## THE MESSAGE.

## President Cleveland Discusses the Nation's Affairs.

## FOR FREE COAL AND IRON.

Favors Repeal of the Differential Duty on Refined Sugar.

Suggests a Divorce of the Government and the Banks-Exemption of Certain State Banks From Taxation on Circulation Recommended -Pension Matters - Our Foreign Relations and the Condition of Our Governmental Departments.

Our Governmental Departments. To the Congress of the United States.

The assemblage within the Nation's legislative helis of those charged with the duty of making laws for the benefit of a generous and free people impressively suggests the exalting obligation and inexorable responsibility involved in their task. At the threshold of such labor now to be undertaken by the Congress of the United States, and in the discharge of an executive duty enjoined by the Constitution, I submit this communication, containing a brief statement of the condition of our National affairs, and recommending such legislation as seems to me necessary and expedient.

The bistory of our recent dealings with other Nations, and our penceful relations with them at this time, additionally demonstrate the advantage of consistently adhering to a firm but just foreign policy, free from envious or ambitious National schemes and characterized by entire honesty and

and characterized by entire honesty and

A serious tension of relations having arison at the close of the war between Brazil and Portugal, by reason of the scape of the in-surgent Admiral da Gama and his followers.

surgent Admiral da Gama and his followers, the friendly offices of our representatives to those countries were exerted for the protection of the subjects of either within the tercitory of the other.

Although the Governor of Brazil was duly notified that the commercial arrangement existing between the United States and that country, based on the third section of the Tariff act of 1890, was abrogated on August 28, 1894, by the taking effect of the Tariff was now in force, that Government subsequently notified us of its intention to terminate such arrangement on the first day of January, 1895, in the exercise of the right reserved in the agreement between the two constries.

The commission organized under the con vention which we had entered into with Chile for the settlement of the outstanding claims of each Government against the other, adjourned at the end of the period stipulated for its continuance, leaving un-determined a number of American cases which had been duly presented. These claims are not barred and negotiations are in progress for their submission to a new religions.

TREATY WITH CHINA.

On the 17th of March last, a new treaty with China in further regulation of emigra-tion was signed at Washington, and on August

tion was signed at Washington, and on August 13, it received the sanction of the Senate, Bestification on the part of China and formal exchange are awaited to give effect to this mutually beneficial convention.

A gratifying recognition of the uniform impartially of this country towards all foreign States was manifested by the coincident request of the Chinese and Japanese Governments, that the agents of the United States should, within proper limits, afford protection to the subjects of the other during the suspension of diplomatic relations due to a state of war. This delicate office was accepted, and a misapprehension, which gave rise to the belief that in affording this kindly unofficial protection our agents would exercise the same authis kindly unofficial protection our agents would exercise the same authority which the withdrawn agents of the belligerents had exercised, was promptly corrected. Although the war between China corrected. Although the war between China an! Japan endangers no policy of the United States, it deserves our greatest consideration, by reason of its disturbance of our growing commercial interests in the two countries and the increased dangers which may result to our citizens domiciled or solution in the interior of China.

Acting under a stipulation in our treaty with Korea (the first concluded with a Western power) I felt constrained at the beginning of the controversy to tender our good offices to induce an amicable arrangement of the initial difficulty growing out of the

of the initial difficulty growing out of the Japanese demands for administrative re-forms in Korea, but the unhappy precipita-tion of actual hostilities defeated this kindly

purpose.

Deploring the destructive war between the most powerful of the Eastern Nations and anxious that our commercial interests in these countries may be preserved, and that the safety of our citizens there shall not be jeopardized. I would not hesitate to heed any intimation that our friendly aid for the honorable termination of hostilities would be acceptable to both beiligerents.

Our relations with the Republic of France continue to be such as should exist between Nations so long bound together by friendly sympathy and similarity in their form of government.

The recent cruel assassination of the President of this sister Ropublic called forth such universal expressions of sorrow and condollates from our people and Government as to leave no donor of the depth and sincerity

to leave no donot of the depth and sincerity of our attachment. The resolutions passed by the Senate and House of Representatives on the occasion have been communicated to the widow of President Carnot.

