Message

Dr F G Ramsay

Message

Vance

THE OLD North State.

VOL. V. SALISBURY, N. C., DECEMBER 16, 1870. NO. 50

CLEMMONS' STAGE LINES!

WARSAW

To Fayetteville.

LEAVE Warsaw for Fayetteville daily except Sunday. Through Tickets from Goldsboro' via Warsaw, to Fayetteville, $6. Through tickets from Weldon to Fayetteville $10.—Through tickets from Wilmington, via Warsaw, to Fayetteville, $6.

CHARLOTTE VIA WADESBORO. TO HEAD OF W., C & R. R. R:

Leave Charlotte after trains from Raleigh via Monroe, for Wadesboro' Tuesday, Thursday, and Saturday. Leave Wadesboro', Tuesday, Thursday, and Saturday, after trian from Wilmington.

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Leave Western Road at Jonesboro' after train from Fayetteville, daily except Sundays.

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Office at Butner's Hotel, Salem, N. C.

E. T. CLEMMONS,
Agent.

Sept. 16, 1870—tf Contractor.

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DeBing's Via Fuga cures all Liver, Kidney and Bladder Diseases, Organic Weakness, Female Afflictions, General Debility and all complaints of the Urinary Organs, in male and female.

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DeBing's MAGIC LINIMENT cures Rheumatism, Pains, Bruises and Swelled Joints, *in man and beast.*

Sold everywhere. Send for Pamphlet.

Laboratory—142 Franklin st., Baltimore, Md. apr22-1y

Wanted—AGENTS—100 to 250 dollars per month, everywhere, male and female, to introduce the GENUINE IMPROVED COMMON SENSE FAMILY SEWING MACHINE. This Machine will stitch, hem, fell, tuck, quilt, cord, bind, braid and embroider in a most superior manner. Price only Eighteen Dollars—Fully warranted for five years. We will pay One Thousand Dollars for any case that it will not sew more beautiful, or more durable seam than ours. It will make the "Elastic Lock Stitch." Every second stitch can be cut, and still the cloth cannot be pulled apart without tearing it. We pay agents from 75 to 200 per month and expenses, or a commission from which twice that amount can be made. Address for terms to agents, &c.

J. W. ROGERS & CO.,
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CAUTION—Beware of all Agents selling Machines as ours, unless they can show a Certificate of Agency signed by us. We shall not hold ourselves responsible for worthless Machines sold by other parties and shall prosecute all parties selling or using Machines under this name to the full extent of the law, unless such Machines are obtained from us or our agents. Do not be imposed upon by parties who copy our advertisement and circulars and offer worthless machines at a less price. oct 7—3m

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R. H. KLINE, M. D., at the Philadelphia Cancer Institute, 901 Arch St., Philadelphia, Pa., and E. H. GREEN, M. D., Charlotte, N. C., are making most remarkable cures of

Cancers, Tumors, and Ulcers,

by mild medication—entirely obviating the use of the knife, without caustics, eating or burning medicines, and with but little pain.

No other treatment should ever be used.

For particulars, send for a circular, call upon or address either of the above.

Dr. Kline will be with Dr. Green October 26th.

oct7:3m

PHILLIPS & BROTHERS,

TWO DOORS ABOVE THE

Court House, on Main Street,

RETURN THEIR THANKS TO THE public for the very liberal patronage enjoyed by them during the past year, and hope, by fair dealing and strict attention to business to merit a continuance, if not an increase of the same.

We will continue to keep on hand a good supply of **FAMILY GROCERIES,** including

Fresh and Salt Fish,

—OF EVERY VARIETY—

Whiskeys, Brandies, Rum, Gin, &c., &c.,

ALSO,

BOOTS, SHOES, DOMESTICS, PIECE GOODS,

YANKEE NOTIONS,

in fact, almost everything usually kept in a variety Store, all of which we will **sell low for Cash, or Country Produce** at the highest market price.

PHILLIPS & BROTHERS.

Feb. 18, 1870 7—tf

SIXTY-FIVE FIRST PRIZE MEDALS AWARDED,

The Great Southern Piano Manufactory.

Wm. Knabe & Co.,

MANUFACTURERS OF

Grand, Square and Upright

PIANO FORTES,

BALTIMORE, Md.

These Instruments have been before the public for nearly Thirty Years, and upon their excellence alone attained an unprecedented pre-eminence, which pronounces them unequalled. Their

TONE

combines great power, sweetness and fine singing quality, as well as the great purity of Intonation and Sweetness throughout the entire scale. Their

TOUCH

is pliant and elastic, and entirely free from the stiffness found in so many pianos.

IN WORKMANSHIP

they are unequaled using none but the very best seasoned material, the large capital employed in our business enables us to keep continually an immense stock of lumber, &c., on hand.

