

THE PRESIDENT'S MESSAGE.

We have delayed our paper for the purpose of laying before our readers the President's message, which will be found in our columns. It is unusually brief, and goes straight to the point.

Our foreign relations are in a satisfactory situation, while our domestic affairs are shown to be highly favorable to the cause of the Union. We commend this part of the message to the especial attention of the dependent.

In regard to the future policy of the President concerning the war and slavery, the high expectations of the country are fully met. The war will not be given up, until the rebels lay down their arms and submit to the national authority.

He recommends the present Congress to abolish Slavery by Constitutional enactment. He will not retract anything he has ever said or done on the subject of Slavery. He will not retract or modify the Emancipation proclamation, nor will he ever return to bondage a human being freed by that proclamation or by acts of Congress.

LATEST WAR NEWS.

To make room for the President's Message, we are obliged to content ourselves with a brief synopsis of the military operations during the past week.

Additional particulars of the battle of Franklin have been received. The battle is represented to have been one of the most brilliant of the war, and a complete victory for the Union arms. Thirty stand of colors and a thousand prisoners were captured. Our loss is set down at one thousand, while that of the rebels was six thousand. Gen. Stanley was wounded. The dispatch states that Hood's main army is believed to be threatening Murfreesboro, while Forrest is making a demonstration in front of our forces. No fears are entertained for the safety of Nashville.

A report in the New York Commercial Advertiser, of the 2d, says that on the 25th, Sherman was within forty miles of Savannah or between two and three days' march distant. The information comes from Port Royal, by the flag-of-truce boat. It is, probably incorrect.

An Augusta dispatch of the 26th ult., says that Sherman is forty-five miles south of Augusta, and thus far has been baffled.

Gen. Grant telegraphed to the War Department on Thursday that the Richmond Examiner of that day admits that Sherman will succeed in reaching the sea-coast. It is also admitted that he has crossed the Ocean.

A Louisville dispatch states that General Thomas has abandoned his position at Franklin, and has formed his line of battle within three miles of Nashville. On Thursday the two armies were engaged in skirmishing, and the rattle of musketry could be heard plainly at Nashville. A great battle is imminent.

In the Army of the Potomac there was quite a brisk cannonading on Wednesday afternoon. Fort Hell opened fire for the entertainment of some English visitors, and was replied to by several of the enemy's batteries. Several casualties occurred. On Thursday night the pickets had a lively engagement.

Gen. Gregg's cavalry was sent south on Thursday to discover if the enemy were sending away troops. General Gregg reports officially that he captured Stony Creek station, with two pieces of artillery, which he spiked, 190 prisoners, 8 wagons and 30 mules. He burned the depot, with 3000 sacks of corn, 500 bales of hay, a train of cars and a large amount of government stores. No information could be obtained of the passage of any troops southward. At Duval station much property was also destroyed.

The Washington Republican of the 5th says that by the arrival of a government transport at Fortress Monroe last evening, the government has received advices from Savannah to the 2d of December, that when the steamer left information had reached Savannah that Sherman's advance cavalry was within six miles of that city.

This does not conflict with the news brought by the steamer Belle, which arrived on Saturday night, that Savannah papers of the 30th of November announced that Sherman's army was within forty miles of that city. These papers do not state at what date he was that distance from the city.

A gentleman recently from Savannah informs us that there are no important defenses on the west side of Savannah.

The Baltimore American special correspondent sends the following correspondence of the same date:

"Advices from Fortress Monroe of last evening report the arrival there of the steamer Gen. Lyon with seven hundred and fifty released prisoners.

"At the time the General Lyon left Savannah (last Thursday night), the latest news received there was to the effect that General Sherman occupied Millen, Georgia, and that his cavalry was scouting several miles out from the town, meeting but little resistance.

"Every effort was being made for the defence of Savannah.

"Our prisoners report that boys of thirteen years and even women were assisting in the trenches and earthworks.

"Sherman was surely advancing to the coast, and no doubt of his success need be entertained."

The Secretary of State has authorized the publication of intelligence tending to prove that the attempt to burn northern cities, lately initiated at New York was designed in Richmond. The man giving information was apprised of the intention at Savannah, on the 19th of October. A Captain Montgomery, of Baltimore, had charge of the affair.

XXXVIIIth CONGRESS. Second Regular Session: commenced Monday, December 5, 1864.

SENATE.