Acting upon the reported discovery of Texas lever in eargoes of American cattle, the Gorman probibition against importations of live stock and fresh ments from this country has been revived. It is hoped that Germany will soon become convinced that the inhibition is as needless as it is harmful to mutual interests.

EXPERLING DISCRIMINATING DUTIES.

The German Government has protested against that provision of the customs tariff act which imposes a discrimination duty of one-teath of one cent a pound on sugars-coming from countries paying an export bounty thereon, claiming that the exaction of such duty is in contravention of articles five and nine of the treaty of 1828 with Prussia.

In the interests of the commerce of both In the interests of the commerce of both countries and to avoid even the accusation of treaty violation, I recommend the appeal of so much of the statue as imposes that dury, and I listite attention to the accompanying report of the Secretary of State containing a discussion of the questions raised by the German protests.

Early in the present year an agreement

Early in the present year an agreement was reached with Great Britain concerning instructions to be given to the naval commanders of the two Governments in Bering Bea and the contiguous North Pacific Ocean, for their guidance in the execution of the award of the Paris Tribunal of Arbitration and the enforcement of the regulations therein prescribed, for the protection of seal life in the waters mentioned. An understanding has also been reached for the payment by the United States of \$425,000, in full satisfaction of all claims which may be made by Great Britain for damages growing out of the controversy as to fur seals in Bering Sea, or the seizure of British vessels engaged in taking seal in those waters. The award and findings of the Paris Tribuna to a great extent determined the facts amprinciples upon which these claims should

e adjusted, and they have been subjected the acjusted, and they have been subjected by sorn Governments to a thoronge examination upon the principles as well as the facts which they invoive. I am convinced that a settlement upon the terms mentioned would be an equitable and advantageous one and I recommend that provision be made for the prompt payment of the stated sum.

HAWAII VND JAPAN.

Since communicating the voluminous cor-respondence in regard to Hawali and the action taken by the Senate and House of genor taken by the Scatte and House of Representatives on certain questions sub-mitted to the judgment and wider discre-tion of Congress, the organization of a gov-ernment in place of the provisional arrange-ment which followed the deposition of the Queen has been announced with evidence of its effective operation. The recognition usual in such cases has been accorded the

usual in such cases has been accorded the new Government.

Apart from the war in which the Island Empire is engaged, Japan attracts increasing attention in this country by her evident desire to cultivate more liberal intercourse with us and to seek our kindly add in turtherance of her landable desire for complete automony in her domestic affairs and full equality in the family of Nations. The Japanese Empire of to-lay is no longer the Japanese Empire of to-lay is no longer the Japanese Empire of to-lay is no longer the bare of the past, and our relations with this progressive Nation should not be less broad and liberal than those with other powers.

Prominent among the questions of the year was the Bluesleids incident, in what is known as the Mosquito Indian Strip, bordering on the Atlantic Ocean and within the inrisdiction of Nicaragaa. By the treaty of 1860 between Great Britain and Nicaragua the former Government expressly recognized the sovereignty of the latter over the Strip, and a limited form of self-government was guaranteed to the Mosquito Indians, to be exercised ecording to their customs, for themselves and other dwellers within its limits. The so-called native Government, which grew to be largely made up of allens, for many years disputed the sovereignty of Nicaragua over the Strip and claimed the right to maintain therein a practically independent municipal Government. Early in the past year efforts of Nicaragua to maintain severeignty over the Mosquito territory led to serious disturbances, culminating in the suppression of the native Government and the attempted substitution of an impracticable composite administration, in which Nicaragas and allega middless and markets. THE PLUEFICLDS INCIDENT. and the attempted substitution of an impracticable composite administration, in which Nicaragua and alien residents were to participate. Failure was followed by an insurrection which for a time subverted Nicaraguan rule, expelling her officers and restoring the old organization. This, in turn, gave place to the existing local gov-ernment established and upheld by Nic-aragua.

Although the alien interests arrayed against Nicaragua.

Although the alien interests arrayed against Nicaragua in these transactions have been largely American, and the commerce of that region for some time has been and still is chiefly controlled by our citizens, we cannot for that reason challenge the rightful sovereignty of Nicaragua over this important part of her domain.

