taken place, in reference to it, since the adjournment of Congress, between the United States, Texas, and Mexico, is herewith transmitted.

The amendments proposed by the Senate to the Convention concluded between the United States and Mexico on the 20th of November, 1843, have been transmitted through our Minister, for the concurrence of the Mexican Government; but, although urged thereto, no action has yet been had on the subject; nor has any answer been given which would authorize a favorable conclusion in the future.

The Decree of September, 1843, in relation to the retail trade, the order for the expulsion of foreigners, and that of a more date in regard to passports—all of which are considered as in violation of the Treaty of Amity and Commerce between the two countries, have led to a correspondence of considerable length between the Minister for Foreign Relations and our Representative at Mexico, but without any satisfactory result. They remain still unadjusted; and grave and serious inconveniences have already resulted to our citizens in consequence of them. Questions growing out of the act of disarming a body of Texian troops under the command of Major Snively, by an officer in the service of the United States, acting under the orders of our Government; and the forcible entry into the Custom-house at Bryarly's landing, on Red River, by certain citizens of the United States, and taking away therefrom the goods seized by the Collector of the customs, as forfeited under the laws of Texas, have been addressed; so far as the powers of the Executive extend. The correspondence between the two Governments in reference to both subjects, will be found amongst the accompanying documents. It contains a full statement of all the facts and circumstances, with the views taken on both sides, and the principles on which the questions have been adjusted. It remains for Congress to make the necessary approbation to carry the arrangement into effect, which I respectfully recommend.

The greatly improved condition of the Treasury, affords a subject for general congratulation. The paralysis which had fallen on trade and commerce, and which subjected the Government to the necessity of resorting to loans, and the issue of Treasury notes, to a large amount, has passed away; and after the payment of upwards of $7,000,000, on account of the interest and redemption of more than $5,000,000 of the public debt, which falls due on the 1st of January next, and setting apart towards of $2,000,000 for the payment of outstanding Treasury notes, and meeting an instalment of the debts of the corporated cities of the District of Columbia—an estimated surplus of towards of $7,000,000, over and above the existing appropriations, will remain in the Treasury at the close of the fiscal year.—Should the Treasury notes continue outstanding, as heretofore, that surplus will be considerably augmented. Although all interest has ceased upon them, and the Government has invited their return to the Treasury, yet they remain outstanding; affording great facilities to commerce, and establishing the fact, that under a well regulated system of finance, the Government has resources within itself, which render it independent in time of need, not only of private loans, but also of bank facilities.

The only remaining subject of regret is, that the remaining stocks of the Government do not fall due at an earlier day; since their redemption would be entirely within its control. If it is, it may be well worthy the consideration of Congress, whether the law establishing a sinking fund—under the operation of which the debts of the Revolution and last war with Great Britain were to a great extent extinguished—should not with proper modifications, (so as to prevent an accumulation of surpluses, but limited in amount to a specific sum,) be re-enacted. Such provision, which would authorize us to go into the market for a purchase of our own stock, on fair terms would serve to sustain its credit at the highest point, and prevent to a great extent, those fluctuations in the price of its securities, which might under other circumstances affect its credit. No apprehension of this sort is at this moment entertained, since the stocks of the Government which but two years ago were offered for sale to capitalists at home and abroad at a depreciation, and could find no purchasers, are now totally above par in the hands of the holders; but a wise and prudent forecast admonishes us to place beyond the reach of contingencies the public credit.

It must also be a matter of unmingled gratification, that under the existing financial system—resting upon the act of 1789, and the resolution of 1816—the currency of the country has attained a state of perfect soundness; and the rates of exchange between different parts of the Union, which in 1841, denoted by their enormous amount, the great depreciation, and in many instances worthlessness of the currency in most of the States—are now reduced to little more than the mere expense of transporting specie from place to place, and the risk incidental to the operation. In a new country like that of the United States—where so many inducements are held out for speculation—the depositories of the surplus revenue, consisting of Banks of every description, when it reaches any considerable amount, require the closest vigilance on the part of the Government. All banking institutions under whatever denomination they may be, are governed by an almost exclusive regard to the interest of the stockholders. That interest consists in the augmentation of profits, in the form of dividends, and a large surplus income entrusted to their custody is but too apt to lead to excessive loans and to extravagantly large issues of paper. As a necessary consequence, prices are nominally increased, and the speculative mania everywhere seizes upon the public mind. A fictitious state of prosperity for a season exists, and in the language of the day, money becomes plenty. Contracts are entered into by individuals resting on this unsubstantial state of things—but the delusion immediately passes away, and the country is overrun by an indebtedness so weighty as to overwhelm many, and to visit every department of industry with great and ruinous embarrassment. The greatest vigilance becomes necessary on the part of Government to guard against this state of things. The duties imposed must be given to distinctly understood that the favors of the Government will be neither withdrawn or substantially diminished if its revenues shall be regarded as additions to their banking capital, or as the foundation of an enlarged circulation. The Government, though its revenue has at all times, an important part to perform in connexion with the currency; and it greatly depends upon its vigilance and care, whether the country be involved in embarrassments similar to those which it has had recently to encounter; or, aided by the action of the Treasury, shall be preserved in a sound and healthy condition.

