

PRESIDENT'S MESSAGE.

AMICABLE RELATIONS WITH ALL OTHER COUNTRIES. A REVIEW OF OUR CONDITION. DESIRABLE LEGISLATION SUGGESTED.

To the Congress of the United States: Since the close of your last session the American people, in the exercise of their highest right of suffrage, have chosen their chief magistrate for the four years ensuing.

When it is remembered that at no period in the country's history has the long political contests which customarily precede the day of a national election been waged with greater fervor and intensity, it is a subject of general congratulation that after the controversy of the polls was over, and while the slight preponderance by which the issue had been determined was yet unascertained, the public peace suffered no disturbance, but the people everywhere patiently and quietly awaited the result.

Nothing could more strikingly illustrate the temper of the American citizen, his love of order and his loyalty to law; nothing could more signally demonstrate the strength and wisdom of our political institutions. Eight years have passed since a controversy concerning the result of a national election sharply called the attention of the country to the necessity of providing more precise and definite regulations for counting the electoral vote. It is of the greatest importance that this question be solved before conflicting claims to the presidency shall again distract the country, and I am persuaded that by the people at large any of the measures of relief thus far proposed would be preferred to continued inaction.

Our relations with all foreign powers continue to be amicable. With Belgium a convention has been signed whereby the scope of the present treaties has been so enlarged as to secure to citizens of either country within the jurisdiction of the other equal rights and privileges in the acquisition and alienation of property. A trade marks treaty has also been concluded.

The war between Chili and Peru is at an end. For the arbitration of the claim of American citizens who during its continuance suffered through the acts of the Chilean authorities, a convention will soon be negotiated.

The state of the hostilities between France and China continues to be an embarrassing feature of our eastern relations.

The Chinese government has promptly adjusted and paid the claims of American citizens whose property was destroyed in the recent riots at Canton. I renew the recommendation of my last annual message that the Canton indemnity be refunded to China.

The true interpretation of the recent treaty with that country, permitting the restriction of Chinese immigration, is likely to be again the subject of your deliberations. It may be seriously questioned whether the statute passed at the last session does not violate the treaty rights of certain Chinese who left this country with return certificates valid under the old law, and who now seem to be debarred from re-landing for lack of the certificates required by the new law.

The recent purchase by citizens of the United States of a large trading fleet heretofore under the Chinese flag, has considerably enhanced our commercial importance in the east. In view of the large number of vessels built or purchased by American citizens in other countries, and exclusively employed in legitimate traffic between foreign ports under the recognized protection of our flag, it might be well to provide a uniform rule for their registration and documentation, so that the bona fide property rights of our citizens therein shall be duly evidenced and properly guarded.

Pursuant to the advice of the Senate at the last session, I recognized the flag of the international association of the Congo as that of a friendly government, availing in so doing any of the conflicting territorial claims in that region. Subsequently, in execution of the expressed wish of Congress I appointed a commercial agent for the Congo basin. The importance of the rich prospective trade of the Congo valley has led to the general conviction that it should be open to all nations upon equal terms.

At an international conference for the consideration of this subject, called by the Emperor of Germany, and now in session at Berlin, delegates are in attendance on behalf of the United States. Of the results of the conference you will be duly advised.

The government of Corea has generously aided the United States minister to secure suitable premises for the use of the legation. As the condition of diplomatic intercourse with eastern nations, demands that the legation premises be owned by the represented power, I advise that an appropriation be made for the acquisition of the property by the government. The United States already possesses valuable premises at Tongier, as a gift from the Sultan of Morocco, as is stated hereafter. They have lately received a similar gift from the Siamese government. The government of Japan stands ready to present to the United States extensive grounds at Tokio, whereon to erect a suitable building for the legation, court's use and jail, and a similar privilege can probably be secured in China and Persia. The owning of such premises would not only effect a large saving of the present rentals but would permit of the due association of extra territorial rights in those countries, and would the better serve to maintain the dignity of the United States.

