specimen copies forwarded when desire

OHN SHEHMAN EXPOSED.

It is not to be wondered at that John Sherman should have been upeasy under the proposed investigation into the Treasury Department. It is known to our readers that Secretary Windom was led to suspect some crookedness in the Department, and he caused an investigation to start and then stopped it. When the matter came up in the Senate Sherman opposed the sending of the testimony taken before the Committee of Investigation, whilst agreeing that the report of the Committee should be received. The Republicans sustained him in this position. Every one was perplexed to know the cause of such a procedure on the part of ex-Secretary of the Treasury, who is, we believe, verily, one of the corruptest men of his times. It has now leaked out that his opposition to the evidence being forthcoming was because it placed him in such a corrupt position before the country. Some of the evidence has got into the papers, and we can now see readily why it is that John Sherman should have taken the strange dodge he did to shield himself from contempt, and why his brother Senators should have placed their arms around him to shield him, if possible, from "the slings and arrows of outrageous fortune."

One Paul Brown was employed to do certain work by the Treasury Department. Frank Hessler, Superintendent of the Treasury Cabinet Shop, employed him to do certain work for John Sherman. Brown did the work on the new residence and new stables. and the expense thereby incurred was charged not to the Secretary on his own account, but to the account of the Third Auditor's office, Register's National Bank Redemption Agency, Supervising Architect's office, and other divisions of the Department. Brown also swore that he had done other work for Sherman, of which he kept no account, but for which he was similarly paid at the

Now this is interesting decidedly. Just go to work and try to imagine if you can an honest man holding high office having certain work done on his private property and having it charged to the Department over which he was head. Nay, more than this: try to imagine an honest man not only doing this, but in order to cover up his tracks and hide his acts going from office to office charging here and charging there the various paid out for his own private Such is John Sherman, one of the representative men of the Republican party, and not much worse than many of his party associates.

rate of \$3 per day.

The items in the account that have come to light are so peculiar, as given before the committee of investigation, that we must copy a part:

"Work done by me (Paul Brown) in Go-vernment time and paid for by the Govern-ment, while employed in the United States Treasury Department, by order of Mr. Torked May 15, 16, 17 and 18, 1878, on

Secretary Sherman's stables, in Stanton al-Charged to the Third Auditor's office. Making six large doors for Secretary Sher-man. Charged to Second Auditor's office. "June 13 and 14, 1878, working on Secretary Sherman's stables. Charged to Super-

ay 6, 1878, working on Secretary nan's stables. Charged to Organiza-"July 13, 1878, working on Secretary Charged to Register's

"August 29, 1878, working six-eighths of a day on Secretary Sherman's house, and twenty feet of sash cord. Charged to Bureau of Statistics. Working five-eighths of a day on Secretary Sherman's Charged to Register's office.

ember, 1878, working six-eighths of a day on Secretary Sherman's house, Charged to National Bank Redemption

tember, 1878, working five-eighths of on Secretary Sherman's house. ed to Register's office. October 18. 1878, working four-eighths Charged to Marine Hospital, October 31, 1878, working three-eighths

of a day on Secretary Sherman's house, Charged to Register's file room, "November 9, 1878, working three-eighths of a day on Secretary, Sherman's house. Charged to making drawing boards for Supervising Architect's office.

"January 11, 1879, working one-eighth of a day on Secretary Sherman's stable, repairing down spout. Charged to National Bank Redemption Agency.

"June 5, 1879, making and fitting fly screens for stable windows and door. Charged to National Bank Redemption

"June 6, 1879, working four-eighths of a day repairing doors for manure pits for Secretary Sherman. Charged to Marine

Now is not that rich? But who is rprised? After Sherman's course n the Great Fraud of 1876, who ca e surprised at any rascality of which may be guilty? We suppose such ations were hurtful to "the par and Secretary Windom called

ff his investigators! If that Treas Department could be investisted to the bottom a degree of cor ption would be revealed that would defy all parallel. It is because the Republican leaders know how venal has been the management during the last twenty years of their rule that they move heaven and earth at each election to prevent defeat. If the people are not corrupt themselves and if they were well informed as to the actual facts in connection with Republican dominancy, they would rise up as one man and scourge the depraved and unfaithful officials from the places they dishonor.

THE FANGS EXTRACTED.