- HANSFORD, HAMLEN, BRIDGE, Maine, President of the Senate. JOHN R. BROWN, of Kentucky, Chief Clerk. (Unionists (in Roman), 38; Democrats (in Italics), 12; Total, 50.) CALIFORNIA: JOHN CORBESS, James M. Patterson, Connecticut. JOHN DIXON, Lafayette S. Foster, Delaware. GEORGE DONN BIDDLE, Willard Saulsbury, Illinois. LYMAN TRUMBULL, Wm. A. Richardson, Indiana. THOMAS A. HENCKELS, Henry Howe, Iowa. JAMES HARTAN, James W. Grimes, Kansas. SAMUEL C. POMEROY, James H. Lane, Kentucky. GARRET DAVIS, Lazarus W. Powell, Louisiana. R. K. HIGLEY, Charles Smith, Maine. LOT M. MORTILL, Francis M. Pickens, Massachusetts. CLARENCE S. MERRILL, Leonard J. Wilson, New Hampshire. JOHN WILSON, Bowden being dead, Maryland. REVEREND G. VAN WINKLE, Thomas H. Hicks, Michigan. ZACHARIAH CHANDLER, Jacob M. Howard, Missouri.

- MINNESOTA: ALEXANDER RAMSAY, Morton S. Wilkinson, Missouri. JOHN B. HENDERSON, B. Gratz Brown, Nebraska. JOHN W. WALKER, Daniel Clark, New Jersey. Wm. F. FOSTER, John P. Hale, New York. EDWIN D. MORGAN, Ira Harris, Ohio. BENJAMIN F. WADE, John Sherman, Oregon. BENJAMIN F. HARRING, James W. Nesmith, Pennsylvania. CHARLES R. BOCKELER, Charles E. Bickel, Rhode Island. WILLIAM SPRAGUE, Henry E. Anthony, Vermont. SOLOMON FOOT, Jacob Collamer, Virginia. JAMES S. URDIE, (Successor to Leonard J. Bowden being dead, West Virginia. PETER G. VAN WINKLE, WAITMAN T. WILEY, Wisconsin. JAMES R. DOOLITTLE, Timothy O. Howe, Wisconsin.

HOUSE OF REPRESENTATIVES.

- SCHUYLER COLfax, of South Bend, Indiana, Speaker. EDWARD H. BROWN, of Garysburg, Penn., Clerk. (Unionists (in Roman), 103; Democrats (in Italics), 80; Total, 183. Those marked * were in the preceding House.) DIST. CALIFORNIA: THOMAS H. SHANNON, Wm. H. Hunt, Cornelius Cole, Connecticut. GEORGE W. BROWN, James E. English, Augustus B. Brandegee, John H. Hubbard, Massachusetts. LEWIS W. ROSS, Nathaniel B. Smithers, Illinois. JESSE W. BROWN, John B. Farnsworth, Charles B. Washburne, Ohio. JOHN M. HARRIS, Wm. Engvall, Jesse O. Norton, John R. Egan, John F. Stuart, Lewis W. Wood, Ohio. ANTHONY L. KNAPP, James C. Robinson, James M. Morrison, James M. Cassin, Jos. C. Allen, (at large) Indiana. JOHN LANE, George W. Coville, Henry W. Burritt, Wm. S. Holman, Daniel McCall, Ebenezer Dumont, David W. Coates, Golvobe S. Orth, Scheler Colfax, Joseph K. Diphren, James F. McDougal, Iowa. JAMES W. WILSON, Hiram P. Blood, Wm. B. Allison, Josiah B. Grinnell, John A. Kasson, Wm. A. Hubbard, Kansas. ALVA W. WILDER, Kentucky. LUCIEN ANDERSON, A. H. Tompkins, Cyrus C. King, Aaron Harding, Robert Malloy, Green Clay Smith, John W. Caldwell, Wm. H. Randall, Wm. H. Windsworth, Maine. LEWIS J. M. SEED, Sydney Perkins, James G. Blaine, John H. Rice, Frederick A. Pike, Maryland. JOHN A. CRESSWELL, Charles W. McKelvey, Francis Winter Davis, Henry Thomas, Benjamin G. Harris, Thomas D. Eliot, Oakes Ames, Alexander H. Rice, Samuel H. Ripley, John B. Alley, Daniel W. Gosch, George Bondwell, John D. Baldwin, Wm. B. Washburn, Henry L. Davies, Massachusetts. FERNANDO C. BEANAN, Charles Upson, John W. Longyear, Francis W. Kellogg, Augustus C. Balliett, John F. Driggs, Michigan. Wm. Windham, Ignatius Donnelly, Minnesota. SAMUEL D. MORRILL, Henry T. Blow, John D. Scott, Joseph W. McCharg, Francis G. Heywood, Justin A. King, Benjamin F. Loan, Wm. A. Hill, James S. Rollins, New-Hampshire. DANIEL MURPHY, George W. Collins, James W. Patterson, Nebraska. CHARLES D. POSTON, Hiram P. Bennett, DAKOTA. WILLIAM JACOB, Idaho. Wm. H. Wallace, Washington—George E. Cole.