For some months one, and during part of the time two, of our naval ships have been stationed at Biuefields for the protection of all legitimate interests of our citizens. In September last the Government at Managua expelled from its territory

In September has the Government at Managua expelled from its territory twelve or more foreigners, including two Americans, for alleged participation in the seditious or revolutionary movements against the republic at Blufleids already mentioned; but through the earnest remonstrance of this Government the two Americans have been permitted to return to the peaceful management of their business. Our naval commenders at the scene of these disturbances, by their constant exhibition of firmness and good judgment, contributed largely to the revention of more serious consequences and o the restoration of quiet and order. I regre to the restoration of quiet and order. I regret that in the midst of these occurrences there happened a most grave and irritating failure of Nicaraguan justice. An American citizen camed Wilson, residing at Rama, in the Mosquito territory, was murdered by one Arguello, the acting Governor of the town. After some delay the murderer was arrested, out so insecurely confined or guarded that he escaped, and, notwithstanding our repeated demands, it is claimed that his recapture has been impossible, by reason of uts flight beyond Nicaraguan jurisdiction.

The Nicaraguan authorities having given The Nicaraguan authorities having given notice of forfeiture of their concession to the canal company, on grounds purely technical and not embraced in the contract, have receded from that position.

POACHING ON BUSSIAN SEALS.

The scaling interests of Russia in Bering Sea are second only to our own. A moins seventil has therefore been concluded with the Imperial Government restrictive of oaching on the Russian rookeries, and of ealing in waters which were not compre-ended in the protected area defined in the

Occasion has been found to urge upon the Russian Government equality of treatment for our great life insurance companies whose operations have been extended throughout Europe. Admitting as we do, foreign corporations to transact business in the United States, we naturally expect no less tolerance for our own in the ample fields of competition abroad.

tion abroad.

Hut few cases of interference with naturalized citizens returning to Russia have been reported during the current year. One Krasminski was arrested last summer in a Polish province, on a reported charge of unpermitted renunciation of Russian allegiance, but it transpired that the proceedings originated in alleged maliensance committed by Krasminski while an Imperial official a number of years ago. Efforts for his recase, which promised to be successful, were in progress when his death was reported.

Tunkey's terraturn of myssionalize.

TURKEY'S TREATMENT OF MISSIONABLES.

In my inst annual message I adverted to the claim on the part of Turkey of the right to expel, as persons undesirable and dangerous, Armenians naturalized in the United States and returning to Turkish jurisdiction. Numerous questions in this r-intion have arisen. While this Government acquiesces in the asserted right of expulsion, it will not consent that Armenians may be imprisoned or otherwise punished for no other reason and having acquired without imperial consent American citizenship.

Three of the assailants of Miss Melton, an American teacher in Mosul, have been consisted by the Ottoman courts, and I am advised that an appeal against the accuittal of the remaining five has been taken by the TURKEY'S TREATMENT OF MISSIONABLES.

the remaining five has been taken by the Turkish prosecuting officer.

THOUBLES IN SAMOA. Baports received from our agents at Apla do not justify the belief that the peace thus brought about will be of long duration. It is their conviction that the natives are at their that such of them as profess loyalit to it do so from fear of the powers, and that it would specify go to pieces if the war ships were withdrawn.

specify go to pieces if the war ships were withdrawn.

The present Government has utterly failed to correct, if indeed it has not aggravated, the very evils it was intended to prevent. It has not stimulated our commerce with the slands. Our participation in its establishment against the wishes of the natives was a piant definee of the conservative teachings and warnings of the wise and patriotic men who laid the foundations of our free institutions, and I invite an expression of the men who laid the foundations of our free in-stitutions, and I invite an expression of the judgment of Congress on the propriety of steps being taken by this Government look-ing to the withdrawal from its engagements with the other powers on some reasonable terms not prejudicial to any of our existing

CONDITION OF THE TAXABURY. CONDITION OF THE THEASURY.