We have received a copy of th Lewiston (Maine) Gazette of the 26th ult., which contains a very long and conclusive reply to the communication of Mr. C. I. Barker, which appeared in another Lewiston paper and which we discussed in a column or more. We do not know who is the writer of the Gazette article, but it is thorough and well done. We are more than gratified to see this defence of the South as a cotton manufacturing section from the pen of a New Englander who understands the facts and is disposed to tell the truth and nothing but the truth.

The article would occupy at least four columns of the STAR, and is very complete as a refutation of a writer who tried to make his readers believe that the South could never become the rival of New England in cotton manufacturing, and that Maine could beat Georgia or any other Southern State in its advantages. The Gazette writer knows what he is doing. He writes like an expert and covers the whole ground, and is caustic as well exhaustive. He discusses the earnings of Southern mills, wages, opera tives, water power, waste, transportation and freightage. We may copy points hereafter, as they are instructive and just. He goes for the Barker that tried to bite and got

bit badly in this style: "Mr. Barker's picture of the Southern cotton manufacturing industry is one of unrelieved blackness. His condemnation is so thorough and unsparing that it defeats its purpose. It reveals but too plainly the animus that controlled it and makes it evident that in his Southern investigations the desire of a bad report was invariably father to the thought. In return for the warm hospitality, the courteous civilities and hearty welcome with which, it goes without say ing, Mr. Barker was everywhere greeted by his Southern hosts, he has nothing in return to offer when he gets home-but ungenerous detraction flippantly expressed in the slangy and stereotyped phrases of an irresponsible newspaper reporter and based upon what we shall show to be gross and reckless misrepresentations. That Mr. Barker should find it necessary to employ such methods against his rivals is the most telling admission of his secret fear of their formidable and growing strength that he could

Barker is agent for the Bates Mill, in Lewiston. He went through fourteen States and did his observations in fourteen days. In that time he learned it all, but, as we said, in our former notice, he took care to avoid the cotton milling centres in Georgia, and did not visit the two or three cotton milling centres in this State. If he had gone to Haw River, into Randolph, and further west in North Carolina, he might have learned something to his advantage. The following throws light on Maine mills, and especially upon C. I. Barker and the motive that prompted his attack upon the South. The Ga-

"When Mr. Barker sits in judgment upon the Atlanta Cotton Mill and declares contrary as we understand it to fact) to be bankrupt beyond the possibility of redemption, and charges that alleged bankruptcy among other things, to bad management, he should remember that the Bates Manufacturing Company of this city, of which he has been the agent for the past ten years, and which had a capital of \$1,-500,000, became so involved that its stock was cut down seventy cents on the dollar. He should further bear in mind that the Barker mill, which enjoys the honor of bearing his name, and over which for three or four years he was not only the President but the managing director, and which had a capital of \$400,000, was so hopelessly involved that its stock was cut down to ninety cents on the dollar and a new organization formed, thereby causing the almost total loss of nearly all their hard earnings to hundreds of farmers, widows and or-phans who had been induced to invest their money in that corporation."

Kentucky pays \$8,719,162, Missou-\$6,470,349, Virginia \$6,063,105, North Carolina \$2,476,440,-South ern States-of the internal revenue. Look at the North: Indiana pays \$7,-281,253, New Jersey \$5,873,676, New York \$17,293, 267, Ohio \$19,295,825, Pennsylvania \$7,069,214. It is proposed by the Protectionists to wipe all this and much more from the revenues of the country and to rely upon the prohibitory tariff for the money necessary to run the Govern-

ment, The Milwaukee (Wis.) Evening Wisconsin says: "In all our experience we have never heard so many favorable reports from all classes as we have concerning St. Jacobs Oil. RAUE DISCHAMINATION.

The STAR has expressed its surprise often that the negro voters of the land have boine so long the treatment they have received at the hands of eir white allies. For fifteen years they have been the political packhorses of their party. They have borne the burden and the heat of the day, but they have not been rewarded Where is there a Northern colored U. S. Senator, or member of the U S. House, or Governor, or any other higher official? Where is the Cabinet officer that is colored, or the Foreign Ambassador to a prominent Court? The mission to Liberia, which has no honors and a certainty almost of death, is all that the Republicans have to give. The reason cannot be that there are none qualified, for in Philadelphia, in Wash ington, in New Orleans, and other places there are some able and well educated negroes who will compare favorably with many of the officials holding high office. There are colored men who have more intellectual force and more scholaship than President Arthur can claim.

