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By J. B. OVIATT,
SMETHPORT, M'KEAN COUNTY, PA.
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SOUTH-EAST CORNER MAIN STREET
Smethport, Pa.
DR. L. R. WISNER,
Physician and Surgeon, Smethport, Pa., will attend to all professional calls with promptness. Office two doors north of the Democrat's office.
BENNETT HOUSE,
Smethport, M'Kean Co., Pa., E. S. Messer, Proprietor opposite the Court House. A new, large, commodious and well furnished house.
A. J. NOURSE,
Dealer in Shoes, Tin Ware, Japanese Ware, Ac., west end of the Public Square, Smethport, Pa. Custom work done to order on the shortest notice, and in the most substantial manner.
W. S. BROWNELL,
Dealer in Dry Goods, Groceries, Crockery, Hardware, Boots, Shoes, Hats, Caps, Glass, Nails, Oil, &c., &c., East side of the Public Square, Smethport, Pa.

EATING-SALOON.
THE SUBSCRIBER announces to the Public that he has purchased the stock of the saloon formerly kept by W. H. Baker, West side of Public Square.

Public Square,
where he is prepared to refresh the inner man with all the delicacies usually kept at a first class RESTAURANT.
ALE, BEER, CONFECTIONERIES, NUTS, FRUITS, CHEESE, &c., &c.
FRESH OYSTERS served to order, either raw or cooked.
Those who favor me with their patronage shall have no cause to complain, either as to price or quality.
J. L. WORDEN.
Smethport, Sept 21th, 1863.

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THE BEST MECHANICAL PAPER IN THE WORLD EIGHTEENTH YEAR.
Volume VIII. - Now Series.
A new volume of this widely circulated paper commences on the 1st of January. Every number contains sixteen pages of useful information and from five to ten original engravings of new inventions and discoveries, all of which are prepared expressly for its columns.
To The Mechanic and Manufacturer.
No person engaged in any of the mechanical sciences should think of doing without the SCIENTIFIC AMERICAN. It costs but six cents per week every number contains from six to ten engravings of new machines and inventions, which cannot be found in any other publication. It is an established rule of the publishers to insert none but original engravings, and those of the first-class in the art, drawn and engraved by experienced persons under their own supervision.
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The SCIENTIFIC AMERICAN is indispensable to every inventor, as it not only contains illustrated descriptions of nearly all the best inventions as they come out, but each number contains an Official List of the Claims of all the Patents issued from the United States Patent Office during the week previous, thus giving a correct history of the progress of inventions in this country. We are also receiving, every week, the best scientific journals of Great Britain, France, and Germany; thus placing in our possession all that is transpiring in mechanical science and art in these old countries. We shall continue to transfer to our columns copious extracts from these journals of whatever we may deem of interest to our readers.
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The SCIENTIFIC AMERICAN will be found a most useful Journal to them. All the new discoveries of science of chemistry are given in its columns, and the interests of the Architect and carpenter are not overlooked; all the new inventions and discoveries appearing from week to week. Useful and practical information pertaining to the interests of millwrights and mill-owners will be found published in the SCIENTIFIC AMERICAN which information they cannot possibly obtain from any other source. Subjects in which planters and farmers are interested will be found discussed in the SCIENTIFIC AMERICAN; most of the improvements in agricultural implements being illustrated in its columns.

TERMS.
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PRESIDENT'S MESSAGE.
WASHINGTON, Dec. 9, 1863.
Followed by the Senate and House of Representatives.
Another year of health and of sufficiently abundant crops has passed. For these, and especially for the improved condition of our national affairs, we renew and profound gratitude to God is due. We remain in peace and friendship with our neighbors, and the efforts of disloyal citizens of the United States to involve us in foreign wars, to aid in intractable insurrections, have been vanishing. Her Britannic Majesty's Government, as was justly expected, have exercised their authority to prevent the departure of new hostile expeditions from British ports. The Emperor of France has, by a late proceeding, promptly vindicated the neutrality which he proclaimed at the beginning of the contest.