The dangers to be guarded against are greatly augmented by too large a surplus of revenue. When that surplus greatly exceeds in amount what shall be required by a wise and prudent forecast to meet unforeseen contingencies, the Legislature itself may come to be seized with a disposition to indulge in extravagant appropriations to objects many of which may—and most probably would—be found to conflict with the Constitution. A fancied expediency is elevated above constitutional authority, and a reckless and wasteful extravagance but too certainly follows. The important power of taxation, which, when exercised in its most restricted form, is a burden on labor and production is resorted to, under various pretexts, for purposes having no affinity to the motives which dictated its grant, and the extravagance of Government stimulates individual extravagance, until the spirit of a wild and ill-regulated speculation, involves one and all its unfortunate results. In view of such fatal consequences, it may be laid down as an axiom, founded in moral and political truth, that no greater taxes should be imposed than are necessary for an economical administration of the Government; and that whatever exists beyond, should reduced or modified. This doctrine does in no way conflict with the exercise of sound discrimination in the selection of the articles to be taxed, which a due regard to the public weal would at all times suggest to the Legislative mind. It leaves the range of selection undefined; and such selection should always be made with an eye to the great interests of the country.

—Composed as is the Union, of separate and independent States, a patriotic Legislature will not fail in consulting the interests of the parts, to adopt such course as will be best calculated to advance the harmony of the whole; and thus ensure that permanency in the policy of the Government without which all efforts to advance the public prosperity are vain and fruitless. This great and vitally important task rests with Congress; and the Executive can do no more than recommend the general principles which should govern in its execution.

I refer you to the report of the Secretary of War, for an exhibition of the condition of the army; and recommend to you, as well worthy your best consideration, many of the suggestions it contains. The Secretary in no degree exaggerates the great importance of pressing forward without delay, in the work of erecting and finishing the fortifications, to which he particularly alludes. Much has been done towards placing our cities and roadsteads in a state of security against the hazards of hostile attacks, within the last four years: but considering the new elements which have been, of late years, employed in the propelling of ships, and the formidable implements of destruction which have been brought into service, we cannot be too active or vigilant in preparing and perfecting the means of defence. I refer you, also, to his report, for a full statement of the condition of the Indian tribes within our jurisdiction.—The Executive has abated no effort in carrying into effect the well established policy of the government, which contemplates a removal of all the tribes residing within the limits of the several States, beyond those limits; and it is now enabled to congratulate the country at the prospect of an early consumation of this object.—Many of the tribes have already made great progress in the arts of civilized life; and through the operation of the schools established among them, aided by the efforts of the pious men of various religious denominations—who devote themselves to the task of their improvement—we may fondly hope that the remains of the formidable tribes which were once the masters of this country will, in their transition from the savage state, to a condition of refinement and cultivation, add another bright trophy to adorn the labors of a well-directed philanthropy.

The accompanying report of the Secretary of the Navy, will explain to you the situation of that branch of the service. The present organization of the Department, imparts to its operations great efficiency, but I concur fully in the propriety of a division of the Bureau of Construction, Equipment, and Repairs into two Bureaux. The subjects, as now arranged, are incongruous, and require, to a certain extent, information and qualifications altogether dissimilar.

The operations of the squadron on the coast of Africa have been conducted with all due attention to the object which led to its organization; and I am happy to say that the officers and crews have enjoyed the best possible health, under the system adopted by the officer in command. It is believed the United States is the only nation which has, by its laws, subjected to the punishment of death, as pirates, those who may be engaged in the slave-trade. A similar enactment on the part of other nations would not fail to be attended by beneficial results.