For some time the more intelligent negroes have begun to grow restive under the utter ignoring of their race. The colored voters of Buffalo, New York, have issued an address in which they speak very plainly of the treatment to which they have been subjected by their white allies in that city. They say :

"And to-day, although we have colored men among us of good sound financial standing, not one is summored by a Republican sheriff to do jury duty, the preference being given to a lot of political hangers-on, whose only recommendation is that they are white. Not a man in our postoffice or custom house, with a Republican place for an assistant or a needy colored woman. We are dissatisfied with this state of things, and we are becoming more so We are tired of this deception-of this oftexpressed friendliness without any evidence of it. We are tired of seeing our children continually forced into menial service because of this prejudice on the part of our so-called 'political friends.' Our experience is daily teaching us that here at least they are treated as well by one party as another, in fact better by one, as it promises nothing and does it, while the other promises everything and does nothing."

applies to Buffalo will apply throughout the North. In the South, for many years, they have had a poor showing at the hands of their white allies. If they do not know this and feel this, then they have passed beyond sympathy. In the interview of a prominent Southern Republican, published in the STAR recently, it was given ont emphatically that the negroes should not have office. After awhile the negroes will find out that they are merely useful in getting office for their white allies, and that it is not intended that they shall ever have any part of the loaves and fishes. The colored people ought not to be so fooled by their white allies. They do the voting, and the whites get the offices. Look at the election of the Clerk of the House in the Republican Congressional caucus. Here was a good chance to give an intelligent negro a good paying and responsible office. But the white McPherson received 92 votes and the colored Rainey but 44. Of course the STAR does not care whether Rainey was defeated by his own party friends or not, but we have a right to point to this instance, one of ten thousand, where the negro is overlooked, and the loaves and fishes distributed among the whites. If the colored voters are content to abide by such an ar-

mourning for thirty days. THE DUPLIN CANAL.

rangement Democrats will not put on

Satisfactory Progress of the Work, &c. From Maj. W. L. Young, Superintendent of the Duplin Canal, who was in the city yesterday, we learn that work on the canal is progressing finely, the cutting being at the rate of about four hundred yards per week. They will soon be across the "divide" and commence draining the noted Gum Swamp, for which the company is to have one-half. This land, comprising about ten thousand acres, will be worth when drained, as estimated, in the neighborhood of \$25,000, whereas in its present condition it is literally worthless. It is believed that the company already have enough money to perfect its drainage.

No doubt seems now to be entertained as to the ability of the company to cut the fifteen miles from Bannerman's Bridge to Burton's Old Field for \$10,000, which was the original estimate.

Major Young says the diggers have struck what is known as the Jersey green sand, said to be the most valuable marl known. being composed of lime, potash and magnesia. It is claimed to be the first bed ever discovered in this State thick enough to be worked, it being from three to four feet, while the only other bed, which was discovered by the late Professor Emmons, State Geologist, is in about four miles of the same place and was but two or three inches thick. In justice to the Professor it should be stated, however, that he predicted at the time that if this valuable marl should ever be found in a bed of sufficient thickness in North Carolina it would be in that particu-

lar locality. Some of the delinquent subscribers to the enterprise have been sued before Jus-tice Matthews and a yerdict rendered in favor of the Duplin Canal Company, and it is now understood that no further trouble will be likely to occur, as the subscribers have all expressed their intention to pay the amounts of their subscriptions,

COUNTY COMMISSIONERS.

The Board of County Commissioners met yesterday in regular ression; present, H. A. Bagg Chairman, and Commissioners Worth Moore, Montgomery and Pearce.

The following magistrates made their an nual reports: J. P. Montgomery, James A. Montgomery, Elijah Hewlett, John D. Taylor, A. J. Grady, Thomas M. Gardner, I. Johnson, E. H. McQuigg, W. W. Harriss.

The application of Jos. C. Hill, for remission of taxes, which was referred to Col. J. D. Taylor at the last meeting, was

The Treasurer submitted his monthly re ports for the month of November, as fol

General Fund: Balance on hand, \$20,298.05 Special Fund: Balance on hand, 3,573.38 Educational Fund: Balance on hand...... 8,546.0 One coupon of the denomination of \$300. No. 38, was exhibited and burned in the

presence of the Board. The Register submitted his monthly re port for the month of November, showing the number of marriage licenses issued by him, and exhibiting his receipt from the Treasurer for \$12.85.