All of our SQUARE PIANOS have our New Improved Overstrung Scale and the Agraffe Treble.

We would call special attention to our late improvements in GRAND PIANOS AND SQUARE GRANDS, Patented August 14, 1866, which bring the Piano nearer perfection than has yet been attained.

Every Piano Fully Warranted for Five Years.

We have made arrangements for the Sole Wholesale Agency for the most celebrated PARLOR ORGANS and MELODEONS, which we offer, wholesale and retail, at Lowest Factory Prices.

WM. KNABE & CO.,
Baltimore, Md.

Sept. 9-326m.

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HIGH POINT, N. C.

OPPOSITE RAILROAD DEPOT.

Ten paces from where the Cars stop.

Best of porters in attendance at all trains.
Mail Stages for Salem leave this house daily.
Passengers dispatched to any point at short notice by private conveyance.
Grateful for the liberal patronage of the past we hope by strict attention to the wants of our guests to merit a continuance of the same.

WM. G. BARBEE,
Jan. 1, 1870—tf Proprietor.

The Old North State

PUBLISHED WEEKLY BY

LEWIS HANES.

Editor and Proprietor.

RATES OF SUBSCRIPTION

ONE YEAR, payable in advance	$3.00
SIX MONTHS, " "	1.50
5 Copies to one address	12.50
10 Copies to one address	20.00

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One Square, first insertion	$1.00
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SPACE.	One Month.	Two Months.	Three Months.	Six Months.	One Year.
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¼ Column.	11 00	16 00	20 00	30 00	45.00
½ Column.	18 00	24 00	30.00	45 00	75.00
1 Column.	28 00	40 00	50 00	80 00	130.00

THE PRESIDENT'S MESSAGE.

PEACE AND PROSPERITY.

To the Senate and House of Representatives:

A year of peace and general prosperity to this nation has passed since the last assembling of Congress. We have, through a kind Providence, been blessed with abundant crops, and have been spared from complications and wars with foreign nations. In our midst, comparative harmony has been restored.

INTERFERENCE WITH THE BALLOT.

It is to be regretted, however, that a free exercise of the elective franchise has, by violence and intimidation, been denied to citizens in exceptional cases, in several of the States lately in rebellion, and the verdict of the people has thereby been reversed.

RECONSTRUCTION.

The States of Virginia, Mississippi and Texas have been restored to representation in our national councils. Georgia is the only State now without representation in Congress. She may be confidently expected to take her place there also at the beginning of the new year, and then, let us hope, will be completed the work of reconstruction.

FUTURE PROSPECTS.

With an acquiescence on the part of the whole people in the national obligation to pay the public debt, created as the price of our Union, and the pensions to our disabled soldiers and sailors, and their widows and orphans, and in the changes to the Constitution which have been made necessary by a great rebellion, there is no reason why we should not advance in material prosperity and happiness as no other nation ever has done after so protracted and devastating a war.

THE WAR IN EUROPE.

Soon after the existing war broke out in Europe the protection of the United States Minister in Paris was invoked in favor of the North. Germans domiciled in French territory. Instructions were issued to grant this protection. This has been followed by an extension of American protection to citizens of Saxony, Hesse and Saxe-Coburg-Gotha, Columbia, Portugal, Uraguay, the Dominican Republic, Ecuador, Chili, Paraguay and Venezuela, in Paris. The charge was an onerous one, requiring constant and severe labor, as well as the exercise of patience, prudence and good judgment. It has been performed to the entire satisfaction of this Government, and, as I am officially informed, equally so to the satisfaction of the Government of North Germany. As soon as I learned that a Republic had been proclaimed at Paris, and that the people of France had acquiesced in the change, the Minister of the United States was directed, by telegraph, to recognize it, and tender my congratulations and those of the people of the United States.

THE FRENCH REPUBLIC.

The re-establishment in France of a system of government disconnected with the dynastic traditions of Europe, appeared to be a proper subject for the felicitation of Americans. Should the present struggle result in attaching the hearts of the French to our simpler forms of representative Government, it will be a subject of still further satisfaction to our people.

NON-INTERFERENCE.

While we make no effort to impose our institutions upon the inhabitants of other countries and while we adhere to our traditional neutrality in civil contests elsewhere, we cannot be indifferent to the spread of American political ideas in a great and highly civilized country like France. We were asked by the new Government to use our good offices, jointly, with those of European Powers in the interests of peace.—Answer was made that the established policy, and the true interests, of the United States forbade them to interfere in European questions jointly with European Powers. I ascertained, informally and unofficially, that the Government of North Germany was not then disposed to listen to such representations from any Powers; and, though earnestly wishing to see the blessings of peace restored to the belligerents, with all of whom the United States are on terms of friendship, I declined, on the part of this Government, to take a step which could only result in injury to her true interests without advancing the object for which our intervention was invoked. Should the time come when the action of the United States can hasten the return of peace by a single hour, that action will be heartily taken.