Questions of great intricacy and importance have arisen out of the blockade, and of her belligerent operations between the Government and several of the maritime powers; but they have been discussed, and, as far as now possible, accommodated in a spirit of frankness, justice and mutual good will.
It is especially gratifying that our prize courts by the impartiality of their adjudications, have commanded respect and confidence of maritime powers.
The supplemental treaty between the United States and Great Britain, for the suppression of the African Slave Trade, made on the 17th day of February last has now been ratified and carried into execution. It is believed that so far as American ports an American citizens are concerned, that inhuman and odious traffic has been brought to an end.

I shall submit for the consideration of the Senate, a convention for the adjustment of possession claims in Washington Territory, arising out of the treaty of the 25th of July, 1846, between the United States and Great Britain, and which have been the source of dispute among the citizens of that territory for many years past. A novel and important question, involving the extent of the maritime jurisdiction of Spain on the waters which surround the Island of Cuba, has been debated without reaching an agreement, and it is proposed in an amicable spirit to submit it to the arbitration of a friendly power. A convention for that purpose will be submitted to the Senate.
I have thought it proper, subject to the approval of the Senate, to confer with the interested commercial powers, in an arrangement for the liquidation of the Seidlitz dues upon the principles which have been heretofore adopted in regard to the imports upon navigation in the waters of Denmark.

The long pending controversy between the Government and that of Chile, touching the seizure of Stena, in Peru, by Chilean officers, of a large amount in treasure belonging to citizens of the United States, has been brought to a close by the award of his Majesty, the King of the Belgians, to whose arbitration the question was referred by the parties. The subject was thoroughly and impartially examined by that high respected magistrature, and without the least award to the claimant, may justly have been as large as they expected, in no respect to distrust the wisdom of his Majesty's decision. That decision was promptly complied with by Chile, when intelligence in regard to it reached that country.

The joint commission, under the act of the last session, for carrying into effect the convention with Peru on the subject of claims, has been organized at Lima, and is engaged in the business entrusted to it.
Difficulties concerning the inter-oceanic transit through Nicaragua are in course of amicable adjustment.
By continuing with the principles set forth in my last annual message, I have received a representative from the United States of Chile, and have accredited a minister to that Republic.

In the course of the session I shall probably have occasion to propose to provide indemnification to claimants where decrees of restitution have been rendered, and damages awarded by Admiralty Courts, and in other cases, where this government may be acknowledged to be liable in principle, and where the amount of that liability has been ascertained by an informal arbitration.
The proper officers of the Treasury, having been informed of the purposes of a special act may be authorized with power to hear and report on such claims of the character referred to in my last annual message, and the public law. Conventions for adjusting the claims by joint commission, have been proposed to some governments, but no definite answer to the proposition has yet been received from any.

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It has been difficult, or impracticable, to obtain this proof, for the want of guides to the proper source of information. These might be supplied by requiring the clerks of courts, where declarations of intention may be made, or naturalizations effected, to send periodically lists of the names of the persons naturalized, or declaring the intention to become citizens, to the Secretary of the Interior, in whose department those names might be arranged and printed for general information. There is also reason to believe that foreigners frequently become citizens of the United States for the sole purpose of evading duties imposed by the laws of their native countries, to which, on becoming naturalized here, they at once repair, and though never returning to the United States they still claim the interposition of this government as citizens. Many ill-considered and great prejudices have heretofore arisen out of this abuse. It is therefore, submitted to your serious consideration, that it might be advisable to fix a limit beyond which no citizens of the United States residing abroad may claim the interposition of this government.
The right of suffrage has often been assumed and exercised by aliens, under pretenses of naturalization, which they have disavowed when drafted into the military service. I submit the expediency of such an amendment of the law as will make the fact of voting an estoppel against any plea of exemption from military service or other civil obligation on the ground of alienage.