The Treasurer submitted his report for

the fiscal year ending Nov. 20th, 1881, the same being from the first of September, 1880, to the 30th of November, 1881, as General fund: Balance on hand, \$20,298.0

Special fund: Balance on hand, 3,573.38 Educational fund: Balance on hand...... 8,546.09 The Clerk of the Superior Court exhib-

ited his annual report, showing amounts collected as follows: Jury tax..... \$66.00 Pension account...... 60.00 Out of said pension tax \$25 was paid to

George Spearman, and the Inpsector's li cense tax (\$525) was paid to the city of Wilmington. Report referred to Financial Committee The Register submitted his annual redort

showing the amount of fees collected from marriages licenses (80 white and 143 colored) to foot up \$211 85 (after deduction of commission), and exhibited receipts for the

Application of Edward Bryson, to retail spirituous liquors, was granted.

Gen. S. H. Manning, Sheriff of the county, offered his three official bonds, to wit: Process bond, in the sum of \$5,000; County, School and Special Tax bond, in the sum of \$50,000, and the Public Tax bond in the sum of \$35,000; with A. W Shaffer, H. E. Scott, E. G. Pennypacker, E. E. Burruss and D. L. Russell as sureties, which said bonds, being found correct in form, were approved and ordered spread upon the record of official bonds and filed.

Stacey Van Amringe, Clerk of the Superior Court, offered his official bond in the sum of \$10,000, with H. E. Scott and Geo. Chadbourn as sureties, which bond was approved and ordered spread upon the record of official bonds and filed.

Edward D. Hewlett, Coroner, offered his official bond in the sum of \$2,000, which, with D. E. Scott and D. O. Connor assureties, was approved, ordered spread upon the record of official bonds and placed on

Elijah Hewlett, Treasurer, offered his official bond in the sum of \$50,000, with Isaac Bates, J. W. Atkinson and D R. Murchison as sureties, which was approved, ordered spread upon the records of official bonds and filed.

Thos. O. Bunting, Constable of Wilmington Township, offered his official bond in the sum of \$1,000, which was approved, ordered spread upon the records of official bonds and filed.

James Elder, Constable of Masonbord Township, presented his bond and was

Several applications for remission axes were disposed of. Board adjourned to meet on the first

Monday in January, 1882, at 2.30 p. m.

Foreign Shipments. The following foreign shipments were made from this port yesterday: The Norwegian barque Gronsvær, Capt. Jacobsen, for Liverpool, by Messrs. Williams & Murchison, with 1,751 bales of cotton, weighing 829,863 pounds and valued at \$91,829; the British brig Sagitta, Capt. David, for Liverpool, with 2,412 barrels of tar and 250 casks of spirits turpentine, valued at \$12,-373; and the Norwegian barque Carl Imenæs, Capt. Olsen, for Liverpool, with 1,353 bales of cotton, weighing 623,066 pounds, and valued at \$71,563. Total valuation of foreign exports for the day,

\$175,765.

Foreign Shipments. The following foreign shipments were made yesterday: The Norwegian barque Euxinus, Capt. Askeland, for Queenstown for orders, by Messrs. DeRosset & Co., with 1,419 casks spirits turpentine, valued at \$36,882 50; and the Norwegian barque Barbo, Capt. Pedersen, for Trieste, Austria, by Messrs. Robinson & King, with 3,160 barrels of rosin, valued at \$8,182 40. Total value of foreign exports for the day, \$45,-064 90; for two days, \$220,829 90.

Board of Education. The New Hanover County Board of Ed ucation met at the office of the Register of Deeds Tuesday, the 6th inst., and made the following appointments of school committeemen, to serve for the next two years: District No. 1-Donald McRae, W. M.

Parker and Jos. E. Sampson. District No. 2-Walker Meares, Jas. H. Chadbourn and John G. Norwood. District No. 3-A. J. Johnson, John Canady and Thos. Davis.

Todd and Wm. H. Waddell. District No. 5-W. B. Giles, A. A. Moselev and A. R. Black. District No. 6-W. S. Johnson, O. M. Fillyaw and Samuel C. Nixon.

District No. 4-John G. Wagner, Louis

There are political outbreaks so popular with the whole people that the State dare not interfere. The breaking out of pustules, pimples, tetter, and the like on the face, can be pleasantly cured by Dr. Benson's Skin Cure. Also good for the skin and scale. and scalp.