PROCLAMATION OF NEUTRALITY.

I deemed it prudent, in view of the number of persons of German and French birth living in the United States, to issue soon after the official notice of a state of war had been received from both belligerents, a proclamation defining the duties of the United States as a neutral, and the obligations of persons residing within their territory to observe our laws and the laws of nations. This proclamation was followed by others, as circumstances seemed to call for them. The people, thus acquainted in advance with their duties and obligations, have assisted in preventing violations of the neutrality of the United States.

CUBA.

It is not understood that the condition of the insurrection in Cuba has materially changed since the close of the last session of Congress.—The authorities of Spain inaugurated a system of arbitrary arrests, of close confinements, and of military trials and executions, of persons suspected of complicity with the insurgents, and by summary embargo of their properties and sequestration of their revenues by executive warrant. Such proceedings, so far as they affected the persons or property of citizens of the United States, were in violation of the provisions of the treaty of 1795, between the United States and Spain.

Representations of injuries resulting to several persons, claiming to be citizens of the United States, by reason of such violations, were made to the Spanish Government. From April, 1869, to June last, the Spanish Minister at Washington had been clothed with limited power toward redressing such wrongs. That power was found to be withdrawn in view of the favorable situation in Cuba, which, however, did not lead to a revocation or suspension of extraordinary as well as arbitrary functions exercised by the executive power in Cuba, and we were obliged to make our complaints at Madrid. In the negotiations thus opened and pending there the United States only claimed that, for the future, the rights secured to the citizens, by treaty, should be respected, and that a joint tribunal should be established in the United States, with full jurisdiction over all such claims; before such a tribunal each claimant be required to prove his case. On the other hand, Spain would be at liberty to traverse every fact, and thus complete equity would be done. A case which at one time threatened seriously to affect the relations of the United States and Spain has already been disposed of. In this way the claim of the owners of the Col. Lloyd Aspinwall, for the illegal seizure and detention of that vessel, was referred to arbitration by mutual consent, and resulted in an award to the United States for the sum of $19.702 50 in gold. Another and long-pending claim, of a like nature—that of a whale ship—has been disposed of by friendly arbitration during the present year. It was referred, by joint consent of the United States and Brazil, to the decision of Sir Edward Thornton, Her Brittanic Majesty's Minister at Washington, who undertook the task; and, examining the mass of correspondence and testimony submitted by the two Governments, awarded to the United States the sum of $174,099 in gold, which has since been paid by the Imperial Government. These recent examples show that the mode which the United States have proposed to Spain for adjusting the pending claims is just, and that may be agreed to by either nation without dishonor. It is to be hoped this moderate demand will be acceded to by Spain without further delay. If the negotiations unfortunately be without result, it will then become my duty to communicate that fact to Congress, and invite its action on the subject.

THE SOUTH AMERICAN REPUBLICS.

The long deferred peace conference between Spain and the Allied South American Governments has been inaugurated in Washington, under the auspices of the United States. Pursuant to the recommendation contained in the resolution of the House of Representatives of the 17th of December, 1866, the executive department of the Government offered its friendly offices for the promotion of peace between Spain and the Allied Republics. Hesitations occurred to the acceptance of the offer. Ultimately, a conference was arranged and opened in this city, on the 29th of October last, at which I authorized the Secretary of State to preside. It was attended by Ministers of Spain, Peru, Chili and Ecuador. In consequence of the absence of a representative from Bolivia, the conference adjourned until his attendance from that Republic, or other measures, could be adopted towards compassing its objects. The allied and other Republics of Spanish origin may see in this fact a new proof of our sincere interest in their welfare; to see them blessed with good governments, capable of maintaining order and of preserving their respective territorial integrity; and of our sincere wish to extend our own commercial relations with them.

The time is not far distant when, in the natural course of events, the European political connections with this Continent will cease. Our policy should be shaped, in view of this, so as to ally the commercial interests of the Spanish American States more closely, and thus give the United States all the pre-eminence and all the advantage which Mr. Monroe and Mr. Clay contemplated when they proposed to join in a Congress at Panama.

SAN DOMINGO.