The failure of Congress to make appropriation for our representation at the autonomous Court of the Khedive has proved a serious embarrassment in our intercourse with Egypt and in view of the necessities of diplomatic relationship due to the participation of this government as one of the treaty powers in all matters of administration here affecting the rights of foreigners.

I advise the restoration of the agency and consulate general at Cairo on its former basis. I do not conceive it to be the wish of Congress that the United States should withdraw altogether from the honorable position they have hitherto held with respect to the Khedive, or that citizens of this Republic residing or sojourning in Egypt should hereafter be without the aid and protection of a competent representative.

With France the traditional cordial relationship continues. The colossal statue of "Liberty Enlightening the World," the generous gift of the people of France, is expected to reach New York in May next. I suggest that congressional action be taken in recognition of the spirit which has prompted this gift and in aid of the timely completion of the pedestal upon which it is to be placed.

Our relations with Germany, a country which contributes to our own some of the best elements of citizenship, continue to be cordial. The United States have extradition treaties with several of the German States but by reason of the confederation of those States under the imperial rule the application of such treaties is not as uniform and comprehensive as the interests of the two countries require. I propose therefore to open negotiations for a single convention of extradition to embrace all the territory of the empire.

It affords me pleasure to say that our intercourse with Great Britain continues to be of most friendly character.

The government of Hawaii has indicated its willingness to continue for seven years the provisions of the existing reciprocity treaty. Such continuance, in view of the relations of that country to the American system of States, should, in my judgment, be favored. The revolution in Hayti against the established government has terminated. While it was in progress it became necessary to enforce our neutrality laws by instituting proceedings against individuals and vessels charged with their infringement. These proceedings were in all cases successful.

Much anxiety has lately been displayed by various European governments, and especially by the government of Italy, for the abolition of our import duties upon works of art. It is well to consider whether the present discrimination in favor of the production of American artists abroad is not likely to result, as they themselves generally believe it may, in the practical exclusion of our painters and sculptors from the rich fields for observation, study and labor which they have hitherto enjoyed.

There is a prospect that the long pending revision of the foreign treaties of Japan may be concluded at a new conference to be held at Tokio. While this government fully recognizes the equal and independent status of Japan in the community of nations, it would not oppose the general adoption of such terms of compromise as Japan may be disposed to offer in furtherance of a uniform policy of intercourse with western nations.

During the past year the increasing good will between our own government and that of Mexico has been variously manifested. The treaty of commercial reciprocity concluded Jan. 20, 1883, has been ratified and awaits the necessary tariff legislation of Congress to become effective. This legislation bill, I doubt not, will be among the first measures to claim your attention. A full treaty of commerce, navigation and consular rights is much to be desired, and such a treaty, I have reason to believe the Mexican government stands ready to conclude.

Some embarrassment has been occasioned by the failure of Congress at its last session to provide means for the due execution of the treaty of July 29, 1882, for the resurvey of the Mexican boundary and the re-erection of boundary monuments within the Nicaragua.

A treaty has been concluded which authorizes the construction by the United States of a canal, railway and telegraph line across the Nicaraguan territory. By the terms of this treaty, sixty miles of the river San Juan, as well as Lake Nicaragua, an inland sea, forty miles in width, are to constitute a part of the projected enterprise. This leaves for actual canal construction seventeen miles on the Pacific side and thirty miles on the Atlantic. To the United States whose rich territory on the Pacific is for the ordinary purposes of commerce, practically cut off from communication by water with the Atlantic ports, the commercial advantages of such a project can scarcely be overestimated. It is believed that when the treaty is laid before you, the justice and liberality of its provisions will command universal approval at home and abroad.

The death of our representative in Russia while at his post at St. Petersburg afforded to the Imperial government a renewed opportunity to testify its sympathy in a manner befitting the intimate friendliness which has ever marked the intercourse of the two countries. The course of this government in raising its representation at Bangkok to the diplomatic rank has evoked evidences of warm friendship and argues well for our enlarged intercourse.