The Secretary of the Treasury reports that the receipts of the Government from all sources of revenue during the fiscal year-noing June 30, 1894, amounted to \$372.-902,493 29, and its expenditures to \$442.-503,754.57, leaving a deficit of \$59,803,-260.53. There was a decrease of \$15,352,-674.56 in the ordidary expenses of the Gov-

rament, as compared with the fiscal year

There was collected from the customs \$131,818,530,62, and from internal revenue \$137,16,449,70. The balance of the income for the year, amounting to \$93,815,517,97, was derived from the sales of lands and

other sources.

The value of our total dutiable imports amounted to \$275,192,096, being \$146,657,622 less than during the preceding year, and the importations free of duty amounted to \$379,795,595, being \$64,748,675 less than during the preceding the pre the preceding year. The receipts from cus-toms were \$73,536,486.11 less, and from lo-ernal revenue \$13,836,532.97 less than in 1393.

1893.
The total fax collected from distilled spirits was \$85,259,250.25; on manufactured tobacce \$28,617,848,62,and on fermented liquors,\$31,414,738.04.

Our exports of merchandise, domestic and foreign, amounted during the year to \$92,440,372, being an increase over the preceding year of \$44,495,378.

The total amount of gold exported during the fiscal year was \$73,893,661, against \$108,689,444 during the flecal year 1593. The amount imported was \$72,449,118, as against \$21,174,381 during the previous year. The imports of silver were \$13,286,552, and the exports were \$50,451,265.

Our exports of merchandise, domestic and

THE ARMY.

The execution of the policy of concentrating the army at important centers of population and transportation, foreshadowed in the last annual report of the Secretary, has resulted in the abandonneut of fitteen of the smaller posts, which was effected under a plan which assembles organizations of the a plan which assembles organizations of the same regiments hitherto widely separated. This renders our small forces more readily effective for any service they may be called upon to perform, increases the extent of the territory under protection witnout diminishing the security heretofore afforded to any locality, improves the discipline, train-ing and esprit de corps of the army, besides considerably decreasing the cost of its main-tenance.

tenance.
Though the forces of the Department of Though the forces of the Department of the East have been somewhat increased, more than three-fourths of the army are still stationed west of the Mississippi. This carefully matured policy, which secures the best and greatest service in the interest of the general welfare from the small torse comprising our regular army, should not be thoughtlessly embarrasse i by the creation of new and unnecessary posts through acts of Congress to gratify the ambitious or interests of localities.

It is hardly accompanion of the property of the creation of the congress to gratify the ambitious or interests of localities.

Congress to gratify the ambitious or interests of localities.

It is hardly necessary to recall the fact that in obedience to the commands of the Constitution and laws, and for the purpose of profecting the property of the United States, aiding the process of Federal courts and removing lawiess obstructions to the performance by the Government of its legitimate functions, it became necessary in various localities during the year to employ a considerable portion of the regular troops. The duty was discharged promptly, couraceously and with marked discretion by the officers and men, and the most gratifying proof was thus afforded that the army deserves that complete confidence in its efficiency and discipline which the country has at all times manifested.

The year has been free from disturbances by Indians, and the chances of further depredations on their part are constantly becoming more remote and improbable.

The skill and industry of our ordnance of-

Ing more remote and Improbable.

The skill and industry of our ordnance officers and inventors have, it is believed, overcome the mechanical obstacles which have heretofore delayed the armament of our coasts, and this great National undertaking upon which we have entered may now proceed as rapidly as Congress may determine. With a supply of finished guns of large calibre already on hand, to which additions should now rapidly follow, the wisdom of providing carriages and emplacements for their mount cannot be too strongly urged.

The total enrollment of the militia of the The total enrollment of the militia of the several States is 117,583 officers and onlisted men, an increase of 5343 over the number reported at the close of the previous year. The reports of militia inspections by regular army officers show a marked increase in interest and efficiency among the State organizations, and I strongly recommend a continuous of the policy of afforting every practical encouragement possible to this important auxiliary of our military establishment.

ment.

