PAPER HAMBINGS, PHE EVENING TELEGRAPH.

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DOUBLE SHEET--THREE CENTS.

STATE OF THE NATION

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The Army, Navy, Treasury, and Interior Reports.

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Etc., Etc., Etc., Etc., Etc.

Tranquil State of the Country.

Fellow Citizens of the Senate and House of Representatives .- After a brief interval the Congress of the United States resumes its annual legislative labors. An all-wise and merciful Providence has abated the pestilence which visited our shores, leaving its calamitous traces upon some portions of our country. Peace, order tranquility and civil authority have been formally declared to exist throughout the whole of the United States, In all of the States civil authority has superseded the coersion of arms, and the people, by their voluntary action, are maintaining their Governments in full activity and complete operation. The enforcement of the Jaws is no longer "obstructed in any State by combinations too powerful to be suppressed by the ordinary course of judicial proceedings;" and the animosities engendered by the war are rapidly yielding to the beneficent influences of our free institutions, and to the kindly effects course. An entire restoration of fraternal feeling must be the earnest wish of every patriotic heart; and we will have accomplished our grandest national achievement when, forgetting the sad events of the past, and remembering only their instructive lessons, we resume our onward career as a free, prosperous and united

Restoration of the States South In my message of the 4th of December, 1865, Congress was informed of the measures which had been instituted by the Executive with a view to the gradua restoration of the States, in which the insurrection occurred, to their relations with the General Government, Provisional Governors had been appointed Conventions called, Governors elected, Legislatures assembled, and Senators and Representatives chosen to the Congress of the United States, Courts had been opened for the enforcement of laws long in abeyance. The blockade had been removed, custom houses re-established, and the Internal Revenue laws put in force, in order that the people might contribute to the national income. Postal opera tions had been renewed, and efforts were being made to restore them to their former condition of efficiency. The States themselves had been asked to take part in the high functions o amending the Constitution, and of thus sanetioning the extinction of African slavery as one of the legitimate results of our internecine struggle.

What the Executive Accomplished. Having progressed thus far, the Executive Department found that it had accomplished nearly all that was within the scope of its constitutional authority. One thing, however, yet remained to be done before the work of restoration could be completed, and that was the admission to Congress of loyal Senators and Representatives from the States whose people had rebelled against the lawful authority of the General Government. This question devolved upon the respective Houses, which, by the Constitution, are made the judges of the elections, returns and qualifications of their own members; and its consideration at once engaged the attention of Congress.

Efforts to Perfect Restoration. In the meantime, the Executive Department -no other plan having been proposed by Congress-continued its efforts to perfect, as far as practicable, the restoration of the proper relations between the citizens of the respective States, the States, and the Federal Government, extending, from time to time, as the public interests seemed to require, the judicial, revenue, and postal systems of the country. With the advice and consent of the Senate, the necessary officers were appointed, and appropriations made by Congress for the payment of their salaries. The proposition to amend the Federal Constitution, so as to prevent the existence of slavery within the United States or any place subject to their jurisdiction, was ratified by the requisite number of States; and on the 18th day of December, 1865, it was officially declared to have become valid as a part of the Constitution of the United States.

All of the States in which the insurrection had existed promptly amended their Constitutions, so as to make them conform to the great change thus effected in the organic law of the land; declared null and void all ordinances and laws of secession; repudiated all pretended debts and obligations created for the revolutionary purposes of the insurrection; and proceeded in good faith to the enactment of measures for the protection and amelioration of the condition of the colored race. Congress, however, yet hesitated to admit any of these States to representation; and it was not until the close of the eighth menth of the session that an exception was made in favor of Tennessee, by the admision of her Senators and Representatives,

A Profound Regret.

I deem it a subject of profound regret that Congress has thus far failed to admit to seats loyal Senators and Representatives from the other States, whose inhabitants, with those of Tennessee, had engaged in the rebellion. Ten States, more than one-fourth of the whole number, remain without representation; the seats of fifty members in the House of Representatives and twenty members in the Senate are yet vacant, not by their own consent, not by a failure of election, but by the refusal of Congress to accept their credentials. Their admission, it is believed, would have accomplished much towards the renewal and strengthening of our relations as one people, and removed serious cause for discontent on the part of the inhabitants of those States. It would have accorded with the great principle enunciated in the Declaration of American Independence, that no people ought to bear the burden of taxa-tion, and yet be denied the right of representa-

It would have been in consonance with the express provisions of the Constitution, that "each State shall have at least one Representative," and "that no State, without its consent, shall be deprived of its equal suffrage in the Senate." These provisions were intended to secure to every State, and to the people of every State, the right of representation in each House of Congress; and so important was it deemed by the framers of the Constitution that the equality of the States in the Senate should be preserved, that not even by an amendment of the Constitution can any State, without its consent, be denied a voice in that branch of the National Legislature.