The Siamese government has presented to the United States a commodious mansion and grounds for the occupation of the legation, and I suggest that by joint resolution Congress attest its appreciation of this generous gift.

This government has more than once been called upon to take action in fulfillment of its international obligations toward Spain. The agitation in the Island of Cuba hostile to the Spanish Crown having been fomented by persons abusing the sacred rights of hospitality which our territory afforded, the officers of this government have been instructed to exercise vigilance to prevent infraction of our neutrality laws at Key West and other points near the Cuban coast. I am happy to say that in the only instance where these precautionary measures were successfully eluded the offenders when found in our territory were subsequently tried and convicted.

The growing need of close relationship of intercourse and traffic between the Spanish and our territories, and the natural outlet in the United States for the products of the mines and the commerce of the country, looking to that end. This agreement has since been superseded by a more carefully framed and comprehensive convention which I shall submit to the Senate for approval.

It has been the aim of the negotiation to open such a favored reciprocal exchange of productions carried under the flag of either country as to make the interchange between Cuba and Porto Rico and ourselves scarcely less intimate than the commercial movement between our domestic ports, and to insure a removal of the burdens on shipping in the Spanish Indies, of which in the past, our ship owners and ship masters have so often had cause to complain.

The negotiations of this convention have for a time been suspended by the claims of our citizens which were declined to be without the jurisdiction of the late Spanish-American claims commission, and which are therefore remitted to diplomatic channels for adjustment. The speedy settlement of these claims will now be urged by this government.

Certain questions between the United States and the Ottoman Empire still remain unsettled. Complaints on behalf of our citizens are not satisfactorily adjusted. The ports have sought to withhold from our commerce the right of favored treatment to which we are entitled by existing conventional stipulations, and the revision of the tariff is unaccomplished. The final disposition of the pending questions with Venezuela has not been reached, but I have good reason to expect an early settlement, which will provide the means of re-examining the Caracas awards in conformity with the expressed desire of Congress, and which will recognize the justice of certain claims preferred against Venezuela.

The Central and South American commission, appointed by authority of the act of July 7, 1884, will proceed to Mexico. It has been furnished with instructions which will be laid before you, and contain a statement of the general policy of the government for enlarging its commercial intercourse with American States. The commissioners have been actively preparing for their responsible task by holding conferences in the principal cities with merchants and others interested in Central and South American trade.

In the regard of international commerce, the United States government abroad, it seems advisable, providing being deficient, and, however, as now, for the amount of salary attached to the respective sections.

The condition of our finances, and the operation of the various branches of the public service which are connected with the Treasury department, are very fully discussed in the report of the secretary.

It appears that the ordinary revenues for the year ending June 30, 1884, were from customs, \$15,053,000; from internal revenue, \$121,483,022.51; from other sources, \$31,866,307.65; total ordinary revenues, \$348,319,899.92. The public expenditures during the same period were for civil expenses, \$22,312,907.71; foreign intercourse, \$1,260,063.37; for Indian, \$6,175,909.29; for pensions, \$55,321,228.06; for the military establishment including river and harbor improvement and arsenals, \$39,429,603.36; for the naval establishment, including vessels, machinery and improvements at the navy yards, \$17,292,000.41; for miscellaneous expenses, including public buildings, light houses, and collecting the internal revenue, \$13,338,710; for expenditures on account of the District of Columbia, \$3,404,049.92; for interest on the public debt, \$4,578,378.48; for the sinking fund, \$4,679,229.50; total ordinary expenditures, \$230,916,473.83, leaving a surplus of \$57,663,386.69. As compared with the preceding fiscal year, there was a net decrease of over \$1,000,000 in the amount of the expenditures. The aggregate receipts were less than those of the year previous by about \$54,000,000. The falling off in the revenue from customs made up nearly \$20,000,000 of this deficiency, and about \$23,000,000 of the remainder was due to the diminished receipts from internal taxation. The secretary estimates the total receipts for the fiscal year which will end June 30, 1885, at \$339,000,000, and the total expenditures at \$229,620,201.16, in which sum is included the interest on the debt and the amount payable to the sinking fund. This would leave a surplus for the entire year of about \$39,000,000.

