...has been in-
...item of raw cotton,
...,000 over the value of that ex-
port for the year preceding. This is not
due to any increased general demand for
that article, but to the short crop of the
preceding year, which created an increas-
ed demand and an augmented price for
the crop of last year. Should the cotton
crop now going forward to market be on-
ly equal in quantity to that of the preceding
year, and be sold at the present prices,
then there would be a falling off in the
value of our exports for the present fiscal
year of at least $40,000,000, compared
with the amount exported for the year en-
ding 30th June, 1851.

The production of gold in California for
the past year seems to promise a large
supply of that metal from that quarter for
some time to come. This large annual
increase of the currency of the world must
be attended with its usual results. These
have been already partially disclosed in
the enhancement of prices and a rising
spirit of speculation and adventure, tend-
ing to overtrading, as well at home as a-
broad. Unless some salutary check shall
be given to these tendencies, it is to be
feared that importations of foreign goods
beyond a healthy demand in this country
will lead to a sudden drain of the precious
metals from us, bringing with it, as it has
done in former times, the most disastrous
consequences to the business and capital
of the American people.

The exports of specie to liquidate our
foreign debt during the past fiscal year
have been $24,263,979 over the amount
of specie imported. The exports of spe-
cie during the first quarter of the present
fiscal year have been $14,651,827.—
Should specie continue to be exported at
this rate for the remaining three quarters
of this year, it will drain from our metalic
currency during the year ending 30th
June, 1852, the enormous amount of $58,-
607,308.

In the present prosperous condition of
the national finances, it will become your
duty to consider the best mode of paying
off the public debt. If the present and an-
ticipated surplus in the treasury should not
be absorbed by appropriations of an extra-
ordinary character, this surplus should be
employed in such way, and under such
restrictions, as Congress may enact in ex-
tinguishing the outstanding debt of the na-
tion.

By reference to the act of Congress, ap-
proved 9th September, 1850, it will be
seen that, in consideration of certain con-
cessions by the State of Texas, it is pro-
vided that the "United States shall pay to
the State of Texas the sum of ten millions
of dollars, in stock bearing five per cent.
interest, and redeemable at the end of
fourteen years, the interest payable half
yearly, at the treasury of the United
States."

...and undervaluations, constitute an
unanswerable reason for adopting specific
instead of advalorem duties in all cases
where the nature of the commodity does
not forbid it. A striking illustration of
these frauds will be exhibited in the report
of the Secretary of the Treasury, showing
the custom-house valuations of articles
imported under a former law subject to
specific duties, when there was no induce-
ment to undervaluation, and the custom-
house valuations of the same articles, un-
der the present system of ad valorem du-
ties, so greatly reduced as to leave no
doubt of the existence of the most flagrant
abuses under the existing laws. This
practical evasion of the present law, com-
bined with the languishing condition of
some of the great interests of the country,
caused by over-importations and conse-
quent depressed prices, and with the fail-
ure in obtaining a foreign market for our
increasing surplus of breadstuffs and pro-
visions, has induced me again to recom-
mend a modification of the existing tariff.

The report of the Secretary of the Inte-
rior, which accompanies this communica-
tion, will present a condensed statement
of the operations of that important depart-
ment of the government.

It will be seen that the cash sales of the
public lands exceed those of the preceding
year, and that there is reason to anticipate
a still further increase, notwithstanding the
large donations which have been made to
many of the States, and the liberal grants
to individuals as a reward for military ser-
vices. This fact furnishes very gratify-
ing evidence of the growing wealth and
prosperity of our country.

Suitable measures have been adopted
for commencing the survey of the public
lands in California and Oregon. Survey-
ing parties have been organized, and some
progress has been made in establishing
the principal base and meridian lines.—
But further legislation and additional appro-
priations will be necessary before the pro-
per subdivisions can be made, and the
general land system extended over those
remote parts of the country.

On the 3d of March last an act was pas-
sed providing for the appointment of three
commissioners to settle private land claims
in California. Three persons were im-
mediately appointed, all of whom, howev-
er, declined accepting the office, in conse-
quence of the inadequacy of the compen-
sation. Others were promptly selected,
who, for the same reason, also declined;
and it was not until late in the season that
the services of suitable persons could be
secured. A majority of the commission-
ers convened in this city on the 10th of
September last, when detailed instructions
were given to them in regard to their du-
ties. Their first meeting for the transac-
tion of business will be held in San Fran-
cisco on the 8th day of the present month.