The condition of the Anache Indians, held as prisoners by the Government for eight years at a cost of half a million dollars, has been changed during the year-from entivity to one which gives them an opportunity to demonstrate their capacity for self-support and at least partial civilization. Legislation enacted at the late session of Congress gave the War Depirtment authority to transfer the survivors, numbering 346, from Mount Vernon Barracks, in Alabama, to any suitable reservation. The department selected as their future home the military lands near For Sill, Indian Territory, where, under military surveillance, the former prisoners have been surveillance, the former prisoners have been established in agriculture under conditions favorable to their advancement. In recognition of the long and distin-guished military agricos and faithful dis-

guished military services and faithful dis-charge of delicate and responsible civil duties by Major-General John M. Schofield, now the General commanding the Army, it is suggested to Congress that the temporary revival of the grade of Lieutenaut-General in his behalf would be a just and gracious act, and would permit his retirement, now near at hand, with rank pelitting his merits. DEFICIENCY IN THE POSTAL SERVICE.

The transactions of the postal service indi-este with barometic certainty the fluctuations in the business of the country. Inasmuch, therefore, as business complications con-tinued to exist throughout the last year to an unforcement extent it is not surprising that the deficiency of revenue to meet the expendi-tures of the Postoffice Department, which tures of the Postoffice Department, which was estimated in advance at about eight million dollars, should be exceeded by nearly one and a quarter million dollars. The ascertained revenues of the last year, which were the basis of calculation for the current year, being less than estimated, the deficiency for the current year will be correspondingly greater, though the Postmuster-General states that the latest indications are so favorable that he confidentially predicts an increase of at least eight per cent, in the revenues of the current year over those of the last year.

The expenditures increase steadily and necessarily with the growth and needs of the

necessarily with the growth and needs of the country, so that the deficiency is greater or isss in any year depending upon the volume

of receipts master-General says that this deficiency is unnecessary and might be obviated at once if the law regulating rates upon mail matter of the second-class was modified. The rate received for the trans-mission of this second-class matter is one cent per pound, walle the cost of such transmission of this second-class matter is one cent per pound, while the cost of suchtransmission to the Government is eight times that amount. In the general terms of the law this rate covers newspapers and periodicals. The extensions of the meaning of these terms from time to time have admitted to the privileges intended for legitimate newspapers and periodicals a surprising range of publications and created abuses the cost of which amount in the aggregate to the total deficiency of the Postoffice Department. Pretended newspapers are started by business houses for the mera purpose of advertising goods, complying with the law in form only and discounting the publications as soon as the n-riod of advertising is over. "Sample cooles" of pretended newspapers are lesued in great numbers for a like purpose only. The result is a great loss of revenus to the Government, besides its humiliating use as an agency to aid in carrying out the scheme of a business house to advertise its goods by means of a trick upon both its rival houses and the recuire and legitimate newspapers. Paper-covered literature, consisting maisly of trasty novels, to the extent of many thousand tous is sent through the miles at one cent per pount, while the publishers of standard works are required to pay eight times that amount in sendin; their publications. Another abuse consists in

the free carriage through the mails of hundreds of tons of send and grain uselessly distributed through the Department of Agriculture. The Postmister-General predicts that it the law be so a mendest as to eradicate these abuses not only will the Postoffice Department show no deficiency, but he believes that in the near tuture all legitimate movements and periodical magazines might be properly transmitted through the mails to their aubscribers free of cost. I invite your prompt consideration of this subject, and fully inderse the views of the Postmuster-General.

General.
The Postmaster-General renews a sug-

The Postmaster-General renews a suggestion made in a previous report that the department organization be increased to the extent of creating a direct district supervision of all postal affairs and in this suggestion I fully concur.

There are now connected with the Postaffee establishment \$2.681 employes who are in the classified service. This includes many who have been classified under the suggestion of the Postmaster-General. He states that another year's experience at the head of the department serves only to strengthen the conviction as to the excellent working of the Civil Service law in this branch of the public service.

Attention is called to the report of the Sec-Attention is called to the report of the Sec-retary of the Navy, which shows very grati-fying progress in the construction of ships for our new navy. All the vessels new build-ing, including the three torpede boats au-thorized at the last session of Congress and excepting the first-class ship Iowa, will probably be completed during the coming

iscal year.
The estimates for the increase of the navy The estimates for the increase of the navy for the year ending June 30, 1895, are large, but they include practically the entire sum necessary to complete and equip all the new ships not now in commission, so that unless new ships are authorized the appropriations for the naval service for the fiscal year ending June 30, 1897, should fall below the estimates for the coming year by at least \$12, 100,000.