Congress Refractory. It is true, it has been assumed that the existence of the States was terminated by the rebellious acts of their inhabitants, and that the insurrection having been suppressed, they were thenceforward to be considered merely as conquered territories. The Legislative, Executive and Judicial Departments of the Government have, however, with great distinctness and uniform consistency, refused to sanction an assumption so incompatible with the nature of our republican system, and with the professed objects of the war. Throughout the recent legislation of Congress, the undeniable fact makes itself apparent, that these ten political communities are nothing less than States of this Union. At the very commencement of the Rebellion, each House declared, with a unanimity as remarkable as it was significent, that the war was not "waged, upon our part, in any spirit of oppression, nor for any purpose of conquest or subjugation, nor purpose of overthrowing or interfering with the rights or established institutions of those States, but to defend and maintain the supremacy of the Constitution and all laws made in pursuance thereof, and to preserve the Union with all the dignity, equality and rights of the several States unimpaired; and that as soon as these objects were "accomplished the war ought to cease,"

In some instances, Senators were permitted to continue their legislative functions, while in other instances Representatives were elected and admitted to seats after their States had formally declared their right to withdraw from the Union, and were endeavoring to maintain that right by force of arms. All of the States whose people were in insurrection, as States, were included in the apportionment of the direct tax of twenty millions of dollars annually laid upon the United States by the act approved 5th of August, 1861. Congress, by the act of March 4th, 1862, and by the apportionment of representation thereunder, also recognized their presence as States in the Union; and they have, for judicial purposes, been divided into districts, as States alone can be divided. The same recognition appears in the recent legislation in reference to Tennessee, which evidently rests upon the fact that the functions of the State were not destroyed by the Rebellion, but merely suspended; and that principle is, of course, applicable to those States which, like Tennessee, attempted to renounce their places in the Union.

Action of the Executive. The action of the Executive Department of the Government upon this subject, has been equally definite and uniform, and the purpose of the war was specifically stated in the Proclamation, issued by my predecessor, on the 22d day of September, 1862. It was then solemnly proclaimed and declared, that "hereafter, as heretofore, the war will be prosecuted for the object of practically restoring the constitutional relations between the United States and each of the States, and the people thereof, in which States that relation is or may be suspended or

The recognition of the States by the Judicial Department of the Government, has also been clear and conclusive, in all proceedings affecting them as States, had in the Supreme, Circuit and District Courts.

Presidential Opinion About Southern

Congressmen. In the admission of Senators and Representatives from any and all the States there can be no just ground of apprehension that persons who are disloyal will be clothed with the powers of legislation; for this could not happen the Constitution and laws are enforce vigilant and faithful Congress. Each House vigilant and faithful Congress. Each House is made the "judge of the elections, returns, and qualifications of its own members," and may, with concurrence of two-thirds, expel a member." When a Senator or Representative presents his certificate of election, he may at once be admitted or rejected; or, should there be any question as to his eligibility, his credentials may be referred for investigation to the appropriate committee. If admitted to a seat, it must be upon evidence satisfactory to the House of be upon evidence satisfactory to the Honse, of which he thus becomes a member, that he pos-sesses the requisite constitutional and legal qualifications. If refused admission as a member for want of due allegiance to the Government and returned to his constituents, they are adme nished that none but persons loyal to the United States will be allowed a voice in the Legislative Councils of the nation, and the political power and moral influence of Congress are thus effecand moral influence of congress are thus effec-tively exerted in the interests of loyalty to the Government and fidelity to the Union. Upon this question, so vitally affecting the restoration of the Union and the permanency of our present form of Government, my convictions, hereto-fore expressed, have undergone no change; but, on the contrary, their correctness has been con-firmed by reflection and time. If the admission of loval members to sents in the remedition firmed by reflection and time. If the admission of loyal members to seats in the respective Houses of Congress was wise and expedient a year ago, it is no less wise and expedient now. If this anomalous condition is right—if, in the exact condition of these States at the present time, it is lawful to exclude them from representation, I do not see that the question will be changed by the efflux of time. Ten years hence, if these States remain as they are, the right of representation will be no stronger—the right of exclusion will be no weaker. exclusion will be no weaker.

Demand for the Admission of "Loyal" Southerners.

The Constitution of the United States makes it the duty of the President to recommend to the consideration of Congress "such measures as he shall judge necessary or expedient." I know of no measure more imperatively deknow of no measure more imperatively de-manded by every consideration of national in-terest, sound policy, and equal justice, than the admission of loyal members from the now un-represented States. This would consummate represented States. This would consummate the work of restoration, and exert a most salu-tary influence in the re-establishment of peace, harmony, and fraternal feeling. It would tend greatly to renew the confidence of the Ameri-can people in the vigor and stability of their institutions. It would bind us more closely together as a nation, and enable us to show to

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the world the inherent and recuperative power of a Government founded upon the will of the people, and established upon the principles of liberty, justice and intelligence.