- NEW-JERSEY: 1 Deight Torsenson, 2 Martin Kohlbrecht, 3 Wm. C. Steele, 4 Andrew J. Rogers, 5 J. C. Brainerd, NEW-YORK: 1 Deight Torsenson, 2 Martin Kohlbrecht, 3 Wm. C. Steele, 4 Benjamin Wood, 5 Fernando Wood, 6 John W. Ward, 7 John W. Ward, 8 James Brooks, 9 James Herick, 10 Wm. Engvall, 11 Chas. H. Wingfield, 12 Honer A. Nelson, 13 John A. Steet, 14 John C. Briggs, 15 John A. Griswold, 16 Orlando Kellogg, 17 Calvin T. Hubbard, 18 James M. Martin, 19 Samuel F. Miller, 20 Ambrose W. Clark, 21 Francis Kernan, 22 De Witt C. Littlejohn, 23 Thomas T. Davis, 24 Theophilus M. Pomroy, 25 Daniel Morris, 26 Giles W. Perkins, 27 R. Van Valkenburgh, 28 Freeman Clark, 29 Augustus Frank, 30 John B. Adams, 31 Reuben E. Fenton, Ohio. GEORGE H. PAULDEAN, Leonard A. Linn, Robert C. Schrenck, J. E. McKinney, Frank C. LaBlond, John A. White, Samuel S. Cox, Wm. Johnson, Warren P. Taylor, Wm. M. Ashley, Wm. A. Hutcheson, Wm. E. Fitch, John M. McKim, George Bliss, James R. Morris, Joseph W. White, Ephraim R. Key, Rufus P. Spaulding, James A. Garfield, Oregon. JOHN R. McBRIDE, PENNSYLVANIA: 1 Samuel J. Randall, 2 Charles O'Neill, 3 Leonard Lynds, 4 Wm. D. Hoar, 5 M. Russell Thayer, 6 John L. Niles, 7 James M. Smith, 8 Stephen A. Ainson, 9 Thaddeus Stevens, 10 Myer Stanton, 11 George W. Felt, 12 Charles Denison, 13 Henry W. Tracy, 14 Wm. Miller, 15 Joseph B. Ingham, 16 Alexander H. Coffey, 17 Archibald McMillan, 18 James T. Stewart, 19 Glenn W. Schofield, 20 Amos Myers, 21 John L. Dawson, 22 James M. Wilson, 23 Thomas Williams, 24 Jesse Lazear, Wisconsin. THOMAS H. BRIDGES, 2 Nathan F. Dixon, Vermont. J. E. WOODBRIDGE, 2 James S. Morrill, 3 Portus Baxter, WEST VIRGINIA: 1 Jacob B. Blair, 2 Wm. G. Bristow, 3 William V. Whaley, Wisconsin. 1 James S. Brown, 2 Isham C. Stone, 3 Amasa Cobb, 4 Chas. A. Eldridge, 5 Walter D. McIndoe, Utah. JOHN F. KNOX, George E. Cole, Washington.

DELEGATES FROM TERRITORIES.

- ALABAMA: Charles D. Poston, Nebraska. HIRAM P. BENNETT, Nebraska. WILLIAM JACOB, Idaho. Wm. H. WALLACE, Washington—George E. Cole.

THE OFFICIAL VOTE AT THE OCTOBER ELECTION.

Table showing the official vote at the October election, including Union and Dem. columns with various counts.

THE CHIEF-JUSTICE.

The President on Tuesday appointed Hon. SALMON P. CHASE Chief Justice of the Supreme Court. The nomination was approved by the Senate.

PRESIDENT'S MESSAGE.

Fellow-Citizens of the Senate and House of Representatives:

Against the blessings of health and abundant harvests, and profoundest gratitude to Almighty God. The condition of our foreign affairs is reasonably satisfactory. Mexico continues to be a theatre of civil war. While our political relations with that country have undergone no change, we have at the same time strictly maintained neutrality between the belligerents.