FORTY-SEVENTH CONGRESS PILST SESSION.

ign Helations - The Inter-Oceanic tions Concurred in-The Bevent and Taxes-The Navy and its Enlargement-Star Route Prosecutions-The Mormons-Public Education, etc. [By Telegraph to the Morning Star.]

were presented by Messrs. Beck, Jones, Sherman and Plumb, to require railroads to conduct their business on terms just and equitable to the public. By Mr. Miller, of California, for a territorial government for outheastern Alaska. Bills were introduced as follows: By Mr. Cameron, of Pa., for public build-

for the courts and By Mr. Saunders, for the admission of Dakota as a State. By Mr. Ingalls, granting the franking privilege to Lucretia R. Garfield.

By Mr. Pendleton, to regulate and improve the civil service of the United States; also to prevent extortion from persons in the public service, and bribery and coercion by such persons. At 12.50 a report was made by the Senate half of the Joint Committee to wait on the President and inform him of the organization of Congress, that they had been in-formed by the President that he would

communicate with the two houses in writing forthwith. The message was then presented and read To the Senate and House of Representatives of

the United States: An appalling calamity has befallen the American people since their chosen representatives last met in the halls where you are now assembled. We might else recall with unalloyed content the rare prosperity with which throughout the year the nation has been blessed. Its harvests have been plenteous; its varied industries have thriven the health of its people has been preserved. It has maintained with foreign governments the undisturbed relations of amity and peace. For these manifestations of His favor, we owe to Him who holds our destiny in His hands the tribute of our grateful devotion. To that mysterious exercise of His will which has taken from us the loved and illustrious citizen, who was but lately the head of the nation, we bow in sorrow and submission. The memory of his exalted character, of his noble achievements and of his patriotic life, will be treasured forever as a sacred possession of the whole people. The statement of his death evoked from foreign governments and peoples tributes of sympathy and sorrow which his-tory will record as signal tokens of the kinship of nations and the federation of man-

The feeling of good will between our own government and that of Great Britain was never more marked than at present. In recognition of this pleasing fact I directed, on the occasion of the late Centennial celebration at Yorktown, that a salute be given to the British flag. Save for the correspondence to which I shall refer hereaf ter, in relation to the proposed canal across the Isthmus of Panama, little has occurred worthy of mention in the diplomatic relayear the Fortune Bay claims were satisfactorily settled by the British government paying the sum of £15,000, most of which has been already distributed. As the terms of the settlement included compensation for injuries suffered by our fishermen at Ashee Bay, there has been retained from the gross award a sum which is deemed adequate for those claims. The participation of Americans in the exhibitions at Melbourne and Sydney will be approvingly mentioned in the reports of the two exhibitions, soon to be presented to Congress. They will disclose the readiness of our countrymen to make successful competition in distant fields of enterprise. Negotiations for an International Copyright Convention are in hopeful progress. The surrender of Sitting Bull and his force upon the Canadian frontier has allayed apprehension, although bodies of British Indians still cross the border in quest of sustenance. Upon this subject a correspondence has been opened which promises an adequate understanding. Our troops have orders to avoid, meanwhile all collisions with alien Indians.

The presence at the Yorktown Celebra tion of representatives of the French Republic and descendants of Lafayette and of his gallant compatriots who were our allies in the Revolution, has served to strengthen the spirit of good will which has always existed between the two nations. You will be furnished with the proceedings of the Bi-Metallic Confenence held during the summer at the City of Paris. No accord was reached, but a valuable interchange of views was had and the Conference will next year be renewed. At the Electrical Exhibition and Congress, also held at Paris, this country was creditably represented by eminent specialists, who, in the absence of an appropriation generally lent their efficient aid, at the instance of the State Department. While our exhibitors in this almost distinctively American field of achievement have won several valuable awards, I recommend that Congress provide for the replacement of the personal expenses incurred in the public interest by the honorary com-

missioners and delegates. No new questions respecting the status of our naturalized citizens in Germany have arisen during the year, and the causes of complaint, especially in Alsace and Lorraine, have practically ceased, through the liberal action of the Imperial Government in accepting our often expressed views on the subject. The application of the treaty of 1868 to the lately acquired Rheinish provinces has received very earnest attention, and a definite and lasting agreement on this point is confidently expected. The participation of the descendants of Baron Von Steuben in the Yorktown festivities and their subsequent reception by their American kinsmen, strikingly evinced the ties of good will which unite the German people