Our increased strength and enhanced prosperity would irrefragably demonstrate the fallacy of the arguments against free institutions drawn from our recent national disorders by the enemies of republican government. The admission of loyal members from the States now excluded from Congress, by allaying doubt and apprehension, would turn capital, now awaiting an opportunity for investment, into the channels of trade and industry. It would alleviate the present troubled condition of those States, and, by inducing emigration, aid in the settlement of fertile regions now uncultivated, and lead to an increased production of those staand lead to an increased production of those sta-ples which have added so greatly to the wealth of the nation and the commerce of the world, New fields of enterprise would be opened to our progressive people, and soon the devastations of war would be repaired, and all traces of our domestic differences effaced from the minds of our countrymen.

A Word of Caution.

A Word of Caution.

In our efforts to preserve "the unity of the Government which constitutes us one people," by restoring the States to the condition which they held prior to the Rebellion, we should be cautious, lest, having rescued our nation from perils of threatened disintegration, we resort to consolidation, and, in the end, absolute despotism, as a remedy for the recurrence of similar troubles. The war having terminated, and potism, as a remedy for the recurrence of similar troubles. The war having terminated, and with it all occasion for the exercise of power of doubtful constitutionality, we should hasten to bring legislation within the boundaries prescribed by the Constitution, and to return to the ancient landmarks established by our fathers for the guidance of succeeding generations. "The Constitution which at any time exists, until changed by an explicit and authentic act of the people, is succeilly whole obligatory upon all," "If, in the opinion of the people, the distribution or modification of the constitutional powers be, in any particular, wrong, let it be corrected by an amendment in the way in which the Constitution designates. But let there be no change by usurpation; for" "It is the customary weapon by which free But let there be no change by usurpation; for"
"It is the customary weapon by which free
Governments are destroyed." Washington
spoke these words to his countrymen, when,
followed by their love and gratitude, he
voluntarily retired from the cares of public life, "To keep in all things within the
pale of our constitutional powers, and cherisn
the Federal Union as the only rock of safety,"
were prescribed by Jefferson as rules of action
to endear to his "countrymen the true princithe Federal Union as the only rock of safety," were prescribed by Jefferson as rules of action to endear to his "countrymen the true principles of their Constitution, and promote a union of sentiment and action equally auspicious to their happiness and safety." Jackson held that the action of the General Government should always be strictly confined to the sphere of its appropriate duties, and justly and forcibly urged that our Government is not to be maintained nor our Union preserved "by invasions of the rights and powers of the several States. In thus attempting to make our General Government strong, we make it weak. Its true strength consists in leaving individuals and States as much as possible to themselves; in making itseif felt, not in its power but in its beneficence; not in its control, but in its protection; not in binding the States more closely to the centre, but leaving each to move unobstructed in its proper constitutional orbit." These are the teaching of men whose deeds and services have made them illustrious, and who, long since withdrawn from the scenes of life, have left to their country the rich legacy of their example, their wisdom and their patriotism. Drawing fresh inspiration from their lessons, let us emulate them in love or country and respect for the Constitution and the laws.

Our Financial Status.

Our Financial Status. The report of the Secretary of the Treasury affords much information respecting the revenue and commerce of the country. His views upon the currency, and with reference to a proper adjustment of our revenue system, internal as well as impost, are commended to the care-ful consideration of Congress. In my last annual message I expressed my general views upon these subjects. I need now only call atdepartment of the Government a system of rigid accountability, thorough retrenchment, and wise economy. With no exceptional nor unusual expenditures, the oppressive burdens of taxation can be lessened by such a modification of our Revenue laws as will be consistent with the public faith, and the legitimate and necessary wants of the Government.

The National Debt. The report presents a much more satisfactory The report presents a much more satisfactory condition of our finances than one year ago the most sanguine could have anticipated. During the fiscal year ending the 30th June, 1865, the last year of the war, the public debt was increased \$941,902,537, and on the 31st of October, 1865, it amounted to \$2,740,854,750. On the 31st day of October, 1866, it had been reduced to \$2,551,310,006, the diminution, during a period of fourteen months, commencing September 1, 1865, and ending October 31, 1866, having been \$306.379.585. In the last annual report on the \$206,379,595. In the last annual report on the state of the finances, it was estimated that durstate of the finances, it was estimated that dur-ing the three quarters of the fiscal year ending the 30th of June last, the debt would be in-creased \$112,194,947. During that period, how-ever, it was reduced \$31,196,387, the receipts of the year having been \$39,905,905 more, and the expenditures \$200,529,235 less than the estimates. Nothing could more clearly indicate than these statements the extent and availability of the national resources, and the rapidity and safety with which, under our form of Government, great military and naval establishments can be disbanded, and expenses reduced from a war to a peace footing.