At the request of the states of Costa Rica and Nicaragua a competent engineer has been authorized to make a survey of the river San Juan and the port of San Juan. It is a source of much satisfaction that the difficulties which for a moment excited some political apprehension, and caused a closing of the inter-oceanic transit route, have been amicably adjusted, and that there is a good prospect that the route will soon be reopened with an increase of capacity and adaptation. We could not exaggerate either the commercial or the political importance of that great improvement.

It would be doing injustice to an important South American state not to acknowledge the directness, frankness and cordiality with which the United States of Colombia have entered into intimate relation with this Government. A Claims Convention has been constituted, to complete the unfinished work of the one which closed its session in 1861. The new liberal constitution of Venezuela having gone into effect with the universal acquiescence of the people, the Government under it has been recognized, and diplomatic intercourse with it has been opened in a cordial and friendly spirit.

The long deferred Aves Island claim has been satisfactorily paid and discharged. Mutual payments have been made of the claims awarded by the late joint commission for the settlement of classes between the United States and Peru. An earnest and cordial friendship continues between the two countries; and such efforts as were in my power have been used to remove misunderstanding, and avert a threatened war between Peru and Spain.

Our relations are of the most friendly nature with Chili, the Argentine Republic, Bolivia, Costa Rica, Paraguay, San Salvador and Hayti. During the past year no differences of any kind have arisen with any of these Republics. And, on the other hand, their sympathies with the United States are constantly expressed with cordiality and earnestness.

The claim arising from the seizure of the cargo of the brig Macedonian, in 1821, has been paid in full by the Government of Chili. Civil war continues in the Spanish part of San Domingo, apparently without prospect of an early close.

Official correspondence has been freely opened with Liberia, and it gives us a pleasing view of social and political progress in that Republic. It may be expected to derive new vigor from American influence, improved by the rapid disappearance of slavery in the United States.

I have authorized the Government to furnish to the Republic a gunboat at a moderate cost, to be reimbursed to the United States by installments. Such a vessel is needed for the safety of that State against the native African races, and in Liberian hands it would be more effective in arresting the African slave-trade, than a squadron in our own hands. The possession of the least organized naval force would stimulate a generous ambition in the Republic, and the confidence which we should manifest by furnishing it would win for her, and favor toward the colony from all civilized nations.

The proposed overland telegraph between America and Europe by the way of Behring's Straits and Asiatic Russia, which was sanctioned by Congress at the last session, has been undertaken under very favorable circumstances by an association of American citizens, with the cordial good-will and support as well of this Government as of those of Great Britain and Russia. Assurances have been received from most of the South American States of their high appreciation of the enterprise and their readiness to co-operate in constructing lines tributary to that world-encircling communication.

I learn with much satisfaction that the noble design of a telegraphic communication between the Eastern Coast of America and Great Britain has been renewed, with full expectation of its early accomplishment. Thus it is hoped that with the return of domestic peace, the country will be able to resume with energy and advantage her former high career of commerce and civilization. Our very popular and estimable representative in Egypt died in April last.

An unpleasant altercation which arose between the temporary incumbent of the office and the Government of the Pacla, resulted in a suspension of intercourse. The evil was promptly corrected on the arrival of the successor in the consulate and our relations with Egypt, as well as our relations with the Barbary Powers, are entirely satisfactory.

The rebellion, which has so long been flagrant in China, has at last been suppressed with the co-operating good offices of this Government, and of the other Western commercial States. The judicial consular establishment has become very difficult and onerous, and it will need legislative requisition to adapt it to the extension of our commerce, and to the more intimate intercourse which has been instituted with the Government and people of that vast empire. China seems to be accepting, with hearty good-will, the conventional laws which regulate commerce and social intercourse among Western nations.

Owing to the peculiar situation of Japan and the anomalous form of its Government, the action of that empire in performing treaty stipulations is constant and capricious. Nevertheless, good progress has been effected by the Western Powers, moving with enlightened concert. Our own pecuniary claims have been allowed, or put in course of settlement, and the inland sea has been reopened to commerce. There is reason also to believe that these proceedings have increased rather than diminished the friendship of Japan toward the United States.

The ports of Norfolk, Fernandina and Pensacola have been opened by proclamation. It is hoped that foreign merchants will now consider whether it is not safer and more profitable to themselves, as well as just to the United States, to resort to them and other open ports, that it is to pursue, a contraband trade with other ports which are closed, if not by actual military operations, at least by a lawful and effective blockade.