During the last session of Congress a treaty for the annexation of the Republic of San Domingo to the United States failed to receive the two-thirds vote. I was thoroughly convinced that the best interests of this country, commercially, demanded its ratification. Time has only confirmed me in this view, and I now firmly believe the moment it is known that the United States have entirely abandoned the project of accepting as a part of its territory the Island of San Domingo a free port will be negotiated for by European nations, in the Bay of Samana. A large commercial city will spring up, to which we will be a tributary, without receiving corresponding benefits; and then will be seen the folly of our rejecting so great a prize. The Government of San Domingo has voluntarily sought this annexation. It is a weak power, numbering probably less than 120,000 souls, and yet possessing one of the richest territories under the sun. It is capable of supporting a population of 10,000,000 of people in luxury. The people of San Domingo are not capable of maintaining themselves in their present condition, and must look for outside support. They yearn for the protection of our free institutions and laws, and our progress and civilization. Shall we refuse them? The acquisition of San Domingo is desirable, because of its geographical position it commands the entrance to the Caribean Sea and the Isthmus transit of commerce. It possesses the richest soil, the best and most capacious harbors, the most salubrious climate, and the most valuable products of the forest, mine and soil of any of the West India Islands.

ITS ADVANTAGES AS A NAVAL STATION.

Its possession by us will, in a few years, build up a coastwise commerce of immense magnitude, which will go far towards restoring to us our lost merchant marine. It will give to us those articles which we consume so largely and do not produce, thus equalizing our exports and imports. In the case of a foreign war, it will give us command of all the islands referred to, and thus prevent an enemy from ever again possessing himself of a rendezvous upon our very coast. At present our coast trade between the States bordering on the Atlantic and those bordering on the Gulf of Mexico is cut in two by the Bahamas and the Antilles twice.

We must, as it were, pass through foreign countries to get by sea from Georgia to the west coast of Florida. San Domingo, with a stable Government, under which her immense resources can be developed, will give remunerative wages to tens of thousands of laborers not now upon the island. This labor will take advantage of every available means of transportation to abandon the adjucent islands, and seek the blessing of freedom and its sequence, each inhabitant receiving the reward of his own labors.

EFFECT OF ANNEXATION ON THE WEST INDIA ISLANDS.

Porto Rico and Cuba will have to abolish slavery as a measure of self-preservation to retain their laborers. San Domingo will become a large consumer of the products of the Northern farms and manufactories.

The cheap rate at which her citizens can be furnished with food, tools and machinery will make it necessary that contiguous islands should have the same advantage in order to compete in the production of sugar, coffee, tobacco, tropical fruits, &c. This will open to us a still wider market for our products. The production of our own supply of these articles will cut off more than $100,000,000 of our annual imports, besides largely increasing our exports. With such a picture it is easy to see how our large debt should be ultimately and satisfactorily extinguished.—With a balance of trade against us, including interest on bonds held by foreigners, and money spent by our citizens travelling in foreign lands, equal to the entire yield of the precious metals in this country, it is not so easy to see how this result is to be otherwise accomplished.

THE MONROE DOCTRINE.

The acquisition of San Domingo is an adherence to the Monroe doctrine; it is a measure of national protection; it is asserting our just claim to a controlling influence over the great commercial traffic to flow from the west to the East by way of the Isthmus of Darien; it is to build up our merchant marine; it is to furnish new markets for the products of our farms, shops and manufactories; it is to make slavery insupportable in Cuba and Porto Rico at once, and ultimately so in Brazil; and to settle the unhappy condition of Cuba, and to end an exterminating conflict; it is to provide the best means for paying our honest debts without overtaxing the people; it is to furnish our citizens with the necessaries of every-day life at cheaper rates than ever before; and it is, in fine, a rapid stride towards that greatness which the intelligence, industry and enterprise of the citizens of the United States entitle this country to assume among nations.

SUGGESTIONS TO CONGRESS.

In view of the importance of this question, I earnestly urge upon Congress early action expressive of its views as to the best means of acquiring San Domingo. My suggestion is that by joint resolution of the two Houses of Congress, the Executive be authorized to appoint a commission to negotiate a treaty with the authorities of San Domingo for the acquisition of that island, and that an appropriation be made to defray the expenses of such commission. The question may then be determined either by the action of the two Houses of Congress upon a resolution of annexation, as in the case of the acquisition of Texas.

ADVANTAGES OF THE ACQUISITION.

So convinced am I of the advantages to flow from the acquisition of San Domingo, and of the great disadvantages, I might almost say the calamities, to flow from non-acquisition, that I believe the subject has only to be investigated to be approved.

RELATIONS WITH MEXICO.

It is to be regretted that our representations in regard to the injurious effects, especially upon the revenue of the United States, of the policy of the Mexican Government in excepting from import duties a large tract of its territory on our borders have not only been fruitless, but that it is even proposed in that country to extend the limits within which the privilege adverted to has hitherto been enjoyed. The expediency of taking into your serious consideration proper measures for countervailing the policy referred to will, it is presumed, engage your earnest attention.

EXTRADITION OF CRIMINALS.