Receipts for the Fiscal Year. During the fiscal year ending the 30th of June, 1866, the receipts were \$558,082,620, and the expenditures \$520,750,940, leaving an available surpius of \$37,281,680. It is estimated that the re-ceipts for the fiscal year ending the 30th June, 1807, will be \$475,081,386, and that the expendi-tures will reach the sum of \$316,428,078, leaving in the Treasury a surplus of \$158,633,308. For the fiscal year ending June 30, 1868, it is estimated that the receipts will amount to \$438,000,000, and that the receipts will amount to \$436,000,000, and that the expenditures will be \$350,247,641—showing an excess of \$85,752,359 in favor of the Go vernment. These estimated receipts may be diminished by a reduction of excise and import duties; but after all necessary reductions shall have been made, the revenue of the present and of following years will doubtless be sufficient to cover all legitimate charges upon the Treasury, and leave a large annual surplus to be applied to the payment of the principal of the debt. There seems now to be no good reason why taxes may not be reduced as the country advances in population and wealth, and yet the debt be extinguished within the next quarter of

Secretary Stanton's Report. The report of the Secretary of War furnishes valuable and important information in reference to the operations of his department during the past year. Few volunteers now remain in the service, and they are being discharged as rapidly as they can be replaced by regular troops. The army has been promptly paid, carefully provided with medical treatment, well sheltered and subsisted, and is to be furnished with breech-loading small arms. The military its of the author has been unimaired by strength of the nation has been unimpaired by the discharge of volunteers, the disposition of unserviceable or perishable stores, and the retrenchment of expenditures. Sufficient war material to meet any emergency has been retained, and, from the disbanded volunteers standing ready to respond to the national call, large armies can be rapidly organized, equipped

large armies can be rapidly organized, equipped and concentrated.

Fortifications on the coast and frontier have received, or are being prepared for more powerful armaments; lake surveys and harbor and river improvements are in course of energetic prosecution. Preparations have been made for the payment of the additional bounties authorized during the recent session of Congress, under such regulations as will protect the Government from fraud, and secure to the honorably discharged soldier the well-carned reward of his faithfulness and galiantry. More than six thousand maimed soldiers have received artificial limbs or other surgical apparatus; and forty-one national cemeteries, containing the remains of 104,526 Union soldiers, have already been established. The total estimate of military appropriations is \$25,205,609.

Secretary Welles on the Navy. It is stated in the report of the Secretary of the Navy that the naval force at this time consists of two hundred and seventy-eight vessels, armed with two thousand three hundred and fifty-one gung. Of these, one hundred and fif-

cen vessels, carrying one thousand and twenty-nine guns, are in commission, distributed chiefly among seven squadrons. The number of men in the service is thirteen thousand six hondred. Great activity and vigilance have been displayed by all the squadrons, and their movements have been judiciously and effi-cently arranged in such manner as would best promote American commerce, and protect the rights and interests of our countrymen abroad. The vessels unemployed are undergoing repairs, or are laid up until their services may be

The League Island Iron-Clad Navy Yard.

Most of the iron-clad fleet is at League Island, in the vicinity of Philadelphia, a place which, until decisive action should be taken by Congress, was selected by the Secretary of the Navy as the most eligible location for that class of vessels. It is important that a suitable public station should be provided for the iron-clad fleet. It is intended that these vessels shall be in proper condition for any emergency, and it is desirable that the bill accepting League Island for naval purposes, which passed the House of Representatives at its last session, should receive final action at an early period, in order that there may be a suitable public station for this class of vessels, as well as a navy yard of area sufficient for the wants of the service, on the Delaware river. The Naval Pension fund amounts to \$11,750,000, having been increased \$2,750,000 during the year. The expenditures of the Department for the fiscal year ending 30th of June last, were \$43,324,526, and the estimates for the coming year amount to \$23,568,456. Attention is invited to the condition of our seamen, and the importance of legislative measures for their relief and improvement. The suggestions in behalf of this deserving class of our fellow citizens are earnestly recommended to the favorable attention of Congress.

Postmaster-General Randail's Report The League Island Iron-Clad Navy Yard.