Our intercourse with Spain has been friendly. . An agreement concluded in February last fixes a term for the labors of the Spanish and American Claims Commission The Spanish Government has been request ed to pay the late awards of that Commis sion, and will, it is believed, accede to the request as promptly and courteously as on former occasions. By recent legislation onerous fines have been imposed upon American shipping in Spanish and colonial ports for slight irregularities in manifests. One case of hardship is specially worthy of attention. The barque Masonic, bound for Japan, entered Manila in distress, and in there sought to be confiscated under the Spanish revenue laws for an alleged short age in her trans-shipped cargo. Though unavailing, it is expected that the whole matter will be adjusted in a friendly spirit. The Senate resolutions of condolence on the assassination of the Czar, Alexander II. were appropriately communicated to the Russian Government, which in turn has expressed its sympathy in our late national bereavement. It is desirable that our cor-dial relations with Russia should be strengthened by proper engagements assuring to peaceable Americans, who visit the Empire, the consideration which is due to them as citizens of a friendly State. This is especially needful with respect to American Israelites whose classification with the native Hebrew has evoked energetic re-

monstrances from this government. A supplementary consular agreement with Italy has been sanctioned and proclaimed which puts at rest conflicts of jurisdiction in the case of crimes on ship-board. The insecurity of life and property in many ports of Turkey has given rise to correspondence with the Porte looking particularly to the better protection of American missionaries in the Empire:

The Swiss government has again solicited the good offices of our diplomatic and consular agents for the protection of its citizens in countries where it is not itself represented. The request has mithin property is not itself repre-bas within proper

sented. The request limits been granted. Treaties of commerce al navigation and for the regulation of cons since their admission into the family of

The friendship of the United States and Mexico has been constantly maintained. This government has lost no occasion of ncouraging the Mexican Govovernment beneficial realization of the mutual advantages which will result from a more intimate commercial intercourse and from the opening of the rich interior of Mexico to I deem it important that means be pro-

rided to restrain the lawlessness unfortunately so common on the frontier, and to suppress the forays of the reservation Indians on either side of the Rio Grande. The neighboring States of Central America have preserved internal peace and their outward relations toward us have been those of intimate friendship. There are encouraging signs of their growing disposition to subordinate their social interests

to those which are common to them by eason of their geographical relations. The boundary dispute between Guata-mala and Mexico has afforded this government an opportunity to exercise its good offices for preventing a rupture between these States and for procuring a peaceable solution of the question. 1 cherish strong hope that in view of our relations of amity with both countries, our friendly counse

may prevail.

The Costa Rican Government lately framed an engagement with Colombia for settling by arbitration the boundary question between these countries, providing that the post of arbitrator should be offered successively to the King of the Belgians, the King of Spain, and the President of the Argentine Confederation. The King of the Belgians has declined to act, but I am not as yet advised of the action of the King of Spain. As we have certain interests in the disputed territory, which are protected by our treaty engagements with one of the parties, it is important that the arbitration should not without our consent affect our rights, and this government has accordingly thought proper to make its views known to the parties to the agreement, as well as to intimate them to the Belgian and Spanish

The questions growing out of the pro-

Governments. .

osed inter-oceanic water way across the sthmus of Panama are of grave national importance. This government has not been unmindful of the solemn obligations imposed upon it by its compact of 1846 with Colombia as the independent and sovereign mistress of the territory crossed by the canal, and has sought to render them effective by fresh engagements with the Colombian republic looking to their practical execution. The negotiations to this end, after they had reached what appeared to be a mutually satisfactory solution here, were met in Colombia by a disavowal of the powers which its envoy had assumed, and y a proposal for renewed negotiations on a modified basis. Meanwhile, this government learned that Colombia had proposed to the European powers to join in a guarantee of the neutrality of the proposed be an indirect contravention of our obligation as the sole guarantee of the integrity of Colombian territory and of the neutrality of the canal itself. My lamented predecessor felt it his duty to place before the European powers the reasons which make the prior guarantee of the United States indispensable, and for which the interjection of any foreign guarantee might be regarded as a superfluous and unfriendly act. Foreseeing the probable reliance of the British government on the provisions of the Clayton-Bulwer Treaty of 1850, as affording room for a share in the guarantee which the United States covenanted with Colombia four years before, I have not hesitated to supplement the action of my predecessor by proposing to her Majesty's government the modification of that instrument and the abrogation of such clauses thereof as do not comport with the obligations of the United States toward Colombia, or with the vital needs of the two friendly parties to the compact.