100,000.

The Secretary presents with much earnestness a plea for the authorization of three additional battle ships and ten or twelve torpedo boats. While the unarmored vessels heretofore authorized, including those now nearing completion, will constitute a fleet, which it is believed is sufficient for ordinary cruising purposes in time of pence, we have now completed and in process of construction but four first-class battle ships and but few torpedo boats. If we are to have a navy for warlike operations, offensive and defensive, we certainly ought to in-crease both the number of battle ships and torpedo boats.

The manufacture of armor requires expen-

sive plant and the aggregation of many skilled workmen. All the armor necessary to complete the vessels now building will be delivered before the first of June next. If delivered before the first of June next. If no new contracts are given out, contractors must disband their workmen and their plants must lie idle. Battle ships authorized at this time would not be well under way until late in the coming fiscal year, and at least three years and a half from the date of the contract would be required for their completion. The Secretary states that not more than fifteen per cent, of the cost of such snips need be included in the appropriations for the coming year.

the coming year.

I recommend that provision be made for the construction of additional battle ships

and torpedo boats.

The war now in progress between China and Japan has rendered it necessary or expedient to despatch eight vessels to those waters.

waters.

I seel it my imperative duty to call attention to the recommendation of the Secretary in regard to the personnel of the line of the navy. The stagnation of promotion in this, the vital branch of the service, is so great as to seriously impair its efficiency. I consider it of the utmost importance that the young and middle-aged officers should, before the eve of retirement, be permitted to reach a grade entitling them to active and important duty.

important duty.

The system adopted a few years ago regulating the employment of labor at the navy yards is rigidity upheld, and has fully demonstrated its usefulness and expediency. It is within the domain of Civil Service reform, instruction as working are employed through a symbol as working are employed through a and are given work without reference to politics and in the order of their application preference, however, being given to army

and navy veterans and those having former navy yard experience.

It is hoped that if this system continues to be strictly adhered to , there will soon be, as a natural consequence, such an equalization of party benefit as will remove an temptation to relax or aban ion it.

PUBLIC LANDS.

The public land disposed of during the year amounted to 10,407,100, 77 acres, including 28,876.05 of Indian lands.

It is estimated that the public domain still remaining amounts to a little more than 660,000,000 acres including, however, 350,000,000 acres in Alaska as well as military reservations and ratiroad and other selections of lands yet unadjudicated.

The total cash receipts from sale of lands remounted to 82,674,285,79, feetinging 801.

Smoothed to \$2.674,250.79, including \$24,981.03 received for Indian lands.

Thirty-five thousand patents were issued for agricultural lands, and thirty-one hundred patents were issued to Indians on allotments of their holdings in severalty, the land so allotted being inalionable by the Indians of their thirty five and the patents of their holdings in severalty, the land so allotted being inalionable by the Indians of the patents of the p dian allottees for a period of twenty-five years after patent.

I fully indorse the recommendation of the

I fully indorse the recommendation of the Secretary that adequate protection be provided for our forest reserves and that a comprehensive forestry system be inaugurated. Such keepers and superintendents as are necessary to protect the forest already reserved should be provided. I am of the opinion that there should be an abandonment of the policy sanctioned by present laws under which the Government, for a very small consideration, is rapidly tosing title to immense tracts of land covered with timber which should be properly reserved as

to immense tracts of land covered with tim-ber which should be properly reserved as permanent sources of timber supply.

The suggestion that a change be made in the manner of securing surveys of the public lands is especially worthy of consideration. I am satisfied that these surveys should be made by a corps of competent surveyors under the immediate control and direction of the Commissioner of the General Land

Office.