Postmaster-General Randall's Report The report of the Postmaster-General presents a most satisfactory condition of the postal service, and submits recommendations which deserve the consideration of Congress. The reve-June 30, 1866, were \$14,386,886, and the expenditures \$15,362,079, showing an excess of the latter of \$965,093. In anticipation of this deficiency, however, a special appropriation was made by Congress in the act approved July 28, 1866. Intelligence the standing appropriation of \$200,000. Congress in the act approved July 28, 1866. Including the standing appropriation of \$700,000 for free mail matter, as a legitimate portion of the revenues yet remaining unexpended, the actual deficiency for the past year is only \$285,003—a sum within \$51,141 of the amount estimated in the annual report of 1864. The decrease of revenue compared with the previous year was one and one-fifth per cent., and the increase of expenditures, owing principally to the enlargement of the mail service in the South, was twelve per cent.

South, was twelve per cent.
On the 30th of June last there were in operation six thousand nine hundred and thirty mail routes, with an aggregate length of one hundred and eighty thousand nine hundred and twenty one miles, an aggregate annual transportation of seventy-one million eight hundred and thirty-seven thousand nine hundred and fourteen miles, and an aggregate annual cost, in-cluding all expenditures, of \$8,410,184. The length of railroad routes is thirty-two thousand and ninety-two miles, and the annual trans-portation thirty million six hundred and nine thousand four hundred and sixty-seven miles. The length of steamboat routes is fourteen thousand three hundred and forty-six miles, and the annual transportation three million four hundred and eleven thousand nine hundred and sixty-two miles. The mail service is rapidly increasing throughout the whole counry, and its steady extension in the Southern states indicates their constantly improving outlition. The growing importance of the foreign service also merits attention.

foreign service also merits attention.

The Post Office Department of Great Britain and our own agreed upon a preliminary basis for a new Postai Convention, which it is believed, will prove eminently beneficial to the commercial interests of the United States, inasmuch as it contemplates a reduction of the International letter postage to one-half the exist-ing rates; a reduction of postage with all other countries to and from which correspondence is transmitted in the British mall, or in closed malis through the United Kingdom; the estab-lishment of uniform and reasonable charges for the sea and territorial transit of correspondence in closed mails; and an allowance to each Post Office Department of the right to use all mail communications established under the authority of the other for the despatch of cor-respondence, either in open or closed mails, on the same terms as those applicable to the inhabitants of the country providing the means of

Secretary Browning's Exhibit for the Interior.

The report of the Secretary of the Interior exhibits the condition of those branches of the nubile service which are committed to his supervision. During the last fiscal year, four million six hundred and twenty-nine thousand three hundred and twelve acres of public land were disposed of, one million eight hundred and ninety-two thousand five hundred and sixteen of which were entered under the Home stead act. The policy originally adopted relative to the public lands has undergone essentia podifications. Immediate revenue, and not heir rapid settlement, was the cardinal feature of our land system. Long experience and earnest discussion has resulted in the conviction that the early development of our agricultural re-sources, and the diffusion of an energetic popuintion over our vast territory, are objects of far greater importance to the national growth and prosperity than the proceeds of the sale of the and to the highest bidder in open market.

The pre-emption laws conferupon the pioneer who compiles with the terms they impose the privilege of purchasing a limited portion of "unoffered lands" at the minimum price. The Homestead enactments relieve the settler from he payment of purchase money, and secure him a permanent home, upon the condition of residence for a term of years. This libera residence for a term of years. This interal policy invites emigration from the old, and from the more crowded portions of the new world. Its propitious results are undoubted, and will be more signally manifested when time shall have given to it a wider development. Congress has made liberal grants of public and to corporations, in aid of the construction of railroyds and other internal improvements. Should this policy hereafter prevail, more stringent provisions will be required to secure a faithful application of the fund. The title to the lands should not pass, by patent or otherwise, but remain in the Government and subject to its control until some portion of the road has been actually built. Portions of them might then, from time to time, be conveyed to the corporation, but never in a greater ratio to the whole quantity embraced by the grant than the ompleted parts bear to the entire length of the rojected improvement. This restriction would not operate to the prejudice of any undertaking conceived in good faith and executed with rea-conable energy, as it is the settled practice to withdraw from market the lands falling within the operation of such grants, and thus to ex-clude the inception of a subsequent adverse ight. A breach of the conditions which Conress may deem proper to impose should work forfeiture of claim to the lands so withdrawn ut unconveyed, and of title to the lands coneyed which remain unsold.