The value of exports from the United States to foreign countries during the year ending June 30, 1884, was as follows: On domestic merchandise, \$724,964,852; foreign merchandise, \$15,518,757; total, \$740,483,609. The value of imports from foreign countries, including merchandise, specie, gold and silver, \$1,033,883,274; wool and woolsens, \$53,542,282; silk and its manufactures, \$19,949,122; coffee, \$49,697,705; iron and steel and manufactures thereof, \$41,461,599; chemicals, \$38,464,965; flax, hemp, jute and like substances, and manufactures thereof, \$33,463,208; cotton and manufactures of cotton, \$30,454,176; hides and skins other than fur skins, \$22,350,906.

I concur with the Secretary of the Treasury in recommending the immediate suspension of the coinage and the issuance of the insurance silver certificates. This is a matter which, in former communications I have more than once invoked the attention of the National Legislature. It appears that annually for the past six years there have been coined in compliance with the act of February 22, 1878, more than twenty-seven million dollars. The number now on standing is reported by the Secretary to be over one hundred and eighty-five million, whereof but little more than forty million or less than 52 per cent, are in actual circulation. The mere existence of this fact seems to me to furnish itself a cogent argument for the repeal of the statute which has made such a fact possible. But there are other and graver considerations that tend in the same direction.

The secretary avers his conviction that unless this coinage be suspended, silver is likely at no distant day, to become our sole metallic standard. The commercial disturbance and the impairment of national credit that would be thus occasioned can scarcely be overestimated.

I hope that the secretary's suggestions respecting the withdrawal from circulation of the one and two dollar notes will meet your approval, as it is likely that a considerable portion of the silver now encumbering the Treasury will thereby be put into circulation.

While trade dollars have ceased for the present at least, to be coined, the

active disturbance in our currency system, some provision should be made for the surrender to the government. In view of the circumstances under which they were coined, and the fact that they have never had a legal tender quality, there should be offered for them only a slight advance over their bullion value. The secretary in the course of his report, considers the propriety of beautifying the designs of our subsidiary silver coins, and so increasing their weight that they may bear their due ratio of value to the standard dollar. His conclusions in this regard are cordially approved.

In my annual message of 1882 I recommended the abolition of all internal taxes except those relating to distilled spirits. This recommendation is now renewed. In case this tax should be abolished the revenues which will still remain to the government will in my opinion, not only be sufficient to meet its reasonable expenditures, but will afford a surplus large enough to permit such tariff reduction as may seem to be advisable when the results of the repeal of the revenue laws and commercial treaties shall have shown in what quarters those reductions can be most judiciously effected.

One of the gravest of the problems which appeal to the wisdom of Congress for solution is the ascertainment of the most effective means for increasing our foreign trade and thus relieving the depression under which our industries are now languishing. The secretary of the treasury advises that the duty of investigating the subject be entrusted in the first instance, to a competent commission. While fully recognizing the considerations which may be urged against this course, I am, nevertheless, of the opinion that, on the whole, no other would be likely to effect speedier or better results.

That portion of the secretary's report which concerns the condition of our shipping interests cannot fail to command your attention. He emphatically recommends that as an incentive to the investment of American capital in American steamships, the government shall, by liberal payments for mail transportation or otherwise, lend its active assistance to individual enterprise, and declares his belief that unless that course be pursued our foreign carrying trade must remain as it is to-day, almost exclusively in the hands of foreigners. One phase of this subject is now especially prominent, in view of the repeal by the act of June 26, 1884, of all statutory provisions, arbitral in character, which relate to the carrying of mails to and from the United States. As it is necessary to make provision to compensate the owners of such vessels for performing that service after April, 1885, it is hoped that the whole subject will receive early consideration that will lead to the enactment of such measures for the review of our merchant marine as the wisdom of Congress may devise.