It is the obvious interest, especially of neighboring nations, to provide against impunity to those who may have committed high crimes within their borders, and who may have sought refuge abroad for this purpose. Extradition treaties have been concluded with several of the Central American Republics, and others are in progress.

CLAIMS AGAINST VENEZUELA.

The sense of Congress is desired, as early as may be convenient, upon the proceedings of the Commission upon Claims against Venezuela, as communicated in my messages of March 31, 1869, and March 31, 1870. It has not been deemed advisable to distribute any of the money which has been received from that Government until Congress shall have acted upon the subject.

CHINA.

The massacres of French and Russian residents at Tien Tsin, China, under circumstances of great barbarity, were supposed by some to have been premeditated, and to indicate a purpose among the populace to exterminate foreigners in the Chinese empire. The evidence fails to establish such a supposition, but shows a complicity between the local authorities and the mob. The Government at Pekin, however, seems to have been disposed to fulfil its treaty obligations, so far as it was able to do so. Unfortunately the news of the war between the German States and France reached China soon after the massacre. It would appear that the popular mind became possessed with the idea that this contest, extending to Chinese waters, would neutralize the Christian influence and power, and that the time was coming when the superstitious masses might expel all foreigners and restore Mandarin influence. Anticipating trouble from this cause, I invited France and North Germany to make an authorized suspension of hostilities in the East, where they were temporarily suspended by the act of the commanders, and to act together for the future protection in China of the lives and property of American and Europeans.

SUPPRESSION OF THE SLAVE TRADE.

Since the adjournment of Congress the ratifications of the treaty with Great Britain, for abolishing the mixed courts for the suppression of the slave trade, have been exchanged. It is believed that the slave trade is now confined to the eastern coast of Africa, whence the slaves are taken to Arabian markets.

NATURALIZATION.

The ratificaiton of the Naturalization Convention between Great Britain and the United States have also been exchanged during the recess, and thus a long standing dispute between the two governments has been settled in accordance with the principle always contedned for by the United States.

THE BRITISH POSSESSIONS.

In April last, while engaged in locating a military reservation near Pembina, a corps of surveyors discovered that the commonly received boundary line between the United States and the British possessions in that place is about 4,700 feet south of the true position of the 44th parallel, and that the line, when run on what is now supposed to be the true position of that parallel, would leave the fort of the Hudson's Bay Company at Pembina, within the territory of the United States. This information being communicated to the British government, I was requested to consent, and did consent, that the British occupation of the Fort of the Hudson Bay Company should continue for the present. I deem it important, however, that this part of the boundary line should be definitely fixed by a joint commission of the two governments, and I submit herewith estimates of the expense of such a commission on the part of the United States, and recommend that an appropriation be made for that purpose. The land boundary has already been fixed and marked from the summit of the Rocky Mountains, to the Georgian bay. It should now be in like manner marked from the Lake of the Woods to the summit of the Rocky Mountains.

THE ALABAMA CLAIMS.

I regret to say that no conclusion has been reached for the adjustment of the claims against Great Britain growing out of the course adopted by that Government during the rebellion.—The Cabinet of London, so far as its views have been expressed, does not appear to be willing to concede that Her Majesty's Government was guilty of any negligence, or did, or permitted, any act during the war by which the United States has justifiable complaint. Our firm and unalterable convictions are directly the reverse. I therefore recommend to Congress to authorize the appointment of a commission to take proof of the amount and the ownership of these several claims, on notice to the Representative of Her Majesty at Washington, and that authority be given for the settlement of these claims by the United States, so that the Government shall have the ownership of the private claims, as well as the responsible control of all the demands against Great Britain. It cannot be necessary to add that whenever Her Majesty's Government shall entertain a desire for a full and friendly adjustment of these claims, the United Stater will enter upon their consideration with an earnest desire for a conclusion consistent with the honor and dignity of both nations.

THE FISHERIES.

The course pursued by the Canadian authorities towards the fishermen of the United States during the past season has not been marked by a friendly feeling. By the first article of the convention of 1818, between Great Britain and the United States, it was agreed that the inhabitants of the United States should have forever, in common with British subjects, the right of taking fish in certain waters therein defined.—In the waters not included in the limits named in the convention (within 3 miles of parts of the British coast) it has been the custom for many years to give to intruding fishermen of the United States a reasonable warning of their violation of the technical rights of Great Britain.—The Imperial Government is understood to have delegated the whole, or a share, of its jurisdiction or control, of these in-shore fishing grounds to the colonial authority, known as the Dominion of Canada, and this semi-independent, but irresponsible, agent has exercised its delegated powers in an unfriendly way. Vessels have been seized without notice or warning in violation of the custom previously prevailing, and have been taken into the colonial ports, their voyages broken up and the vessel condemned.