The Pacific Railroad Operations on the several lines of the Pacific Railroad have been prosecuted with anexam-pled vigor and success. Should no unforeseen causes of delay occur, it is confidently antici-pated that this great thoroughfare will be cometed before the expiration of the period desig

Payment of Pensions. During the last fiscal year the amount paid to pensioners, including the expenses of disbursement, was thirteen million four hundred and fifty-nine thousand nine hundred and ninety-six dollars; and fifty thousand one hundred and seventy-seven names were added to the pension rolls. The entire number of pensioners, June 30, 1866, was one hundred and twenty-six thousand seven hundred and twenty-two. This fact turnishes melancholy and striking proof of the sand seven hundred and twenty-two. This fact furnishes melancholy and striking proof of the sacrifices made to vindicate the constitutional authority of the Federal Government, and to maintain inviolate the integrity of the Union. They impose upon us corresponding obliga-tions. It is estimated that thirty-three million dollars will be required to meet the exigencies of this branch of the service during the next fiscal year.

fiscal year. Treaties with the Indians. Treaties have been concluded with the In-dians who, enticed into armed opposition to

our Government at the onthreak of the Rebel-lion, have unconditionally submitted to our authority, and manifested an earnest desire for a renewal of friendly relations. The Patent Office.

During the year ending September 30, 1806, eight thousand seven hundred and sixteen patents for useful inventions and designs were issued, and at that date the balance in the Treasury to the credit of the Patent fund was two bunded and twenty-eight thousand two hundred and ninety-seven dollars.

The Mississippi Levees.

As a subject upon which depends an immense amount of the production and commerce of the country, I recommend to Congress such legislation as may be necessary for the preservation of the levees of the Mississippi river. It is a matter of national importance that early steps should be taken not only to add to the efficiency of these parriers against destructive incode. should be taken not only to and to the entered of these barriers against destructive inundations, but for the removal of all obstructions to the free and safe navigation of that great channel of trade and commerce,

Representation for the District of Co-lumbia,

The District of Columbia, under existing laws, is not entitled to that representation in the National Councils which, from our earliest history, has been uniformly accorded to each Territory established from time to time within our limits. bas been uniformly accorded to each Territory established from time to time within our limits, it maintains peculiar relations to Congress, to whom the Constitution has granted the power of exercising exclusive legislation over the seat of Government. Our fellow citizens residing in the District, whose interests are thus confided to the special guardianship of Congress, exceed in number the population of several of our territories, and no just reason is perceived why a delegate of their choice should not be admitted to ascat in the House of Representatives. No mode seems so appropriate and effectual of enabling them to make known their peculiar condition and wants, and of securing the local legislation adapted to them. I therefore recommend the passage of a law authorizing the electors of the District of Columbia to choose a delegate, to be allowed the same rights and privileges as a delegate representing a territory. The increasing enterprise and rapid progress of improvement in the District are highly gratifying, and I trust that the efforts of the municipal authorities to promote the prosperity of the National metropolis will receive the efficient and generous co-operation of Congress.

Agriculture.

Agriculture. The report of the Commissioner of Agriculture

eviews the operations of his department dur-ng the past year, and asks the aid of Congress in its efforts to encourage those States which, courged by war, are now earnestly engaged in he reorganization of domestic industry.

Cause for Congratulation.

It is a subject of congratulation that no foreign combinations against our domestic peace and safety, or our legitimate influence among the lations, have been formed or attempted. While entiments of reconciliation, loyalty and patriotsm have increased at home, a more just con-elderation of our national character and rights has been manifested by foreign nations,

The Atlantic Telegraph.

The entire success of the Atlantic Telegraph tween the coast of Ireland and the Province Newfoundland, is an achievement which has cen justly celebrated in both hemispheres as the opening of an era in the progress of civili-zation. There is reason to expect that equal success will attend, and even greater results tollow, the enterprise for connecting the two Con-tinents through the Pacific ocean by the pro-jected line of telegraph between Kamschatka and the Russlan Possessions in America. Emigration of Foreign Convicts.

The resolution of Congress protesting against pardons by foreign Governments of persons convicted of infamous offenses, on condition of unigration to our country, has been communicated to the States with which we maintain inercourse, and the practice, so justly the subject of complaint on our part, has not been renewed.

Congress and the Emperor of Russia. The congratulations of Congress to the Emperor of Russia, upon his escape from attempted assassination, have been presented to that numane and enlightened ruler, and received by him with expressions of grateful appreciation. Emigration of Freedmen to Foreign Lands.

The Executive, warned of an attempt by Spanish-American adventurers to induce the emigration of freedmen of the United States to a foreign country, protested against the project as one which, if consummated, would reduce them to a bondage even more oppressive than that from which they have just been relieved. Assurance has been received from the Govern-ment of the State in which the plan was matured, that the proceeding will meet neither its encouragement nor approval. It is a question worthy of your consideration, whether our laws pron this subject are adequate to the prevention or punishment of the crime thus meditated.