This government sees with great concern the continuance of the hostile relations between Chili, Bolivia and Peru. Peace between these republics is much to be desired, not only that they themselves may be spared further misery and bloodshed, but because their continued antagonism threatens consequences which are, in my judgment, dangerous to the interests of republican government on this continent, and calculated to destroy the best elements of our free and peaceful civilization. As in the present excited condition of popular feeling in these countries there has been serious misapprehension of the United States. and as separate diplomatic intercourse with each through independent ministers is sometimes subject, owing to the want of prompt reciprocal communication, to temporary misunderstanding, I have deemed it udicious at the present time to send a special envoy accredited to all and each of them, and furnished with general instructions which will, I hope, enable him to bring these powers into friendly relations. I regret that the commercial interests between the United States and Brazil, from which great advantages were hoped a year ago, have suffered from the withdrawal of

the American lines of communication between the Brazilian ports and our own. The treaties recently negotiated with China have been duly ratified on both sides, and the exchange made at Pekin. Legis lation is necessary to carry their provisions into effect. The prompt and friendly spirit with which the Chinese Government at the request of the United States, conceded the modification of existing treaties should secure careful regard for the interests and susceptibilities of that government in the enactment of any laws relating to Chinese immigration. Those clauses of the treaties which forbid the participation of citizens or vessels of the United States in the opium trade will doubtless receive your approval. The intimacy between our own country and Japan continues to be cordial. I am advised that the Emperor contemplates the establishment of a full constitutional government, and that he has already summoned a parliamentary congress for the purpose of effecting the change. Such a remarkable step toward complete assimila tion with the western system cannot fail to bring Japan into closer and more beneficial relationship with ourselves as the chief Pa

The King of Hawaii, in the course of his homeward return after a journey around the world, has lately visited this country. While our relations with that kingdom are friendly, this Government has viewed with concern the efforts to seek replenishment of the diminishing population of the islands from outward sources to a degree which may impair their native sovereignty and in-dependence in which the United States was among the first to testify a lively interest. maintained throughout the year with the respective governments of Austria, Hunrespective governments of Austria, Hungary, Belgium, Denmark, Hayti, Paraguay and Uraguay, Portugal, Sweden and Norway. This may also be said of Greece and Ecuador, although our relations with these States have for some years been severed by the withdrawal of appropria-tions for diplomatic representatives at

Athens and Quito.

The State Department still continues to publish to the country the trade and manufacturing reports from abroad. The success of this course warrants its continuance, With special reference to the Atlanta Cotton Exposition, the October number of the re-ports was devoted to a valuable collection of papers on the cotton goods trade of the world,

orld. The International Sanitary Conference.

to the operations of the National Board of Health. The execution of the rules and regulations prepared by the Board and approved by my predecessor has done much o arrest the progress of epidemic disease. and has thus rendered substantial service to the nation.

The health of the people is of supreme importance. All measures looking to their protection against the spread of contagious liseases and to the increase of our sanitary knowledge for such purposes deserve the attention of Congress.

The report of the Secretary of the Treasusury presents in detail a highly satisfactory exhibit of the state of the finan-ces and the condition of the various branches of the public service administered by that Department. The ordinary revenues from all sources for the year ending June 30, 1881, were \$360,782,292.57. The ordinary expenditures, for the same period. were \$260,712,887.59. Leaving a surplus revenue of \$100,064,403.98. The increase of the revenue for 1881 over those of the previous year was \$29,352,701.10. It is estimated that the receipts during the present fiscal year will reach \$400,000,000, and the expenditures \$270,000,000, leaving a surplus of \$130,000,000 applicable to the sinking fund and the redemption of the public debt. I approve the recommendation of the Secretary of the Treasury that provision be made for the early retirement of silver certificates and that the act requiring their issue be repealed. They were issued in pursuance of the policy of the government to maintain silver at or near the gold standard and were accordingly made receivable for all customs taxes and public duties. About sixty-six millions of them are now outstanding. They form an unnecessary addition to the paper currency, a sufficient amount of which may be readily supplied by the national banks. In accordance with the act of February

28, 1878, the Treasury Department has monthly caused at least two millions in value of silver bullion to be coined into standard silver dollars, one hundred and two millions of these dollars have been already coined, of which only about thirtyfive millions are in circulation. For the reasons which he specifies I con-

cur in the Secretary's recommendation that the provision for the coinage of a fixed amount each month be repealed, and that hereafter only so much be coined as shall be necessary to supply the demand.