In consequence of the difficulties which have existed in the way of securing titles for the necessary grounds, operations have not yet been commenced towards the establishment of the Navy Yard at Memphis. So soon as the title is perfected, no further delay will be permitted to intervene. It is well worthy of your consideration, whether Congress should not direct the establishment of a rope-walk, in connection with the contemplated Navy Yard, as a measure not only of economy, but as highly useful and necessary. The only establishment of the sort now connected with the service is located at Boston; and the advantages of a similar establishment, convenient to the hemp-growing region, must be apparent to all.

The report of the Secretary presents other matters to your consideration, of an important character in connection with the service.

In referring you to the accompanying report of the Postmaster General, it affords me continued cause of gratification to be able to advert to the fact, that the affairs of the Department, for the last four years, have been so conducted as, from its unaided resources, to meet its large expenditures. On my coming into office a debt of nearly $500,000 existed against the Department, which Congress discharged by an appropriation from the Treasury. The Department, on the 4th of March next, will be found, under the management of the present efficient head, free of debt or embarrassment, which could only have been done by the observance and practice of the greatest vigilance and economy. The laws have contemplated, thro'out, that the Department should be self-sustained; but it may become necessary, with the wisest regard to public interests, to introduce amendments and alterations in the system.—There is a strong desire manifested in many quarters, so to alter the tariff of letter postage as to reduce the amount of tax at present imposed. Should such a measure be carried into effect, to the full extent desired, it cannot well be doubted but that, for the first year of its operations, a diminished revenue would be collected, the supply of which would necessarily constitute a charge upon the Treasury. Whether such a result would be desirable, it will be for Congress, in its wisdom, to determine. It may in general be asserted, that radical alterations in any system should rather be brought about gradually, than by sudden changes; and by pursuing this prudent policy in the reduction of letter postage, the Department might still sustain itself through the revenue which would accrue by the increase of letters. The state and condition of the public Treasury has, heretofore, been such as to have precluded the recommendation of any material change. The difficulties upon this head have, however, ceased, and a large discretion is now left to the Government.

I cannot too strongly urge the policy of authorizing the establishment of a line of steamships regularly to ply between this country and foreign ports, and upon our own waters, for the transportation of the mail. The example of the British Government is well worthy of imitation in this respect. The belief is strongly entertained that the emoluments arising from the transportation of mail matter to foreign countries, would operate of itself as an inducement to cause individual enterprise to undertake that branch of the task; and the remuneration of the Government would consist in the addition readily made to our steam navy in case of emergency by the ships so employed.—Should this suggestion meet your approval, the propriety of placing such ships under the command of experienced officers of the Navy will not escape your observation. The application of steam to the purpose of naval warfare, cogently recommends an extensive steam marine as important in estimating the defences of the country. Fortunately, this may be attained by us to a great extent without incurring any large amount of expenditure. Steam vessels to be engaged in the transportation of the mails on our principal water-courses, lakes, and parts of our coast, could also be so constructed as to be efficient as war vessels when needed; and would of themselves constitute a formidable force in order to repel attacks from abroad.—We cannot be blind to the fact, that other nations have already added large numbers of steam ships to their naval armaments, and that this new and powerful agent is destined to revolutionize the condition of the world. It becomes the United States therefore, looking to their security, to adopt a similar policy; and the plan suggested will enable them to do so at a small comparative cost.

I take the greatest pleasure in bearing testimony to the zeal and untiring industry which has characterized the conduct of the members of the Executive Cabinet. Each, in his appropriate sphere, has rendered me the most efficient aid in carrying on the Government, and it will not, I trust, appear out of place for me to bear this public testimony. The cardinal objects which should ever be held in view by those entrusted with the administration of public affairs, are rigidly, and without favor or affection, so to interpret the national will, expressed in the laws, as that injustice should be done to none—justice to all. This has been the rule upon which they have acted; and thus it is believed that few cases, if any, exist, wherein our fellow-citizens, who from time to time have been drawn to the Seat of Government for the settlement of their transactions with the Government, have gone away dissatisfied. Where the testimony has been perfected, and was esteemed satisfactory, their claims have been promptly audited; and this in the absence of all favoritism or partiality. The Government which is not just to its own people can neither claim their affection, nor the respect of the world. At the same time the closest attention has been paid to those matters which relate more immediately to the great concerns of the country. Order and efficiency in each branch of the public service, have prevailed, accompanied by a system of the most rigid responsibility on the part of the receiving and disbursing agents. The fact, in illustration of the truth of this remark, deserves to be noticed, that the revenues of the Government, amounting in the last four years to upwards of $120,000,000, have been collected and disbursed, through the numerous Governmental agents, without the loss, by default, of any amount worthy of serious commentary.