Our Relations with France and Mexico. In the mouth of April last, as Congress is aware, a triendly arrangement was made between the Emperor of France and the President of the United States for the withdrawal from Mexico of the French expeditionary military forces. This withdrawal was to be effected in three detachments, the first of which it was understood, would leave Mexico in November, now past, the second in March next, and the third and last in November, 1867. Immediately upon the completion of the evacu-ation, the French Government was to assume the same attitude of non-intervention in regard Mexico, as is held by the Government of the United States. Repeated assurances have been given by the Emperor, since that agreement, that he would complete the promised evacua-tion within the period mentioned, or sooner.

Minister Campbell and Lieutenant-General Sherman. It was reasonably expected that the proceedings thus contemplated would produce a crisis of great political interest in the Republic of Mexico. The newly appointed Minister of the United States, Mr. Campbell, was, therefore, sent forward, on the 9th day of November last, to assume his proper functions as Minister Plenipotentiary of the United States to that Republic. It was also thought expedient that he should be was also thought expedient that he should be tended in the vicinity of Mexico by the Lieu-nant-General of the Army of the United ates, with the view of obtaining such inforintion as might be important to deter-nine the course to be pursued by the nited States in re-establishing and main-ning necessary and proper intercourse in the Republic of Mexico. Deeply interested in the cause of liberty and humanity, it seemed an obvious duty on our part to exercise whatver influence we possessed for the restoration and permanent establishment in that country f a domestic and republican form of govern-

Napoleon Goes Back on His Word Such was the condition of affairs in regard to exico, when, on the 22d of Nevember last, siexico, when, on the 220 of November last, official information was received from Paris that the Emperor of France had some time before decided not to withdraw a detachment of his forces in the month of November past, according to engagement, but that this decision was made with the purpose of withdrawing the whole of those forces in the ensuing spring. Of this determination, however, the United States had not received any notice or intimation; and, so soon as the information was received by the so soon as the information was received by the Government, care was taken to make known its dissent to the Emperor of France.

I cannot forego the hope that France will reconsider the subject, and adopt some resolution in regard to the evacuation of Mexico which will conform as pearly as practicable with the

in regard to the evacuation of Mexico which will conform as nearly as practicable with the existing engagement, and thus meet the just expectations of the United States. The papers relating to the subject will be laid before you. It is believed that with the evacuation of Mexico by the expeditionary forces, no subject for serious differences between France and the United States would remain. The expressions of the Emperor and people of France warrant a hope that the traditionary friendship between the two countries might, in that case, be renewed and permanently restored.

Adjustment of Claims for Indemnity A claim of a citizen of the United States for indemnity for spollations committed on the high seas by the French authorities, in the exercise of a belligerent power against Mexico, has been met by the Government of France with a proposition to defer settlement until a mutual convention for the adjustment of all claims of citizens and subjects of both countries, arising out of the recent wars on this continent.

shall be agreed upon by the two countries. The suggestion is not deemed unreasonable, but it belongs to Congress to direct the manner in belongs to Congress to direct the manner in which claims for indemnity by foreigners, as well as by citizens of the United States, arising out of the late civil war, shall be adjudicated and determined. I have no doubt that the subject of all such claims will engage your attention at a convenient and proper time.

The United States and Great Britain. The United States and Great Britain.

It is a matter of great regret that no considerable advance has been made towards an adjustment of the differences between the United States and Great Britain, a ising out of the depredations upon our national commerce and other trespasses committed during our civil war by British subjects, in violation of international law and treaty obligations. The delay, however, may be believed to have resulted in no small degree from the domestic situation of Great Britain. An entire change of ministry occurred in that country during the last session of Parliament. The attention of the new ministry was called to the subject at an early day, and there is some reason to expect that it will istry was called to the subject at an early day, and there is some reason to expect that it will now be considered in a becoming and friendly spirit. The importance of an early disposition of the question cannot be exaggerated. Whatever might be the wishes of the two Governments, it is manifest that good will and friendship between the two countries cannot be established until a reciprocity, in the practice of good faith and neutrality, shall be restored between the respective nations.

The Fenian Affair of Lost Lunc

The Fenian Affair of Last June. On the 6th of June last, in violation of our Neutrality laws, a military expedition and en-terprise against British North American Coloterprise against British North American Colonies was projected and attempted to be carried
on within the territory and jurisdiction of the
United States. In obedience to the obligation
imposed upon the Executive by the Constitution, to see that the laws are faithfully executed, all citizens were warned, by proclamation, against taking part in or aiding such unlawful proceedings, and the proper civil, military, and naval officers were directed to take
all necessary measures for the enforcement of
the laws. The expedition failed, but it has not
been without its painful consequences. Some
of our citizens, who, it was alleged, were engaged in the expedition, were captured, and
have been brought to trial, as for a capital offense, in the province of Canada.

