Exports. Agricultural products constitute 71.1 per cont of our unprecedented exports for the fiscal year, which closed June 30, 1832, the total exports being \$1,020,287,030, and the value of the agricultural products \$705,717,670, which exceeds by more than \$150,000,000 the shipment of agricultural products in any necessity contracts.

the supment of agricultural products if any previous year.

An interesting and a passible work for the benefit of the Anarkan farmer has begun through agents of the Agricultural department in Europe and consists in effort, to introduce the various products of Indian corn as articles of busin food.

The high price of two effered a favorable construity for the experiment in Germany. opportunity for the experiment in Germany and of combining corn meal with eye to produce a close cheap bread. A fair degree of estin success has been attained and some vite

mills for grinding even for food have been CONTINUED ON THIRD PAGE.



Mr. Joseph Hemmerick An old soldier, came out of the War greatly

entechted by Typhoid Fever, and after being in various hospitals the doctors discharged him as incurable with Consumption. He has been in poor health since, until he began to take

Hood's Sarsaparilla ,,00 Immediately his cough grew looser, night sweats ceased, and he regained good general heaith. He cordially recommends Hood's Sarsaparilla, especially to comrades in the G. A. H. HOOD'S PILLS oure Habituat Constipation by Jale

restoring peristaltic action of the alimentary cans