There is reason to believe that this unfriendly and vexatious treatment was designed to bear harshly upon the hardy fishermen of the United States, with a view to political effect on this Government. The statutes of the Dominion of Canada assume a still broader and more untenable jurisdiction over the vessels of the United States. They authorize officers or persons to bring vessels hovering within three marine miles of any of the coasts, bays, creeks and harbors of Canada into port, to search the cargo, to examine the master on oath touching the cargo and voyage, and to inflict upon him heavy pecuniary penalties if true answers are not given, and if such a vessel is found preparing to fish within three marine miles of any such coasts, bays, creeks or harbors, without a license or after the expiration of the period named in the last license granted to it, they provide that the vessel, with her tackle, &c., shall be forfeited.—It is not known that any condemnations have been made under this statute. Should the authorities of Canada attempt to enforce it, it will become my duty to take such steps as may be necessary to protect the citizens of the United States.

RIGHTS OF AMERICAN VESSELS.

It has been claimed by Her Majesty's officers that the fishing vessels of the United States have no right to enter the open ports of the British Possessions in North America except for the purpose of shelter and repairing damages, of purchasing wood and obtaining water; that they have no right to enter at the British Custom houses, or to trade there, except in the purchase of wood and water, and that they must depart within twenty-four hours after notice to leave. It is not known that any seizure of a fishing vessel carrying the flag of the United States has been made under this claim. So far as the claim is founded on an alleged construction of the Convention of 1818, it cannot be acquiesced in by the United States.

It is hoped that it will not be insisted on by Her Majesty's Government. During the conferences which preceded the negotiations of the Convention of 1818, the British Commissioners proposed to expressly exclude the fishermen of the United States "from the privilege of carrying on trade with any of His Britanic Majesty's subjects residing within the limits assigned for their use, and also that it should not be lawful for the vessels of the United States engaged in said fishery to have on board any goods, wares or merchandise whatever, except such as may be necessary for the prosecution of their voyages to and from said fishing grounds, and any vessel of the United States which shall contravene this regulation may be seized, condemned and confiscated with her cargo."

UNFRIENDLY ACTION.

This proposition, which is identical with the construction now put upon the language of the Convention, was emphatically rejected by the American Commissioners, and thereupon was abandoned by the British Plenipotentiaries, and article 1 as it stands in the Convention, was substituted. If, however, it be said that this claim is founded on Provincial or Colonial statutes, and not upon the Convention, this Government cannot but regard them as unfriendly, and in contravention of the spirit, if not of the letter, of the treaty, for the faithful execution of which the Imperial Government is alone responsible.

NON COMMUNICATION.

Anticipating that an attempt may possibly be made by the Canadian authorities in the coming season to repeat their unneighborly acts towards our fishermen, I recommend you to confer upon the Executive the power to suspend by proclamation the operation of the laws authorizing the transit of goods, wares and merchandise in bond across the territory of the United States to Canada; and further, should such an extreme measure become necessary, to suspend the operation of any laws whereby vessels of the Dominion of Canada are permitted to enter the waters of the United States.

NAVIGATION OF THE LAKES.

A like unfriendly disposition has been manifested on the part of Canada in the maintenance of a claim of right to exclude the citizens of the United States from the navigation of the St. Lawrence. This river constitutes a natural outlet to the ocean for eight States, with an aggregate population of about 17,600,000 inhabitants, and with an aggregate tonage of 661,367 tons on the waters which discharge with it. The foreign commerce of our ports on these waters is open British competition, and the major part of it is done in British Bottoms. If the American seamen be excluded from this natural avenue to the ocean, the monopoly of the direct commerce of the lake ports with the Atlantic would be in foreign hands, their vessels on trans-Atlantic voyages having an access to our lake ports, which would be denied to American vessels on similar voyages. To state such a proposition is to refuse its justice.

PRECEDENTS.