I concur in the opinion that the Commis-sioner of the General Land Office should be relieved from the duty of deciding litigated soner of the General Land Omes should be relieved from the duty of deciding litigated land cases, that a nonpartisan court should be created to pass on such cases, and that the decisions of this court should be final, at least so far as the decisions of the department are now final. The proposed court might be given authority to certify questions of law, in matters of especial importance, to the Supreme Court of the United States or the Court of Appeals for the District of Columbia for decision. The creation of such a tribunal would expedite the disposal of cases and insure decisions of a more satisfactory character. The registers and receivers who originally hear and decide these disputes should not be invested with authority to compal witness to attend and testify before them.

Though the condition of the Indians shows steady and healthy progress, their situsa steady and healthy progress, their situation is not satisfactory at all points. Some
of them to whom allotments of land have
been made are found to be unable or disinclined to follow agricultural pursuits or to
otherwise beneficially manage their land.
This is especially true of the Cheyennes and
Arapahoes, who, as it appears by reports of
their agent, have in many instances never
been located upon their allotments, and in
some cases do not even know where their
allotments are. Their condition has deteriorated. They are not self-supporting, and
they live in camps and spend their time in
idleness.

lleness. I have always believed that allotments of reservation lands to Indians in saveralty should be made sparingly, or at least slowly, and with the utmost caution. In these days, when white agriculturies and stock raisers

of experience and Intelligence find their

of experience and intelligence flud their jot a hard one, we ought not to expect fadians, unless far advanced in civilization and hashes of industry, to support themselves on the small tracts of land usually allotted tothern.

I am convinced that the proper solution of the Indian problem and the success of every step taken in that direction depend to a very large extent upon the intelligence and honesty of the reservation agents and the interest they have in their work. An argent fitted for his place can do much towards proparing the Indians under his sharge for citizenship and allotment of their ands, and his a lvice as to any matter conserving their will make no effort to advance the Indians on his reservation towards civilization or preparation for allotment of lands in severally, and his opinion as to their consistion in this and other regards is heedless and valueless. ind valueless.

The indications are that the detail of arms officers as Indian

The indications are that the detail of army officers as Indian agents will result in improved management on the reservations.

The intelligent Indian school management of the past year has been followed by gratifying results. Efforts have been made to advance the work in a sound and practical manner. Five institutes of Indian teachers have been held during the year, and have proved very beneficial through the views exchanged and methods discussed particularly applicable to Indian education.

Efforts are being made in the direction of

larly applicable to Indian education.

Efforts are being made in the direction of a gradual reduction of the number of Indian contract schools, so that in a comparatively short time they may give way altogether to Government schools, and it is hoped that the change may be so gradual as to be perfected without too great expense to the Government or undue disregard of investments made by those who have established and are maintaining such contract schools.

Isnes and are sections of the current year.

The appropriation for the current year, ending June 30, 1835, applicable to the ordinary expenses of the Indian service, amounts to \$6,733,003.18, being less by \$663, 240.64 than the sun appropriated on the same account for the previous year.

PENSION MATTERS. At the close of the last fiscal year, on the 30th day of June, 1891, there were 969,541 persons on our pension rolls, being a net in-crease of 3532 over the number reported at

creass of 3532 over the number reported at the end of the previous year.

These pensioners may be classified as follows: Soldiers and sailors, survivors of all wars, 753,963; widows and relatives of deceased soldiers, 215,162; army nurses in the War of the Rebellion, 414. Of these pensioners 32,939 are surviving soldiers of Indian and other wars prior to the Civil War, and the widows and relatives of such soldiers.

The remainder, numbering 337,593, are receiving pensions on account of the War of the Rebellion, and of these 439,344 are on the rolls under the authority of the act of June 27, 1830, sometimes called the dependent pension law.

June 27, 1899, sometimes called the dependent pension law.

The total amount expended for pensions during the year was \$139,894,461.05, leaving an unexpected balance from the sum appropriated of \$25,205,712.65.

The sum necessary to meet pension expenditures for the year enting June 39, 1896, is estimated at \$140,000,000.

The Commissioner of Pensions is of the opinion that the year 1895, being the thirtieth after the close of the War of the Rebelleth after the close of the War of the Rebel-

gin to decline.

The claims pending in the bureau have

decreased more than 90,000 during the year. A large preportion of the new claims filed are for increase of pension by those now on the rolls. the rolls.