The Secretary advises that the issue of

gold coin certificates should not for the present be resumed, and suggests that the national banks may properly be forbidden by law to retire their currency except upon reasonable notice of their intention to do so. Such legislation would seem to be justified by the recent action of certain banks on the occasion referred to in the Secretary's

Of the fifteen millions of fractionalcurrency still outstanding only about \$80,000 has been redeemed the past year. The suggestion that this amount may properly be dropped from future statements of the public debt seems worthy of approval.

It is a matter of congratulation that the business of the country has been so prosperous during the past year as to yield by taxation a large surplus of income to the government. If the revenue laws remain unchanged this surplus must year by year increase on account of the reduction of the public debt and its burden of interest, and because of the rapid increase of our population. In 1860, just prior to the institution of our internal revenue system, our population but slightly exceeded 30,000,000; by the census of 1880 it is now found to exceed 50,000,000. It is estimated that even if the annual receipts and expenditures should continue as at present the entire debt could be paid in ten years. In view, however, of the heavy load of taxation which our people have already borne, we may well consider whether it is not the part of wisdom to reduce the revenues even if we delay a little the payment of the debt, It seems to me that the time has arrived when the people may justly demand some relief from their present onerous burden; and that by due economy in the various branches of the public service this may readily be afforded. I therefore concur with the Secretary in recommending the abolition of all Internal Revenue taxes except those upon tobacco in its various forms and upon distilled spirits and fermented liquors, and except also the special tax upon the manufacturers of and dealers in ch articles; the retention of the latter tax s desirable as affording the officers of the government a proper supervision of these articles for the prevention of fraud. I agree with the Secretary of the Treasury that the law imposing a stamp tax upon natches, proprietary articles, playing cards. checks, and drafts may with propriety be repealed, and the law also by which banks and bankers are assessed upon their capital

It is perhaps doubtful whether the immeliate reduction of the rate of taxation upon liquors and tobacco is advisable, especially in view of the drain upon the Treasury which must attend the payment of arrears

of pensions.

The tariff laws also need revising, but that a due regard may be paid to the conflicting interests of our citizens important changes should be made with caution. If a careful revision cannot be made at this session a commission, such as was lately approved by the Senate, and is now recommended by the Secretary of the Treasury, would doubtless lighten the labors of Conress whenever this subject shall be brought to its consideration

I concur in the recommendations of the Secretary of War for increasing the army to the strength of 30,000 enlisted men. There is need of legislation to prevent inrusion upon the lands set apart for the Indians. A large military force at great expense is now required to patrol the boundary line between Kansas and the Indian Territory. The only punishment that can at present be inflicted is the forcible removal of the intruder and the imposition of pecuniary fine, which in most cases it is impossible to collect. There should be a

penalty by imprisonment in such cases. The separate organization of the Signal Service is urged by the Secretary of War and a full statement of the advantages of such permanent organization is presented in the report of the Chief Signal officer. A detailed account of the useful work performed by the Signal corps and the Weath-

er Bureau is also given in that report.

The report of the Chief Engineer furishes a detailed account of the operations for the improvement of rivers and harbors. I commend to your attention the sugges-tions contained in this report in regard to the condition of our fortifications, and especially our coast defences, and recommend in increase of the strength of the engineer pattalion, by which the efficiency of our

orpedo system would be improved. I cannot too strongly urge upon you my conviction that every consideration of national safety, economy and honor impera-tively demands a thorough rehabilitation of our navy. With a full appreciation of the ce with the su of the head of that Department and of the Advisory Board involves a large expendi-ture of the public moneys, I earnestly recommend such appropriations as will ac-complish an end which seems to me so desirable. Nothing can be more inconsistent with the public economy than withholding the means necessary to accomplish the objects intrusted by the Constitution to the National Legislature: One of those sub-jects, and one which is of paramount importance, is declared by our fundamental law to be the provision for the common defence. Surely, nothing is more essential to the defence of the United States and of all

our people than the efficacy of our navy.

We have for many years maintained with foreign governments the relations of honorable peace, and that such relations may be permanent is desired by every pa-