I have thought it proper to refer to these
facts, not only to explain the causes of the
delay in filling the commission, but to call
the omissions of those who have preceded
them.

An Agricultural Bureau, charged with
the duty of collecting and disseminating
correct information as to the best modes of
cultivation, and the most effectual means
of preserving and restoring the fertility of
the soil, and of procuring and distributing
seeds and plants and other vegetable pro-
ductions, with instructions in regard to the
soil, climate, and treatment best adapted
to their growth, could not fail to be, in the
language of Washington, in his last annu-
al message to Congress, a "very cheap
instrument of immense national benefit."

Regarding the act of Congress, approv-
ed 28th September, 1850, granting bounty
lands to persons who had been engaged in
the military service of the country, as a
great measure of national justice and mu-
nificence, an anxious desire has been felt,
by the officers intrusted with its immediate
execution, to give prompt effect to its pro-
visions. All the means within their con-
trol were, therefore, brought into requisi-
tion to expedite the adjudication of claims,
and I am gratified to be able to state that
near one hundred thousand applications
have been considered, and about seventy
thousand warrants issued in the short space
of nine months. If adequate provision be
made by law to carry into effect the re-
commendations of the department, it is
confidently expected that, before the close
of the next fiscal year, all who are entitled
to the benefits of the act will have receiv-
ed their warrants.

The Secretary of the Interior has sug-
gested in his report various amendments
of the laws relating to pensions and bounty
lands, for the purpose of more effectually
guarding against abuses and frauds on the
government, to all of which I invite your
particular attention.

The large accessions to our Indian pop-
ulation consequent upon the acquisition of
New Mexico and California, and the ex-
tension of our settlements into Utah and
Oregon, have given increased interest and
importance to our relations with the abor-
iginal race.

No material change has taken place
within the last year in the condition and
prospects of the Indian tribes who reside
in the Northwestern Territory and west
of the Mississippi river. We are at peace
with all of them; and it will be a source
of pleasure to you to learn that they are
gradually advancing in civilization and
the pursuits of social life.

Along the Mexican frontier, and in Cal-
ifornia and Oregon, there have been oc-
casional manifestations of unfriendly feel-
ing, and some depredations committed.—
I am satisfied, however, that they resulted
more from the destitute and starving con-
dition of the Indians than from any settled
hostility towards the whites. As the set-
tlements of our citizens progress towards
them, the game upon which they mainly
rely for subsistence is driven off or des-
troyed, and the only alternative left to
them is starvation or plunder. It becomes
us to consider, in view of this condition of
things, whether justice and humanity, as
well as an enlightened economy, do not
require that, instead of seeking to punish
them for offences which are the result of
our own policy towards them, we should
provide for their immediate wants, and
encourage them to engage in agriculture,
and to rely on their labor, instead of the
chase, for the means of support.

Various important treaties have been
negotiated with different tribes during the
year, by which their title to large and val-
uable tracts of country has been extin-
guished, all of which will, at the proper
time, be submitted to the Senate for ratifi-
cation.

The joint commission under the treaty
of Guadalupe Hidalgo has been actively
engaged in running and marking the
boundary line between the United States
and Mexico. It was stated in the last an-
nual report of the Secretary of the Interior
that the initial point on the Pacific and the
point of junction of Gila with the Colorado
river had been determined, and the inter-
vening line—about one hundred and fifty
miles in length—run and marked by tem-
porary monuments. Since that time a
monument of marble has been erected at
the initial point, and permanent landmarks
of iron have been placed at suitable dis-
tances along the line.

The initial point on the Rio Grande
has also been fixed by the commissioners
at latitude 32 deg. 22 min., and at the
date of the last communication the survey
of the line had been made thence west-
ward about one hundred and fifty miles to
the neighborhood of the copper mines.

The commision on our part was at first
organized on a scale which experience
proved to be unwieldy and attended with
unnecessary expense. Orders have, there-
fore, been issued for the reduction of the
number of persons employed within the
smallest limits, consistent with the safety
of those engaged in the service, and the
prompt and efficient execution of their im-
portant duties.