For myself, I have no doubt of the power and duty of the Executive, under the law of nations, to exclude enemies of the human race from an asylum in the United States. If Congress should think that proceeding in such cases lack the authority of law, or ought to be further regulated by it, I commend that provision be made for effectually preventing foreign slave-traders

from acquiring domicile and facilities for their criminal occupation in our country. It is possible that it were a new and open question, whether the United States, with the light that she now enjoys, would concede the privileges of a wall of Gibraltar to the insurgents of the United States, destitute as they are and always have been, equally of ships and of ports and harbors. Disloyal emissaries have been neither less assiduous nor more successful during the last year than they were before that time in their efforts, under favor of that privilege, to embroil our country in foreign wars. The desire and determination of the Maritime States to defeat that design are believed to be as sincere, and cannot be more earnest than our own. Nevertheless, unforeseen political difficulties have arisen, especially in Brazilian and British ports and on the Northern boundary of the United States, which have required and are likely to continue to require the practice of constant vigilance and a just and conciliatory spirit on the part of the United States, as well as of the nations concerned and their Governments. Commissioners have been appointed under the treaty with Great Britain for the adjustment of the claims of the Hudson Bay and Pelly's Sound Agricultural Companies in Oregon, and are now proceeding to the execution of the trust assigned to them.

In view of the insecurity of life in the region adjacent to the Canadian border, by recent assaults and depredations committed by inimical and desperate persons, who are harbored there, it has been thought proper to give notice that after the expiration of six months, the period conditionally stipulated in the Treaty of Commerce with Great Britain, the United States must hold themselves at liberty to increase their naval armament upon the Lakes, if they shall find that proceeding necessary. The condition of the border will necessarily come into consideration in connection with the question of continuing or modifying the rights of transit from Canada through the United States, as well as the regulation of internal commerce, which were temporarily established by the Reciprocity Treaty of the 30th of June, 1854. I desire, however, to be understood while making this statement, that the national authorities are not deemed to be intentionally unjust or unfriendly toward the United States, but on the contrary, there is every reason to expect that with the approval of the Imperial Government they will take the necessary measures to prevent new incursions across the border.

The act passed at the last session for the encouragement of emigration has, as far as was possible, been put into execution. It seems to need amendment, which will enable the officers of the Government to prevent the practice of frauds against the emigrants while on their way, and on their arrival in the ports, so as to secure them here a free choice of avocations and places of settlement. A liberal disposition toward this great national policy is manifested by most of the European States, and ought to be reciprocated on our part, by giving the immigrants effective national protection. I regard our emigrants as one of the principal, replenishing streams which are appointed by Providence to repay the ravages of internal war, and its wastes of national strength and health. All that is necessary is to secure the flow of that stream in its present fullness, and to that end the Government must in every way make it manifest that it neither needs nor designs to impose involuntary military services upon those who come from other lands to cast their lot in our country.

The financial affairs of the Government have been successfully administered during the last year. The legislation of the last session of Congress has beneficially affected the revenue. Although sufficient time has not yet elapsed to experience the full effect of several of the provisions of the acts of Congress imposing increased taxation, the receipts during the year, from all sources, upon the basis of warrants signed by the Secretary of the Treasury, including loans, and the balance in the Treasury on the 1st day of July, 1863, were \$1,394,796,097 62, and the aggregate disbursements upon the same basis, were \$1,298,056,101 89, leaving a balance in the Treasury, as shown by warrants, of \$96,739,995 73. Deduct from these amounts the amount of the principal of the public debt, and the amount of issues in substitution of the same, and the actual cash operations of the Treasury were: Receipts, \$884,076,646 77; disbursements, \$865,234,087 96; which leaves a cash balance in the Treasury of \$18,842,568 71. Of the receipts, there were derived from customs \$102,316,152 96; from taxes, \$688,333 29; from direct taxes, \$475,648 96; from internal revenue, \$109,741,134 10; from miscellaneous sources, \$47,511,418 10; and from loans applied to the public debt, \$2,000,000 00. There were disbursed for the civil service, \$27,505,959 46; for pensions and Indians, \$7,511,929 97; for the War Department, \$60,701,817 07; for the Navy Department, \$85,736,292 79; for interest of the public debt, \$53,639,421 69, making an aggregate of \$865,234,087 86, and leaving a balance in the Treasury of \$18,842,568 71, as before stated.