In common with other Western Powers, our relations with Japan have been brought, into serious jeopardy through the persistent opposition of the hereditary aristocracy of the empire to the enlightenment and liberal policy of the Tycoon, designed to bring the country into the society of nations. It is hoped, although not without entire confidence, that these difficulties may be peacefully overcome. I ask your attention to the claim of the minister residing there for the damages he sustained in the destruction by fire of the residence of the Legation at Yedo.
Satisfactory arrangements have been made with the Emperor of Russia, which it is believed, will result in effecting a continuous line of telegraph, through that Empire from our Pacific coast. I recommend to your favorable consideration the subject of an international telegraph across the Atlantic Ocean, and also of a telegraph between its Capital and the National ports along the Atlantic seaboard and Gulf of Mexico. Such communications, established with any reasonable regard, would be economical as well as effective, to the diplomatic, military, and naval service.

The consular system of the United States, under the enactment of the last Congress, begins to be self-sustaining, and there is reason to hope that it may become entirely so, with an increase of trade, which will ensure whenever peace is restored.
Our ministers abroad have been faithfully defending American rights. In protecting commercial interests, our consuls have necessarily had to encounter increased labors and responsibilities growing out of the war. These they have, for the most part, met and discharged with zeal and efficiency. This acknowledgment justly includes those consuls who, residing in Morocco, Egypt, Turkey, Japan, China, and other Oriental countries, are charged with complex functions and extraordinary powers.
The condition of the several organized Territories is generally satisfactory, although Indian disturbances in New Mexico have not been entirely suppressed. The mineral resources of Colorado, Nevada, Idaho, New Mexico, and Arizona are proving far richer than has been heretofore understood. I lay before you a communication on this subject from the Governor of New Mexico.
I again submit to your consideration the expediency of establishing a system for the encouragement of immigration. Although this source of national wealth and strength is again flowing with greater freedom than for several years before the insurrection occurred, there is still a great deficiency of labor in every field of industry, especially in agriculture and in our mines, as well as in iron and coal as of the precious metals. While the existing labor shortage has increased here, tens of thousands of persons, destitute of remunerative occupations, are languishing in foreign consulates and efforts to emigrate to the United States, at essential but very cheap assistance can be afforded them. It is easy to see that under the sharp discipline of civil war, the nation is basking in a new life. This noble effort demands the aid and ought to receive the attention and support of the government.
Injuries undergone by the government and unattended, may in some cases have been inflicted on the subject or citizens of foreign countries, both at sea and on land, by persons in the service of the United States. As this Government expects redress from other powers when similar injuries are inflicted by persons in their service upon citizens of the United States, we must be prepared to do justice to foreigners. While the existing judicial system is inadequate to the purpose, a special court may be authorized with power to hear and report on such claims of the character referred to in my last annual message, and the public law. Conventions for adjusting the claims by joint commission, have been proposed to some governments, but no definite answer to the proposition has yet been received from any.

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The aggregate of the disbursments for the year ending on the 30th of September last, was \$776,683,391 57, making the aggregate \$201,327,574 86. Of the disbursments there were for the civil service, \$24,255,922 08; for pensions and Indians, \$1,216,250 50; for interest on public debt, \$24,729,811 51; for the War Department, \$69,298,600 82; for the Navy Department, \$92,911,185 27; for payment of bonded and temporary debt, \$181,086,635 07, making the aggregate \$865,796,639 65 and leaving a balance of \$85,339,011 21. But the payment of funded and temporary debt having been made from moneys borrowed during the year must be regarded as merely nominal payments, and the moneys borrowed to make them as merely nominal receipts. Their amount, \$181,086,635 07, should, therefore, be deducted both from the receipts and disbursements. This being done, there remains as actual receipts, \$729,039,093 59, and the actual disbursements, \$714,709,995 59; leaving the balance as already stated.