During the administration of Mr. John Quincy Adams, Mr. Clay unanswerably demonstrated the natural right of the citizen of the United States to the navigation of this river, claiming that the act of the Congress of Vienna in opening the Rhine and other Rivers to all nations showed the judgment of European jurists and statesmen to be that the inhabitants of a country through which a navigable river passes have a natural right to enjoy the navigation of that river to and into the sea, even though passing through the territories of another Power. This right does not exclude the coequal right of the sovereign possessing the territory through which the river debouches into the sea to make such regulations relating to the police of the navigation as may be reasonably necessary, but these regulations should be framed in a liberal spirit of comity, and should not impose needless burthens upon the commerce which has the right of transit. It has been found in practice more advantageous to arrange these regulations by mutual agreement. The United States are ready to make any reasonable arrangement as to the police of the St. Lawrence which may be suggested by Great Britain. If the claim made by Mr. Clay was just when the population of States bordering on the shores of the lakes was only 3,400,000, it now derives greater force and equity from the increased population, wealth, production and tonage of the States on the Canadian frontier. Since Mr. Clay advanced his argument in behalf of our rights, the principle for which he contended has been frequently and by various nations recognized by law or by treaty, and has been extended to several other great rivers. By the treaty concluded at Mayence in 1831, the Rhine was declared free from the point where it is first navigable to the sea. By the convention between Spain and Portugal, concluded in 1835, the navigation of the Douro throughout its whole extent was made free for the subjects of both crowns. In 1853, the Argentine Confederation by treaty threw open the free navigation of the Parana and Araguay rivers to the merchant vessels of all nations. In 1856, the Crimean war was closed by a treaty which provided for the free navigation of the Danube. In 1858, Bolivia, by treaty, declared that it regarded the rivers Amazon and La Platte, in accordance with fixed principles of national law, as highways or channels opened by nature for the commerce of all nations. In 1859, the Paraguay was made free by the treaty, and in December, 1866, the Emperor of Brazil, by imperial decree, declared the Amazon to be open to the frontier of Brazil to the merchant ships of all nations. The greatest living British authority on this subject, while asserting the abstract right of the British claim, says: "It seems difficult to deny that Great Britain may ground her refusal upon strict law, but it is equally difficult to deny, first, that in so doing she exercises harshly an extreme and hard law. Secondly—That her conduct with respect to the navigation of the St. Lawrence is in glaring and discreditable inconsistency with her conduct with respect to the navigation of the Mississippi, on the ground that she possessed a small domain in which the Mississippi took its rise, she insisted on the right to navigate the entire volume of its waters." On the ground that she possesses both banks of the St. Lawrence, where it discharges itself into the sea, she denies to the United States the right of navigation, though about one-half of the waters of lakes Ontario, Erie, Huron, and Superior, and the whole of lake Michigan, through which the river flows, are the property of the United States.

CHEAP NAVIGATION.

The whole nation is interested in securing cheap transportation from the agricultural States of the West to the Atlantic seaboard. To the citizens of those States it secures a greater return for their labor; to the inhabitants of the seaboard it affords cheaper food; to the nation an increase in the annual surplus of wealth. It is hoped that the Government of Great Britain will see the justice of abandoning the narrow and inconsistent claim to which her Canadian provinces have urged her adherence.

OUR COMMERCE.

Our depressed commerce is a subject to which I called your special attention at the last session, and suggested that we will, in the future, have to look more to the countries south of us, and to China and Japan for its revival. Our representatives to all these Governments have exerted their influence to encourage trade between the United States and the countries to which they are accredited, but the fact exists that the carrying is done almost entirely in foreign bottoms, and while this state of affairs exists we cannot control our due share of the commerce of the world. That between the Pacific States and China and Japan is about all the carrying trade now conducted in American vessels. I would recommend a liberal policy towards that line of American steamers, one that will insure its success and even increased usefulness.—The cost of building iron vessels, the only ones that can compete with foreign ships in the carrying trade, is so much greater in the United States than in foreign countries, that without some assistance from the Government they cannot be successfully built here. There will be several propositions laid before Congress in the course of the present session looking to a remedy for this evil. Even if it should be at some cost to the national Treasury, I hope such encouragement will be given as will secure American shipping on the high seas, and American ship building at home.

STATE DEPARTMENT.

The condition of the archives at the Department of State calls for the early action of Congress. The building now rented by that Department is a frail structure at an inconvenient distance from the Executive Mansion, and from the other departments. It is all adapted to the purpose for which it is used, has not capacity to accommodate the archives, and is not fireproof. Its remote situation, its slender construction and the absence of a supply of water in the neighborhood, leave but little hope of safety for either the building or its contents in case of the accident of fire. Its destruction would involve the loss of the rolls containing original acts and resolutions of Congress, of the historic records of the Revolution and of the Confederation, of the whole series of diplomatic and consular archives, since the adoption of the Constitution, of the many other valuable records and papers left with that department when it was the principal depository of the Governmental archives. I recommend an appropriation for the construction of a building for the Department of State.

CHANGES IN THE DEPARTMENTS.

I recommend to your consideration the propriety of transferring to the Department of the Interior, to which they seem more appropriately to belong, all powers and duties in relation to the Territories with which the Department of States is now charged by law or usage, and from the Interior Department to the War Department the Pension Bureau, so far as it regulates the payment of soldiers' pensions. I would further recommend that the payment of Naval pensions be transferred to one of the bureaus of the Navy Department.

ESTIMATES.