For the actual receipts and disbursements for the past quarter, and the estimated receipts and disbursements for the three remaining quarters of the current fiscal year, in detail, I refer to the report of the Secretary of the Treasury. I concur with him in the opinion that the proportion of the moneys required to meet the expenses consequent upon the war, derived from taxation, should be still further increased; and I earnestly invite your attention to this subject to the end that there may be such additional legislation as shall be required to meet the just expectations of the Secretary. The public debt on the 1st day of July last, amounted to one billion, seven hundred and forty thousand million, six hundred and ninety thousand, four hundred and eighty-nine dollars and forty-nine cents. Probably should the war continue for another year, that amount may be increased by not far from five hundred millions. Held as it is for the most part by our own people, it has become a substantial branch of national though private property. For obvious reasons the more nearly this property can be distributed among all the people the better. To favor such a distribution, and to give greater inducements to become owners and contributors, with good effect and without injury, I have presented to persons of limited means, and with this view, I suggest whether it might not be both expedient and competent for Congress to provide that a limited amount of some future issue of public securities might be held by any bona fide purchaser exempt from taxation and from seizure for debt under such restrictions and limitations as might be necessary to guard against abuse of so important a privilege. This is a small amount against a possible day of want. Privilege like that of the possession of such securities is attainable by a person of moderate means, who might be able to save enough for the purpose. The great advantage of citizens being creditors, as well as debtors, with relation to the public

debt, is obvious. Men readily perceive that they cannot be much oppressed by a debt which they owe themselves. The public debt on the 1st day of July last, although some of the estimates of the Secretary of the Treasury made at Congress at the commencement of the last session, falls short of the estimate of that officer made in the preceding December, as to its probable amount at the beginning of this year, by the sum of \$3,955,079 33. This fact exhibits a satisfactory condition and conduct of the operations of the Treasury. The National Banking system is proving to be acceptable to capitalists and to the people.

On the 25th day of November, 584 National Banks had been organized, a considerable number of which were conversions from State banks. Changes from the State system to the National system are rapidly taking place, and it is hoped that very soon there will be in the United States no bank of issue not authorized by Congress, and no bank-note circulation not secured by the Government; that the Government and the people will derive general benefit from this change in the banking systems of the country can hardly be questioned. The national system will create a reliable and permanent influence in support of the national credit and protect the people against losses in the use of paper money. Whether or not any further legislation is advisable for the suppression of State bank issue, it will be for Congress to determine. It seems quite clear that the Treasury cannot be satisfactorily conducted unless Government can exercise a restraining power over the bank-note circulation of the country.

The report of the Secretary of War and the accompanying documents will detail the campaigns of the armies in the field since the date of the last Annual Message, and also the operations of the several administrative bureaux of the War Department during the last year.

It will also specify the measures deemed essential for the national defence, and to keep up and supply the requisit military force. The report of the Secretary of War presents a comprehensive and satisfactory exhibit of the affairs of that department and of the naval service. It is a subject of congratulation and laudable pride to our countrymen that a navy of such proportions has been organized in so brief a period, and conducted with so much efficiency and success.

The general exhibit of the navy, including vessels under construction on the 1st of December, 1864, shows a total of 671 vessels, carrying 4,610 guns, 510,396 tons being an actual increase during the year, over and above all losses by shipwreck or in battle, of 83 vessels, 167 guns, and 42,427 tons. The total number of men at this time in the naval service including officers, is about 61,000. There have been captured by the navy during the year, 324 vessels, and the whole number of navy captured since hostilities commenced is 1,379, of which 267 are steamers. The gross proceeds arising from the sale of condemned prize property this far reported amounts to \$14,206,250 51. A large amount of such property is still under adjudication, and I earnestly commend it to the consideration of the Navy Department of every description, including the cost of the immense squadrons that have been called into existence from the 4th of March, 1861, to the 1st of November, 1864, are \$238,647,262 35. Your favorable consideration is invited to the various recommendations of the Secretary of the Navy, especial in regard to a navy-yard and suitable establishment for the construction and repair of iron vessels, and the machinery and armature of our ships, to which reference was made in my last Annual Message.

Your attention is also invited to the views expressed in the report in relation to the legislation of Congress at its first session, in regard to prize on our inland waters. I cordially concur in the recommendation of the Secretary as to the propriety of creating the new rank of Vice-Admiral in our naval service.

Your attention is invited to the report of the Postmaster-General for a detailed account of the operations and financial condition of the Post-office Department.