The three per cent. bonds of the government, the amount of more than \$100,000,000 have, since my last annual message, been redeemed by the treasury. The bonds of that issue still outstanding amount to a little over \$200,000,000, about one-fourth of which will be retired through the operations of the sinking fund during the coming year. As these bonds still constitute the basis for the circulation of national banks, the question how to avert the contraction of the currency caused by their retirement is one of constantly increasing importance. It seems to be generally conceded that the law governing this matter exists from the banks excessive security, and that upon their present bond deposits a larger circulation than is now allowed may be granted with safety. I hope that the bill which passed the Senate at the last session, permitting the issue of notes equal to the face value of the deposited bonds, will commend itself to the approval of the House of Representatives.

In the experience of the war department, the secretary reports a decrease of more than \$9,000,000, of this year's expenditures, \$5,900,000 was effected in the expenditures for rivers and harbors and \$2,600,000 in expenditures for the quartermaster's department. Outside of that department the annual expenses of all the army proper, except possibly the ordnance bureau, are substantially fixed charges which cannot be materially diminished without a change in the numerical strength of the army. The expenditures in the quartermaster's department can readily be subjected to administrative discretion and it is reported by the secretary of war as a result of exercising such discretion in reducing the number of draught and pack animals in the army the annual cost of supplying and carrying for such animals is now \$1,108,055—less than it was in 1881.

The reports of military commanders in the course of the year have been notable for their entire freedom from outbreaks. In defiance of the President's proclamation of July 15, 1884, certain intruders sought to make settlement in the Indian territory. They were promptly removed by a detachment of troops.

The funds with which the works for the improvement of rivers and harbors prosecuted during the past year were derived from the appropriations of the act of August 2, 1882, together with such few balances as were on hand from previous appropriations, the balance in the treasury subject to requisition July 1st, 1883 was \$10,021,649.55; the amount appropriated during the fiscal year 1884 was \$12,196,346.20, and the amount drawn from the treasury during the fiscal year was \$8,228,703.54, leaving a balance of \$3,112,589.63, in the treasury subject to requisition July 1st, 1884.

In view of the War subjects the report of the chief of engineers as to the practicability of protecting our important cities on the seaboard by fortifications and other defenses able to repel modern methods of attack. The time has now come when such defenses can be prepared with confidence that they will not prove abortive, and when possible result in delay in making such preparation is seriously considered, delay seems inexpedient, for the most important cities, those whose destruction or capture would be a national humiliation, adequate defense, inclusive of guns, may be made by the gradual expenditure of \$60,000,000, a sum much less than a victorious enemy could levy as a contribution. An appropriation of about one tenth of that amount is asked to begin the work, and the Secretary of War is urging that it be granted.

The report of the Secretary of the Navy exhibits the progress which has been made in the new steel cruisers, authorized by the acts of August 5, 1882 and March 3, 1883. Of the four vessels under contract, one, the Chicago, of 4,500 tons, is more than half finished. The Atlanta of 3000 tons, has been successfully launched, and her machinery is now fitting. The Boston, also of 3,000 tons, is ready for launching, and the Dolphin is ready for delivery. The machinery of the double turreted monitors, contracted for under the act of March 3, 1883, is in process of construction. No work has been done during the past year on their armor for the purpose of their

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As the time draws nigh when I am to retire from the public service I cannot refrain from expressing to the members of the national legislature with whom I have brought into contact, my sincere appreciation of their harmonious co-operation and of their unflinching confidence in me. I am fully and gratefully conscious of the aid and executive in so many measures of legislation, and to my fellow citizens generally, I acknowledge a deep sense of obligation for the support which they have accorded me in my administration of their government. CHESTER A. ARTHUR, Executive Department of their government. Washington, D. C., Dec. 1st, 1884.