Returns have been received from all the
officers engaged in taking the census in
the States and Territories, except Califor-
nia. The superintendent employed to
make the enumeration in that State has
not yet made his full report, from causes,
as he alleges, beyond his control. This
failure is much to be regretted, as it has
prevented the Secretary of the Interior
from making the decennial apportionment
of representatives among the States, as
required by the act approved May 23d,
1850. It is hoped, however, that the re-
turns will soon be received, and no time
will then be lost in making the necessary
apportionment, and in transmitting the
certificates required by law.

The Superintendent of the Seventh Cen-
sus is diligently employed, under the di-
rection of the Secretary of the Interior, in
classifying and arranging, in tabular form,
all the statistical information derived from
the returns of the marshals, and it is be-
lieved that when the work shall be com-
pleted it will furnish a full exhibit
of the population, wealth, occupations, and
social condition of a great country, than
has ever been presented to the world.—
The value of such a work, as the basis of
enlightened legislation, can hardly be over
estimated; and I earnestly hope that Con-
gress will lose no time in making the ap-
propriations necessary to complete the
classification, and to publish the results in
a style worthy of the subject and of our
national character.

The want of a uniform fee bill, prescri-
bing the compensation to be allowed dis-
trict attorneys, clerks, marshals and com-
missioners in civil and criminal cases, is
the cause of much vexation, injustice and
complaint. I would recommend a thoro'
revision of the laws on the whole subject
and the adoption of a tariff of fees which,
as far as practicable, should be uniform,
and prescribe a specific compensation for
every service which the officer may be re-
quired to perform. This subject will be
fully represented in the report of the Sec-
retary of the Interior.

In my last annual message I gave briefly
my reasons for believing that you possess-
ed the constitutional power to improve the
harbors of our great lakes and seacoasts,
and the navigation of our principal rivers,
and recommended that appropriations
should be made for completing such works
as had already been commenced, and for
commencing such others as might seem to
the wisdom of Congress to be of public and
general importance. Without repeating
the reasons then urged, I deem it my duty
again to call your attention to this impor-
tant subject. The works on many of the
harbors were left in an unfinished state,
and consequently exposed to the action of
the element, which is fast destroying them.
Great numbers of lives and vast amounts
of property are annually lost for want of
safe and convenient harbors on the lakes.
None but those who have been exposed
to that dangerous navigation can fully ap-
preciate the importance of this subject.—
The whole northwest appeals to you for
relief, and I trust their appeal will receive
due consideration at your hands.

The same is in a measure true in re-
gard to some of the harbors and inlets on
the seacoast.

The unobstructed navigation of our large
rivers is of equal importance. Our settle-
ments are now extended to the source of
the great rivers which empty into, and
form a part of the Mississippi, and the
value of the public lands in those regions
would be greatly enhanced by freeing the
navigation of those waters from obstruc-
tions. In view, thereof, of this great in-
terest, I deem it my duty again to urge
upon Congress to make such appropria-
tions for these improvements as they may
deem necessary.

The survey of the Delta of the Missis-
sippi, with a view to the prevention of the
overflows that have proved so disastrous
to that region of the country, have been
nearly completed, and the reports thereof
are now in course of preparation, and will
shortly be laid before you.

The protection of our south-western
frontier, and of the adjacent Mexican states,
against the Indian tribes within our border,
has claimed my earnest and constant at-
tention. Congress having failed, at the
last session, to adopt my recommendation
that an additional regiment of mounted
men specially adapted to that service should
be raised, all that remained to be done was
to make the best use of the means at my
disposal. Accordingly, all the troops ad-
apted to that service that could properly
be spared from other quarters have been
concentrated on that frontier, and officers
of high reputation selected to command
them. A new arrangement of the milita-
ry posts has also been made, whereby the
troops are brought nearer the Mexican
frontier and to the tribes they are intended
to overawe.

Sufficient time has not yet elapsed to
realize all the benefits that are expected to
result from these arrangements, but I have
every reason to hope that they will effect-
ually check their marauding expeditions.
The nature of the country, which furnish-
es little for the support of an army and
abounds in places of refuge and conceal-
ment, is remarkably well adapted to this
predatory warfare; and we can scarcely
hope that any military force, combined
with the greatest vigilance, can entirely
suppress it.