The postal revenues for the year ending June 30, 1864, amounted to \$12,468,256 23, and the expenditures to \$12,644,756 20, the excess of expenditures over receipts being \$296,652 42.

The views presented by the Postmaster-General on the subject of special grants the Government in aid to the establishment of new lines of ocean mail steamships, and the policy he recommends for the development of increased commercial intercourse with adjacent and neighboring countries, should receive the careful consideration of Congress.

It is of noteworthy interest that the steady expansion of population, improvement and governmental institutions over the new and unoccupied portions of our country, have scarcely been checked, much less impeded or destroyed, by our great civil war, which at first glance, would seem to have absorbed almost the entire energies of the nation.

The organization and admission of the State of Nevada, has been completed, in conformity with law, and thus our excellent system is firmly established in the mountains which once seemed a barren and uninhabitable waste between the Atlantic States and those which have grown up on the coast of the Pacific Ocean.

The territories of the Union are generally in a condition of prosperity and rapid growth. Idaho and Montana, by reason of their great distance, and the interruption of communication with them by Indian hostilities, have been only partially organized; but it is understood that these difficulties are about to disappear, which will permit the Territory, like those of the other States, to go into speedy and full operation as intimately connected and full participants of this material growth of the nation. I ask the attention of Congress to the valuable information and important recommendations relating to the public lands, Indian affairs, the Pacific Railroads, and mineral discoveries contained in the report of the Secretary of the Interior, which is hereunto transmitted, and which report also embraces the subjects of patents, pensions and other topics of public interest pertaining to the Government. It is to be regretted that the public land disposed of during the five quarters ending on the thirtieth of September last, was 4,221,342 acres, of which 1,538,614 acres were entered under the homestead law. The remainder was located with military land warrants, agricultural sold certified to States for railroads, and sold for cash. The cash received from sales and location fees was \$1,019,446. The income from sales during the fiscal year ending June 30, 1864, was \$688,007 21, against \$136,077 35 received during the preceding year. The aggregate number of acres surveyed during the year has been equal to the quantity disposed of, and there is open to settlement about 133,000,000 acres of surveyed land.

The great enterprise of connecting the Atlantic with the Pacific States, by railroads and telegraph lines has been entered upon with a vigor that gives assurance of success, notwithstanding the embarrass-

ments arising from the prevailing high prices of materials and labor. The route of the main line of the road has been definitely located for one hundred miles westward from the central point at Omaha City, Nebraska, and a preliminary location of the Pacific Railroad of California has been made from Sacramento, eastward, to the great bend of Mucker River in Nevada. Numerous discoveries of gold, silver and cinabar mines have been added to the many heretofore known, and the country occupied by the Sierra Nevada and the Rocky Mountains and the subordinate ranges now teems with enterprising labor, which is richly remunerative.

It is believed that the products of the mines of precious metals in that region has during the year reached, if not exceeded, \$100,000,000 in value. It was recommended in my last Annual Message that our Indian system be remodelled. Congress at its last session, acting upon the recommendation, did provide for reorganizing the system in California, and it is believed that under the present organization the management of the Indians there will be attended with reasonable success. Much yet remains to be done to provide for the proper government of the Indians in other parts of the country, to render it secure for the advancing settler, and to provide for the welfare of the nation. The Secretary reiterates his recommendations, and to them the attention of Congress is invited.

The liberal provisions made by Congress for paying pensions to invalid soldiers and sailors of the Republic, and to the widows, orphans and dependent mothers of those who have fallen in battle or died of disease contracted in or from wounds received in the service of their country, have been diligently administered.

There have been added to the Pension Rolls during the year ending the 30th day of June last, the names of 16,710 invalid soldiers, and of 271 disabled seamen, making the present number of army invalid pensioners 227,671, and of navy invalid pensioners 712. Of widows, orphans and mothers, 22,198 have been placed on the Army Pension Rolls, and 248 on the Navy Rolls. The present number of army pensioners of this class is 25,443, and of navy pensioners, 793.

At the beginning of the year the number of revolutionary pensioners was 1,430. Only twelve of them were soldiers, of whom seven have since died. The remainder are those who, under the law, receive pensions because of relationship to revolutionary soldiers.

During the year ending the 30th of June 1864, \$4,504,616 92 have been paid to pensioners of all classes.

I cheerfully commend to your continued patronage the benevolent institutions of the District of Columbia, which have hitherto been established or fostered by Congress, and respectfully refer for information concerning them, and in relation to the Washington Aqueduct, the Capitol, and other matters of local interest, to the report of the Secretary.