The actual receipts and disbursements for the first quarter, and the estimated receipts and disbursements for the remaining three quarters of the current fiscal year, 1864, will be shown in detail by the report of the Secretary of the Treasury, to which I invite your attention.
It is sufficient to say that it is not believed that actual results will exhibit a state of the finances less favorable to the country than the estimates of that officer heretofore submitted, while it is confidently expected that at the close of the year both disbursements and debt will be found pretty considerably less than has been anticipated.
The report of the Secretary of War is a document of great interest. It consists of:
First. The military operations of the year detailed in the report of the General-in-Chief, General Sherman.
Second. The organization of colored regiments in the war service.
Third. The exchange of prisoners, fully set forth in the letter of Gen. Hitchcock.
Fourth. The operations under the Act for Emancipating and calling out the National Forces, detailed in the report of the Provost Marshal General.
Fifth. The organization of the Invalid Corps, &c.
Sixth. The operations of the several Departments of the Quartermaster General, Commissary General, Paymaster General, Chief of Engineers, Chief of Ordnance, and Surgeon General. It has appeared impossible to make a valuable summary of this report, except such as would be too extended for this place; and hence I content myself by asking your careful attention to the report itself.

The duties devolving on the naval branch of the service during the year, and throughout the whole of this unhappy contest, have been discharged with fidelity and eminent success. The extensive blockade has been constantly increasing in efficiency as the navy has expanded. Yet no so long a time has so far been impossible to entirely suppress illicit trade. From returns received at the Navy Department, it appears that more than 1,600 vessels has been captured since the blockade was instituted, and that the value of prizes already sent in for adjudication amounted to over \$12,000,000.
The naval force of the United States consists, at this time, of 555 vessels, completed and in the course of completion, and of the 75 are iron clad or armored steamers. The events of the war give an increased interest and importance to the navy which will probably extend beyond the war itself.
The armored vessels in our Navy, completed and in service, or which are under contract and approaching completion, are believed to exceed in number those of any other power. But while these may be relied upon for harbor defense, and coast service, others of greater strength and capacity will be necessary for cruising purposes and to maintain our rightful position on the ocean.
The change that has taken place in naval vessels and naval warfare since the introduction of steam as a motive power for ships of war, demands either a corresponding change in some of our existing Navy Yards, or the establishment of new ones for the construction and necessary repair of modern naval vessels. No considerable embarrassment, delay and public injury has been experienced from the want of such governmental establishments.
The acquisition of such a Navy Yard, so far as included at some suitable place upon the Atlantic seaboard, has on several occasions, been brought to the attention of Congress by the Navy Department and is again presented in the report of the Secretary which accompanies this communication. I think it my duty to invite your special attention to this subject, and also to that of establishing a yard and depot for naval purposes, upon one of the western rivers.

A naval force has been created on these interior waters, and under many disadvantages within little more than two years, exceeding in numbers the whole naval force of the country at the commencement of the present administration. Satisfactory and important as have been the performances of the heroic men of the navy at this interesting period, they are scarcely more wonderful than the success of our mechanics and artisans in the production of war vessels which has created a new form of naval power. Our country has advantages superior to any other nation in our resources of iron and timber, with inexhaustible quantities of coal and all available fuel in close proximity to navigable waters. Without the advantage of public works, the resources of the nation have been developed, and its power displayed in the construction of a navy of such magnitude, which has at the very period of its creation, rendered signal service to the Union.