The estimates for the expenses of the Government for the fiscal year are $18,244,346 01 less than for the current one, but exceed the appropriations for the present year for the same items $8,972,127 56. In this estimate, however, is included $22,338,278 57 for public works heretofore begun under Congressional provision, and for which only so much is asked as Congress may choose to give. The appropriation for the same works for the present fiscal year was $11,364,518 06.

SPECIE PAYMENTS.

The average value of gold as compared with national currency for the whole of the year 1869 was about 134, and for eleven months of 1870 the same relative value has been about 115. The approach to a specie basis is very gratifying, but the fact cannot be denied that the instability of the value of our currency is productive to no country and tends to keep up prices to the injury of trade. The evils of a depreciated and fluctuating currency are so great that now, when the premium on gold has fallen so much, it would seem that the time has arrived when, by wise and prudential legislation, Congress should look to a policy which would place our currency at par with gold at no distant day.

INTERNAL TAXATION.

The tax collected from the people has been reduced more than eighty millions of dollars per annum. By steadiness in our present course, there is no reason why, in a few short years, the national tax gatherer may not disappear from the door of the citizen almost entirely.

With the revenue stamp dispensed by Post-masters in every community, a tax upon liquors, of all sorts, and tobacco, in all its forms, and by a wise adjustment of the tariff, which will put a duty only upon those articles which we could dispense with, known as luxuries, and on those which we use more of than we produce, revenue enough may be raised after a few years of peace and consequent reduction of indebtedness, to fulfil all our obligations. A further reduction of expenses, in addition to a reduction of interest account, may be relied on to make this practicable.

REVENUE REFORM.

Revenue reform, if it means this, has my hearty support. If it implies a collection of all the revenue for support of Government; for the payment of principal and interest on the public debt, pensions, &c., by directly taxing the people, then I am against revenue reform, and confidently believe the people are with me; if it means failure to provide the necessary means to defray all expenses of the Government, and thereby repudiation of the public debt and pensions, then I am still more opposed to such kind of revenue reform. Revenue reform has not been defined by any of its advocates, to my knowledge, but seems to be accepted as something which is to supply every man's wants—without any cost or effort on his part. A true revenue reform cannot be made in a day, but must be the work of national legislation, and of time. As soon as the revenue can be dispensed with, all duty should be removed from coffee, tea and other articles of universal use not produced by ourselves. The necessities of the country compel us to collect revenue from our imports. An army of Assessors and Collectors is not a pleasant sight to the citizen, but that or a tariff for revenue is necessary. Such a tariff, so far as it acts as an encouragement to home production, affords employment to labor at living wages, in contrast with the pauper labor of the Old World, and also in the development of home resources.

THE ARMY.

Under the act of Congress of 15th July, 1870, the army has gradually been reduced, so that on the first day of January, 1871, the number of commissioned officers and men will not exceed the number contemplated by that law.

The War Department building is an old structure, not fire-proof, and entirely inadequate in dimensions to our present wants.—Many thousands of dollars are now paid annually for rent of private buildings to accommodate the various bureaux of the Department. I recommend an appropriation for a new War Department building suited to the present and growing wants of the nation.

The report of the Secretary of War shows a very satisfactory reduction in the expenses of the army for the last fiscal year. For details you are referred to his accompanying report.

THE NAVY.

The expenses of the navy for the whole of the last year, from December 1st, 1869, the date of the last report, are less than $19,000,000, or about $1,000,000 less than they were the previous year. The expenses since the commencement of this fiscal year (since July 1), show for the five months a decrease of over $2,400,000 from those of the corresponding months of last year. The estimates for the current year were $28,205,671 37.—Those for next year $20,683,371, with $955,100 additional for necessary permanent improvements. These estimates are made closely for the mere maintenance of the naval establishment as it now is, without much in the nature of permanent improvements.—The appropriations made for the last and current year were evidently intended by Congress, and are sufficient only to keep the navy on its present footing by the repairing and refitting of our old ships. This policy must, of course, gradually but surely destroy the navy, and it is in itself far from economical, as each year that it is pursued the necessity for more repairs in ships and navy yards become more imperative and more costly, and our current expenses are annually increased, for the mere repair of ships, many of which must become unsafe and useless.

SUGGESTIONS.

I hope during the present session of Congress to be able to submit to it a plan by which naval vessels can be built, and repairs made, with great saving upon the present cost. It can hardly be wise statesmanship in a Government which represents a country with over five thousand miles of coast line on both oceans, exclusive of Alaska, and counting forty millions of progressive people, with relations of every nature with almost every foreign country, to rest satisfied with such inadequate means of enforcing any foreign policy, either of protection or redress. Separated by the ocean from the nations of the Eastern continent, our navy is our only means of direct protection to our citizens abroad or for the enforcement of any foreign policy.

POSTAL AFFAIRS.

The accompanying report of the Postmaster General shows a most satisfactory work-