The appropriations made by Congress for the improvement of the rivers of the West, and of the harbors of the lakes, are in a course of judicious expenditure under suitable agents; and are destined, it is to be hoped, to realize all the benefits designed to be accomplished by Congress. I cannot, however, sufficiently impress upon Congress, the great importance of withholding appropriations from improvements which are not ascertained, by previous examination and survey, to be necessary for the shelter and protection of trade from the dangers of storms and tempests. Without this precaution, the expenditures are but too apt to enure to the benefit of individuals; without reference to the only consideration which can render them constitutional—the public interests and the general good.

I cannot too earnestly urge upon you the interests of this District, over which, by the Constitution, Congress has exclusive jurisdiction. It would be deeply to be regretted should there be, at any time, ground to complain of neglect on the part of a community which, detached as it is from the parental care of the States of Virginia and Maryland, can only expect aid from Congress, as its local legislature. Amongst the subjects which claim your attention, is the prompt organization of an asylum for the insane, who may be found, from time to time, sojourning within the District. Such course is also demanded by considerations which apply to branches of the public service. For the necessities in this behalf, I invite your particular attention to the report of the Secretary of the Navy.

I have thus, gentlemen of the two Houses of Congress, presented you a true and faithful picture of the condition of public affairs, both foreign and domestic. The wants of the public service are made known to you; and matters of no ordinary importance are urged upon your consideration. Shall I not be permitted to congratulate you on the happy auspices under which you have assembled, and at the important change in the condition of things which has occurred in the last three years? During that period questions with foreign powers, of vital importance to the peace of our country, have been settled and adjusted. A desolating and wasting war with savage tribes, has been brought to a close. The internal tranquility of the country, threatened by agitating questions, has been preserved. The credit of the Government, which had experienced a temporary embarrassment, has been thoroughly restored. Its coffers, which, for a season, were empty, have been replenished. A currency, nearly uniform in its value, has taken the place of one depreciated and almost worthless. Commerce and manufactures, which had suffered in common with every other interest, have once more revived; and the whole country exhibits an aspect of prosperity and happiness. Trade and barter, no longer governed by a wild and speculative mania, rest upon a solid and substantial footing; and the rapid growth of our cities, in every direction, bespeaks most strongly the favorable circumstances by which we are surrounded. My happiness, in the retirement which shortly awaits me, is the ardent hope which I experience, that this state of prosperity is neither deceptive nor destined to be short lived; and that measures which have not yet received its sanction, but which I cannot but regard as closely connected with the honor, the glory, and still more enlarged prosperity of the country, are destined, at an early day, to receive the approval of Congress. Under these circumstances, and with these anticipations, I shall most gladly leave to others, more able than myself, the noble and pleasing task of sustaining the public prosperity. I shall carry with me into retirement the gratifying reflection that, as my sole object throughout has been to advance the public good, I may not entirely have failed in accomplishing it; and this gratification is heightened in no small degree by the fact that when, under a deep and abiding sense of duty, I have found myself constrained to resort to the qualified Veto, it has neither been followed by disapproval on the part of the People, nor weakened in any degree their attachment to that great conservative feature of our Government.

JOHN TYLER.

WASHINGTON, December, 1844.

ORPHAN'S COURT SALE.

IN pursuance of an order of the Orphan's Court of Bradford county, there will be exposed to public sale on the premises, at one o'clock on the afternoon of Tuesday, the first day of October next, the following real estate, to wit:—A tract of land situate in Granville tp. containing 109 acres or thereabouts, bounded north on land of J. Pratt; east on land of Major Hawley; south on land of Joseph Pratt, and west on land of Stephen Vroman, and others; with about fifteen acres improved, and a frame house and log barn thereon erected.

Attendance will be given at the time and place of sale by the subscribers.

All persons having demands against the estate are requested to attend.

JAMES H. ROSS,
JEHIAL M'KEAN.

Granville, September 2, 1844.

POSTPONEMENT.

The above sale is postponed to Saturday, the 28th Dec., at the same place and time of day.

JAMES H. ROSS,
JEHIAL M'KEAN.

Granville, Nov. 4. 1844

ADMINISTRATOR'S NOTICE.

ALL persons indebted to the estate of David M. Cook deceased, late of Athens tp. are requested to make immediate payment, and all those having demands against the same are requested to present them, legally attested, for settlement.

O. R. TYLER, Administrator.

Towanda, November 18, 1844.