The increase of the number of seamen in the public service from 7,500 men in the Spring of 1861, to about 34,000, at the present time, has been accomplished without special legislation or extraordinary bounties to promote that increase.
It has been found, however, that the operation of the draft with high bounties paid for army recruits is beginning to affect injuriously the naval service, and will, if not checked, be likely to impair its efficiency, by detaching seamen from their proper vocation, and inducing them to enter the army. I therefore, respectfully suggest, that Congress might aid both the army and naval service by a definite provision on this subject, which would at the same time be

equitable to the communities more especially interested. I commend to your consideration the suggestions of the Secretary of the Navy, in regard to the policy of fostering and training seamen, and the education of officers and engineers for the naval service. The naval academy is rendering noble service in preparing midshipmen for the highly responsible duties which in after life they will be called upon to perform.
In order that the country should not be deprived of the proper quota of educated officers, for which legal provision has been made at the naval school, the vacancies caused by the neglect or omission to make nominations from the States in insurrection have been filled by the Secretary of the Navy. The school is now more full and complete than at any former period, and in every respect entitled to the favorable consideration of Congress.

During the past fiscal year the financial condition of the Post-Office Department has been one of increasing prosperity, and I am gratified in being able to state that the actual postal revenue has nearly equalled the entire expenditures, the latter amounting to \$11,344,206 84, and the former to \$11,163,788 52, leaving a deficiency of but \$180,418 15. In 1860, the year immediately preceding the rebellion, the deficiency amounted to \$3,656,706 49. The postal receipts being \$2,413,722 19 less than those of 1863. The decrease since 1860 in the annual amount of transportation, has been about 25 per cent., but the annual expenditure on account of the same has been reduced 35 per cent. It is manifest, therefore, that the Post-Office department may become self-sustaining in a few years, even with a restoration of the whole service.

The international conference of postal delegates from the principal countries of European and America, which was called at the suggestion of the Postmaster General, and at Paris on the 14th of May last, and concluded its deliberations on the 8th of June. The principles established by the Conference as best adapted to facilitate postal intercourse between nations, and as a basis of future postal conventions, inaugurate a general system of uniform international charges of reduced rates of postage, and cannot fail to produce beneficial results.
I refer you to the report of the Secretary of the Interior, which is herewith laid before you for useful and varied information in relation to public land, Indian affairs, patents, pensions and other matters of concern pertaining to his department.
The quantity of lands disposed of during the last first quarter of the present fiscal year was 3,841,570 acres of which 161,911 acres were sold for cash, 1,456,514 acres were taken up under the homestead law, and the residue disposed of under laws granting lands for military, bounty, for railroads and for other purposes. It also appears that the sale of the public lands is largely on the increase.

It has long been a cherished opinion of some of our wisest Statesmen that the people of the United States had a higher and more enduring interest in the early settlement and substantial civilization of the public lands than in the amount of direct revenue derived from the sale of them. This opinion has had a controlling influence in shaping legislation upon the subject of our national domain. I may cite as evidence of this the liberal measures adopted in reference to actual settlers, the grant to their heirs, in order to their being reclaimed and reclaimed fit for cultivation, and the grants to railroad companies of alternate sections of land upon the contemplated lines of their roads, which, when finished, will largely multiply the facilities for reaching our distant possessions. This policy has proved an invaluable and beneficial illustration in the recent enactment granting homesteads to actual settlers. Since the 1st day of January last, before mentioned, the quantity of 1,456,514 acres of land have been taken up under its provisions. The fact and the amount of sales furnish gratifying evidence of increasing settlement upon the public lands, notwithstanding the great struggle in which the energies of the nation have been engaged, and which has required so large a withdrawal of our citizens from their accustomed pursuits.

I cordially concur in the recommendation of the Secretary of the Interior suggesting a modification of the act in favor of those engaged in the military and naval service of the United States. I doubt not that Congress will cheerfully adopt such measures as will, without essentially changing the general features of the system, secure to the greatest practical extent its benefits to those who have left their homes in defence of the country in this arduous crisis.