Judgment and sentence of death have been
pronounced against some, while others have

pronounced against some, while others have been acquitted. Fully believing in the maxim of government, that severity of civil punishof government, that severity of civil punishment for misguided persons who have engaged in revolutionary attempts which have disastrously failed, is unsound and unwise, such representations have been made to the British Government, in behalf of the convicted persons, as, being sustained by an enlightened and humane judgment, will, it is hoped, induce in their cases an exercise of clemency, and a judicious amnesty to all who were engaged fathe movement. Counsel has been employed by the Government to defend citizens of the United States on trial for capital offenses in Canada; and a discontinuance of the prosecutions which were instituted in the courts of the United States against those who took part in the expedition, has been directed.

How the President Views the Subject.

States against those who took part in the expedition, has been directed.

How the President Views the Subject.
I have regarded the expedition as not only political in its nature, but as also in a great measure foreign from the United States in its causes, character and objects. The attempt was understood to be made in sympathy with an insurgent party in Ireland, and, by striking at a British province on this Continent, was designed to aid in obtaining redress for political grievances which, it was assumed, the people of Ireland had suffered at the hands of the British Government during a period of several centuries. The persons engaged in it were chiefly natives of that country, some of whom had, while others had not, become citizens of the United States under our general laws of naturalization. Complaints of misgovernment in Ireland continually engage the attention of the British nation, and so great an agitation is now prevailing in Ireland that the British Government have deemed it necessarily modify the opinion which we might otherwise have attention. circumstances must necessarily modify the opi eircumstances must necessarily modify the opinion which we might otherwise have entertained in regard to an expedition expressly prohibited by our Neutrality laws. So long as those laws remain upon our statute books, they should be faithfully executed, and if they operate harshly, unjustly or oppressively, Congress alone can apply the remedy, by their modification or repeal.

A Representation Wanted for Greece.
Political and commercial interests of the
United States are not unlikely to be affected in some degree by events which are transpiring in the Eastern regions of Europe, and the time seems to have come when our Government ought to have a proper diplomatic represents

tion in Greece.

The Right of Self-Expatriation.

This Government has claimed for all persons not convicted, or accused, or suspected of crime, an absolute political right of self-expatriation, and a choice of new national allegiance. Most of the European States have dissented from this principle and have claimed a right to half principle, and have claimed a right to held such of their subjects as have emigrated to and been naturalized in the United States, and afterwards returned on transient visits to their native countries, to the performance of mili-ary service in like manner as resident subjects. Complaints arising from the claim in this respect made by foreign States, have heretofore been matters of controversy between the United States and some of the European powers, and the irritation consequent upon the failure to settle this question increased during the war in which Prussia, Italy and Austria were recently which Prussia, Italy and Austria were recently engaged. While Great Britain has nover acknowledged the right of expatriation, she has not practically insisted upon it. France has been equally forbearing; and Prussia has proposed a compromise, which, although evineling increased liberality, has not been accepted by the United States. Peace is now prevailing everywhere in Europe, and the present seems to be a favorable time for an assertion by Congress of the principle, so long maintained by the Executive Department, that naturalization by one State fully exempts the native-born subject of any other State from the performance of military service under any foreign Government, military service under any foreign Government, so long as he does not voluntarily renounce its rights and benefits.

A Trying Ordeal.

In the performance of a duty imposed upon me by the Constitution, I have thus submitted to the Representatives of the States and of the people such information of our domestic and foreign affairs as the public interests seem to reoreign affairs as the public interests seem to require. Our Government is now undergoing its most trying ordeal, and my earnest prayer is, that the peril may be successfully and finally passed without impairing its original strength and symmetry. The interests of the nation are best to be promoted by the revival of fraternal relations, the complete obliteration of our past differences and the reinauguration of all the pursuits of peace. Directing our efforts to the early accomplishment of these great ends, let us endeavor to preserve harmony between the us endenyor to preserve harmony between the co-ordinate deparments of the Government, that each in its proper sphere may cordially co-operate with the other in securing the maintenance of the Constitution, the preservation of the Union and the perpetuity of our free institutions.

ANDIEW JOHNSON. ANDREW JOHNSON,

WASHINGTON, Dec. 3, 1866.

The Fenian Prisoners.

Sweetsburg, C. E., December 2.-The Fenian prisoners captured during the raid on Missisquoi, in June last, arrived here this afternoon. They will be tried at a special term of the Court of Queen's Bench for the District of Bedford, Judge Johnson presiding.

Missouri Polities. St. Louis, December 2.—There is strong effort making on the part of the radicals throughout the State to have John Drake elected to the United States Senate.

CHARLESTON, December 2.-Information has been received here of the election of Mr. Marvin as United States Senator from Florida for six years, from March next.