By the Treaty of Guadalupe Hidalgo we
are bound to protect the territory of Mexico
against the incursions of the savage tribes
within our border "with equal diligence and
energy" as if the same were made within
our territory or against our citizens. I
have endeavored to comply, as far as pos-
sible, with this provision of the treaty.—
Orders have been given to the officers
commanding on the frontier to consider
the Mexican territory and its inhabitants
as equally with our own entitled to their
protection; and to make all their plans and
arrangements with a view to the attain-
ment of this objet. Instructions have al-
so been given to the Indian commissioners
and agents among these tribes, in all trea-
ties, to make the clauses designed for the
protection of our own citizens apply also
to those of Mexico. I have no reason to
doubt that these instructions have been fully
carried into effect. Nevertheless, it is pro-
bable that in spite of all our efforts, some
of the neighboring States of Mexico may
have suffered, as our own have, from de-
predations by the Indians.

To the difficulties of defending our own
territory, as above mentioned, are super-
added, in defending that of Mexico, those
that arise from its remoteness, from the
fact that we have no right to station our
troops within her limits, and that there is
no efficient military force on the Mexican
side to co-operate with our own. So long
as this shall continue to be the case, the
number and activity of our troops will
rather increase than diminish the evil, as
the Indians will naturally turn towards
that country where they encounter the
least resistance. Yet these troops are ne-
cessary to subdue them, and compel them
to make and observe treaties. Until this
shall have been done, neither country
will enjoy any security from their attacks.

The Indians in California, who had pre-
viously appeared of a peaceable character,
and disposed to cultivate the friendship of
the whites, have recently committed sever-
al acts of hostility. As a large portion of
the reinforcements sent to the Mexican
frontier were drawn from the Pacific, the
military force now stationed there is con-
sidered entirely inadequate to its defence.
It cannot be increased, however, without
an increase of the army; and I again re-
commend that measure as indispensable
to the protection of the frontier.

I invite your attention to the suggestions
on this subject, and on others connected
with his Department, in the report of the
Secretary of War.

The appropriations for the support of
the army during the current fiscal year
ending 30th June next, were reduced far
below the estimate submitted by the De-
partment. The consequence of this re-
duction is a considerable defficiency, to
which I invite your early attention.

The expenditures of that department,
for the year ending 30th June last, were
$9,060,368 50. The estimates for the
year commencing 1st July next and end-
ing June 30, 1852, are $7,898,775 83;
showing a reduction of $1,161,492 75.

The Board of Commissioners, to whom
the management of the affairs of the Mili-
tary Asylum created by the act of 3d March
last was entrusted, have selected a site for
the establishment of an Asylum in the vi-
cinity of this city, which has been approv-
ed by me, subject to the production of a
satisfactory title.

The report of the th Secretary of navy will
exhibit the condition of the public services
under the supervision of that department.
Our naval force afloat during the present
year has been actively and usefully em-
ployed in giving protection to our widely-
extended and increasing commerce and in-
terests in the various quarters of the globe,
and our flag has everywhere afforded the
security and received the respect inspired
by the justice and liberality of our inter-
course, and the dignity and power of the
nation.

The expedition commanded by Lieut.
De Haven, despatched in search of the
British commander, Sir John Franklin
and his companions in the Arctic seas, re-
turned to New-York in the month of Oc-
tober, after having undergone great peril
and suffering from an unknown and dan-
gerous navigation and the rigors of a nor-
thern climate, without any satisfactory in-
formation of the objects of their search,
but with new contributions to science and
navigation from the unfrequented polar
regions. The officers and men of the ex-
pedition, having been all volunteers for
this service, and having so conducted as
as to meet the entire approbation of the
Government, it is suggested, as an act of
grace and generosity, that the same al-
lowance of extra pay and emoluments be
extended to them that were made to the
officers and men of like rating in the late
exploring expedition to the South Seas.

I earnestly recommend to your atten-
tion the necessity of reorganizing the Na-
val establishment, apportioning and fixing
the number of officers in each grade, pro-
viding some mode of promotion to the
higher grades of the navy, having refer-
ence to merit and capacity, rather than se-
niority or date of entry into the service,
and for retiring from the effective list upon
reduced pay those who may be incompe-
tent to the performance of active duty.—
As a measure of economy as well as of
efficiency in this arm of the service, the
provision last mentioned is eminently
worthy of your consideration.