I invite your attention to the views of the Sec. of Interior as to the propriety of raising by suitable legislation a revenue from the inland lands of the United States. The measures provided at your last session for the removal of certain Indian tribes have been carried into effect. Sundry treaties have been negotiated which will, in due time, be submitted for the constitutional action of the Senate. They contain stipulations for extinguishing the possessory rights of the Indians to large and valuable tracts of land. It is hoped that the effect of these treaties will result in the est-

ablishment of permanent friendly relations with such of these tribes as have been brought into frequent and bloody collision with our outlying settlements and emigrants.
Sound policy, and our imperative duty to these wards of the government, demand our anxious and constant attention to their material wellbeing, to their progress in the arts of civilization, and, above all, to that moral training which, under the blessing of Divine Providence, will confer upon them the elevating and sanctifying influences of the hopes and consolations of the Christian faith.

I suggested, in my last annual message the propriety of remodeling our Indian system. Subsequent events have satisfied me of its necessity.
The details set forth in the report of the Secretary, evince the urgent need for immediate legislative action.
I commend the benevolent institutions established or patronized by the \$3,000, in this District, to your generous and fostering care.
The attention of Congress during the last session was engaged to some extent with appropriations for enlarging the water communication between the Mississippi river and the northeastern seaboard, which proposition, however, failed for the time. Since then, upon a call of the greatest respectability, a convention has been held at Chicago upon the same subject, a summary of whose views is contained in a memorial addressed to the President and Congress, and which now have the honor to lay before you.
That this interest is one which, ere long, will force its own way, I do not entertain a doubt, while it is submitted entirely to your wisdom as to what can be done now.

Augmented interest is given to this subject by the actual commencement of work upon the Pacific railroad, under auspices so favorable to rapid progress and completion.
The enlarged navigation becomes a palpable road to the great road.
I transmit the second annual report of the Commissioners of the Department of Agriculture, asking your attention to the developments in that vital interest of the nation. When Congress assembled a year ago, the war had already lasted nearly twenty months, and there had been many conflicts on both land and sea, with varying results. The rebellion had been pressed back into reduced limits.
Yet the tone of public feeling and opinion at home and abroad was not satisfactory. With other signs, the popular elections then just passed, indicated uneasiness among ourselves, while amid much that was bold and manly, the kindest words coming from Europe were uttered in accents of pity that we were too blind to surrender, a hopeless cause. Our commerce was suffering greatly by a few armed vessels built and furnished from foreign shores, and we were threatened with such additions from the same quarter as would sweep our trade from the sea and raise our blockade. We had failed to elicit from European governments anything hopeful upon this subject.
The preliminary proclamation issued in September, was running its assigned period to the beginning of the New Year. A month later the final Proclamation came, including the announcement that colored men of suitable condition would be received in the war service. The policy of Emancipation and of employing black soldiers gave to the future a new aspect, about which hope and fear and doubt contended in uncertain conflict.

According to our political system, as a matter of civil administration, the government had no lawful power to effect emancipation in any State, and for a long time it had been hoped that the rebellion could be suppressed without resorting to it as a military measure. It was all the while deemed possible that the necessity for it might come, and if it should the crisis of the contest would then be presented.
It came, and, as was anticipated, was followed by dark and doubtful days. Eleven months having now passed, we are permitted to take another review. The rebel borders are pressed still further back, and by the complete opening of the Mississippi the country dominated over by the rebellion is divided into distinct parts, with no practical communication between them.— Tennessee and Arkansas have been substantially cleared of insurgent control, and influential citizens of each, owners of slaves and advocates of slavery at the beginning of the rebellion, now declare openly for emancipation in their respective States.
Of these States not included in the emancipation proclamation, Maryland and Missouri, neither of which three years ago would tolerate any restraint upon the extension of slavery into the territories, only dispute now as to the best mode of removing it within their own limits. Of those who were slaves at the beginning of the rebellion, full 100,000, are now in the United States military service, about one-half of which number actually bear arms in the ranks, thus giving the double advantage of taking so much labor from the insurgent cause, and supplying the places which otherwise must be filled with many white men.
So far as tested, it is difficult to say they are not as good soldiers as any.
No servile insurrection or tendency to violence or cruelty has marked the measures of emancipation and arming the blacks.