The Agricultural Department, under the supervision of its present energetic and faithful head is rapidly commending itself to the great and vital interest it has created to advance. It is peculiarly the People's Department, in which they feel more directly concerned than in any other. I commend it to the continued attention and fostering care of Congress.

The war continues. Since the last Annual Message all the important lines and positions then occupied by our forces have been maintained, and our armies have steadily advanced, thus liberating the regions left in the rear, so that Missouri, Kentucky, Tennessee, and parts of other States have again produced reasonably fair crops.

The most remarkable feature in the military operations of the year, is General SHERMAN'S attempted march of three hundred miles directly through an insurgent region. It tends to show a great increase of our relative strength, that our General-in-Chief should feel able to confront and hold in check every active force of the enemy, and yet to detach a well appointed army to move on such an expedition. The result not yet being known, conjecture in regard to it cannot here be indulged.

Important movements have also occurred during the year to the effect of molding society for durability in the Union, although short of complete success, it is much in the right direction that 12,000 citizens in each of the States of Arkansas and Louisiana have organized loyal State Governments with free constitutions, and are earnestly struggling to maintain and administer them.

The movement in the same direction more extensively, though less definite in Missouri, Kentucky, and Tennessee should not be overlooked.

But Maryland presents the example of complete success. Maryland is secure to Liberty and Union for all the future. The genius of rebellion will no more claim Maryland. Like another foul spirit, being driven out, it may seek to tear her, but it will woo her no more.

At the last session of Congress a proposed amendment of the Constitution abolishing slavery throughout the United States passed the Senate but failed for lack of the requisite two-thirds vote in the House of Representatives. Although the present Representatives, and nearly the same members, and without questioning the wisdom or patriotism of those who stood in opposition, I venture to recommend the reconsideration and passage of the measure at the present session. Of course, the abstract question is not changed, but an intervening election shows almost certainly that the next Congress will pass the measure if this does not. Hence there is only a question of time as to when the proposed amendment will go to the States for their action, and it is to be regretted that we do not agree that the sooner the better. It is not claimed that the election has imposed a duty on members to change their views or their votes any further than as an additional element to be considered. Their judgment may be affected by it. It is the voice of the people now for the first time heard upon the question. In a great national crisis like ours unanimity of action among those seeking a common end is very desirable, almost indispensable; and yet no approach to such unanimity is attainable unless some deference shall be paid to the will of the majority. In this case the common end is the maintenance of the Union, and among the means to secure that end, each will, through the election, is most clearly declared in favor of such constitutional amendment.

The most reliable indication of public purpose in the country is derived through our popular elections. Judging by the recent canvass and its result, the purpose of the people within the loyal States, to maintain the integrity of the Union, was never more firm nor more nearly unanimous than now. The extraordinary calmness and good order with which the millions of voters met and mingled in the polls give strong assurance of this. Not only while I remain in my present position shall not attempt to retract or modify the Emancipation Proclamation. Nor shall I return to Slavery any person who is

purpose. It is an unanswerable argument to this effect, that no candidate for any office whatever, high or low, has ventured to seek votes on the ground that he was giving up the Union. There has been much insinuating of motives and heated controversy as to the proper course and best mode of advancing the Union cause, but in the distinct issue of Union or no Union, the politicians have shown their instinctive knowledge that there is no diversity among the people. In affording the people the fair opportunity of showing one to another and to the world this firmness and unanimity of purpose, the election has been of vast value to the national cause. The election has exhibited another fact not less valuable to be known—the fact that we do not approach exhaustion in the most important branch of the national resources. That of living men—while it is maintained to reflect that the war has filled so many graves and caused mourning to so many hearts. It is some relief to know that compared with the surviving the fallen have been so few. While Corps and Divisions and Regiments have formed and fought and dwindled and gone out of existence, the great majority of the men who compose them are still living. The same result is true of the naval service. The election will prove this. So many voters could not be found. The States regularly holding elections both now and four years ago, wit: California, Connecticut, Delaware, Illinois, Iowa, Kentucky, Maine, Maryland, Massachusetts, Michigan, Minnesota, New Hampshire, New Jersey, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Vermont, West Virginia and Wisconsin, are now showing an average of 3,702,222 men, the showing an average of 3,702,222 men, to which is to be added 33,700 men now in the new States of Kansas and Nevada, which States did not vote in 1860, thus swelling the aggregate to 4