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"WE ASK ALL" Interested in Hides, Furs, Wool, Bones, Feathers, Beeswax, Butter, Cheese, Eggs, Dried Fruit, Poultry, Hay and Produce generally to send for our Price Currents. Prompt returns on all Consignments. Trial Shipments Solicited. R. L. WILLIAMS & CO., -GENERAL COMMISSION MERCHANTS, Office, 169, William St., New York. 1:1y

NORTH CAROLINA IN THE STATE OF NORTH CAROLINA. JOHN W. SMITH, Plaintiff, vs. OCHA B. SMITH, Defendant. STATE OF NORTH CAROLINA. In the above entitled case it appearing to the satisfaction of the Court that the defendant is a non resident of this State and cannot after due diligence be found within this State and that a cause of action for divorce exists in favor of the plaintiff and against the defendant. It is ordered by the Court that publication hereof in the Carolina Watchman, a newspaper published in Salisbury, Rowan County, N. C., for six successive weeks, commencing Ocha B. Smith the defendant, commanding Ocha B. Smith the plaintiff, at the Court House in Salisbury, on the 9th Monday after the 4th Monday of September 1884, and answer the complaint which will be deposited in the office of the Clerk of the Superior Court of said County, within the first three days of said Term, and let the said defendant take notice that if he fail to answer the said complaint during the said Term, the plaintiff will apply to the Court for the relief demanded in the complaint. Given under my hand this 23rd day of October 1884. J. M. HOLLAR, Clerk Superior Court of Rowan County. 52:6w.

Positively the Last Notice. All persons indebted to me by Note or Mortgage, or open account, must settle the same between this time and the first day of December, 1884. All unsettled claims on the 1st day of December, will be placed in the hands of my Counsel for collection, and you can save trouble by coming up promptly settling with me. Respectfully, W. SMITHDEAL. Salisbury, Oct. 7, 1884.—4T

MILL STONES! The undersigned has bought the well known Mill Stone Quarry of E. E. Phillips deceased, and will continue to supply the public demand for Mill Stones from this celebrated grit. Orders addressed to me at Salisbury, N. C., will receive prompt attention. This quarry is so well known by actual working proof it needs no further comment. JOHN T. WYATT. Oct. 27, 1884.—31y

Now Due. All persons indebted to me either by Note, Mortgage or Accounts, are notified to come forward and pay the same. Some of these have been standing long and must be closed. R. J. HOLMES. Nov. 18, 1884.—6w

ADMINISTRATOR'S SALE OF PERSONAL PROPERTY. On Monday the 8th day of December next, at the late residence of J. W. Fisher, I will sell all the personal property belonging to his estate: Consisting in part of Corn, Wheat, Hay, Fodder and Shucks, and many other articles not enumerated. Terms of sale CASH. J. R. FISHER, Adm'r of the Estate of J. W. FISHER. Nov. 17th, 1884. 6tdofsp.

FULL STOCK OF Fall & Winter Goods! My stock this Fall is unusually Full and Elegant. I shall not give particulars, but MY OLD CUSTOMERS and Friends will find me thoroughly prepared to supply them, even better than usual. Call and see me. R. J. HOLMES. Nov. 18, 1884.—6t

TOBACCO FACTORY TO RENT! The large Tobacco Factory heretofore occupied by Messrs. Payne & Lunn, on Council street, near the center of business, is for rent for the year 1885. It was built expressly for a Tobacco factory, and is admirably adapted for the purpose, having all the necessary conveniences for the business. It is too stately, very roomy, light and airy—the lower story lined with Waterbury—There is also on the premises a large house for storing manufactured tobacco, a safe distance in case of fire. Also, on the lot, a small dwelling house and out buildings. SHAWVER, PARKER & HOLMES Salisbury, Nov. 18, 1884.—1m