The determination of the questions of
relative rank between the sea officers and
civil officers of the navy, and between offi-
cers of the army and navy, in the various
grades of each, will also merit your atten-
tion. The failure to provide any substi-
tute, when corporal punishment was abol-
ished for offences in the navy, has occa-
sioned the convening of numerous courts-
martial upon the arrival of vessels in port,
and is believed to have an injurious effect
upon the eficiency of the service. To mod-
erate punishment from one grade to an-
other, is among the humane reforms of
the age; but to abolish one of severity,
which applied so generally to offences on
ship-board, and provide nothing in its
stead, is to suppose a progress of improve-
ment in every individual among seamen
which is not assumed by the Legislature in
regard to any other class of men. It is
hoped that Congress, in the ample oppor-
tunity afforded by the present session, will
thoroughly investigate this important sub-
ject, and establish such modes of determin-
ing guilt, and such gradations of punish-
ment as are consistent with humanity and
the personal rights of individuals, and at
the same time shall ensure the most ener-
getic and efficient performance of duty
and the suppression of crime in our ships
of war.

The stone dock in the navy yard at N.
York which was ten years in process of
construction, has been so far finished as to
be surrendered up to the authorities of the
yard. The dry dock at Philadelphia is re-
ported as completed, and is expected soon
to be tested and delivered over to the a-
gents of the Government. That at Ports-
mouth, New Hampshire, is also nearly
ready for delivery; and a contract has
been concluded, agreeably to the act of
Congress at its last session, for a floating
sectional deck on the Bay of San Francis-
co. I invite your attention to the recom-
mendations of the Department touching
the establishment of a navy yard in con-
junction with this dock on the Pacific.—
Such a station is highly necessary to the
convenience and effectiveness of our fleet
on that ocean, which must be expected to
increase with the growth of commerce and
rapid extension of our whale fisheries over
its waters.

The Naval Academy at Annapolis, under
a revised and improved system of regula-
tions, now affords opportunities of educa-
tion and instruction to the pupils quite e-
qual, it is believed, for professional im-
provement, to those enjoyed by the cadets
in the Military Academy. A large class
of active midshipmen was received at the
commencement of the last academic term,
and a practice ship has been attached to
the institution, to afford the amplest means
for regular instruction in seamanship, as
well as for cruises during the vacation of
three or four months in each year.

The advantages of science in nautical
affairs have rarely been more strikingly
illustrated than in the fact stated in the re-
port of the Navy Department, that by means
of the wind and current charts, projected
and prepared by Lieutenant Maury, the
Superintendent of the Naval Observatory,
the passage from the Atlantic to the Pacific
ports of our country has been shortened
by about forty days.

The estimates for the support of the Na-
vy and Marine Corps for the ensuing year
will be found to be $5,856,472 19, the
estimates for the current year being $5,-
900,621.

The estimates for special objects under
the control of this Department amount to
$2,684,220 89, against $2,210,980 for
the present year, the increase being occa-
sioned by the additional mail service on
the Pacific coast and the construction of the
dock in California, authorized by the last
Congress, and some slight additions under
the head of improvements and repairs in
navy yards, building and machinery.

I deem it of much importance to a just
economy, and a correct understanding of
naval expenditures, that there should be an
entire separation of the appropriations for
the support of the naval service proper
from those for permanent improvements
at navy yards and stations, and from o-
cean steam mail service, and other spe-
cial objects assigned to the supervision of
this Department.

The report of the Post Master General,
herewith submitted, presents an interesting
view of the progress, operations and con-
dition of his Department.

At the close of the last fiscal year, the
length of mail routes within the United
States was 196,296 miles; the annual
transportation thereon 53,272,252 miles;
and the annual cost of such transportation
$3,421,754.

The length of the foreign mail routes is
estimated at 18,349 miles; and the annu-
al transportation thereon at 615,206 miles.
The annual cost of this service is $1,472,-
187, of which $448,937 is paid by the
Post Office Department, and $1,023,250
is paid through the Navy Department.

The annual transportation WITHIN the
United States (excluding the service in
California and Oregon, which is now, for
the first time, reported and embraced in
the tabular statements of the Department)
exceeds that of the preceding year 6,162,-
855 miles, at an increased cost of $547,-
110.