The number of certificates issued was 80, 213. The names dropped from the rolls for all causes during the year numbered 37,051.

Among our pensioners are nine widows and three daughters of soldiers of the Revoution and forty-five survivors of the War of 1812.
The barefaced and extensive pension of the The barefaced and extensive pension frauds exposed under the direction of the sourageous and generous veteran soldier now at the head of the bureau leave no room for the cinim that no purgation of our pension rolls was needed, or that continued rigilance and prompt action are not necessary to the same end.

The accusation that an effort to detect cension frauds is evidence of unfriendliness owards our worrny extends and a censu of

cension frauds is evidence of unfriendliness cowards our worthy vacerans and a weaker of their claims to the generosity of the Government, suggests an unfortunate indifference to the commission of any offense which has for its motive the securing of a pension, and indicates a willingness to be blind to the existence of mean and transherous crimes which play upon demagogic lears and make sport of the patriotic impulse of a grateful popule.

THE ELEVENTH CENSUS.

The completion of the Eleventh Census is now in charge of the Commissioner of Luor. The total disbursements on account of the work for the fiscal year ending June 30, 1894, amounted to \$10,365,676.81. At the close of the year the number of persons employed in the Census Office was 679. At present there are about 400. The whole number of years of the year the complete erof volumes necessary to comprehend th Seleventh Census will be twenty-five, and they will contain 22,270 printed pages. The assurance is confidently made that before the disse of the present calendar year the material still incomplete will be practically in hand, and the census can certainly be closed by the 4th of March, 1895. After that, the revision and proof-reading neces-sary to bring out the volumes will still be

AGRICULTURAL AFFAIRS.

The Secretary of Agriculture in his report ceviews the operations of his department for the last fiscal year, and makes recommenda-tions for the further extension of its usefultions for the 'arther extension of its usefulness. He reports a saying in expenditures
during the year of \$600,000, which is covered
back into the Tensury. This sum is twentythree per cent. of the entire appropriation,
A special study has been made of the demant for American farm products in all foreign markets, especially Great Britain. That
country received from the United States during the nine months ending. Sentender, 30.

country received from the United States during the nine months ending September 30, 1894, 305,910 live beef eartle, valued at \$25, 500,000, as against 182,611 cattle, valued at \$16,634,000, during the same period for 1893. During the first six months of 1894 the United Kingdom took, also, 112,000,000 pounds of dressed beef from the United States, valued at nearil \$10,000,000.

The report shows that during the nine months immediately preceding September 30, 1894, the United States exported to Great Britain 222,676,000 pounds of pork; of apples, 1,900,000 bushels, valued at \$2,500,000; and of horses, 2811, at an average value of 139 per head. There was a falling off in

and of torses, 2511, at a versage value of 18 9 per head. There was a failing off in American wheat exports of 18,505,000 bushels, and the Secretary is inclined to believe that wheat may not, in the future, be the staple export cereal product of our country, but that corn will continue to advance in importance as an export on account of the new uses to which it is constantly being appro

portance as an export on account of the new uses to which it is constantly being appropriated.

The exports of agricultural products from the United States for the fiscal year ending June 30, 1894, amounted to \$638,363,033, being 72.25 per cent, of American exports of severy description, and the United Kingdom of Great Britain took more than fity-four per cent, of all farm products finding foreign markets.

The Department of Agriculture has undertaken during the year two new and important lines of research. The first relates to grasses and forage plants, with the purpose of instructing and familiarizing the people as to the distinctive grasses of the United States, and teaching them how to introduce valuable foreign forage plants which may be adapted to this country. The second relates to agricultural soil and crop production, involving the and crop production, involving the analyses of samples of soils from all sections of the American Union, to demonstrate their adaptability to particular plants and crops. Mechanical analyses of soils may be of such inestimable utility that it is foremost in the new lines of agricultural research, and the Secretary therefore recommends that a division having it in charge be permanently established in the department.

Acting upon a recommendation contained in the report of 1893, Congress appropriated \$10,000 "to enable the Secretary of Acticulature to investigate and report upon the nutritive value of the various articles and commodities used for human food, with special suggestion of full, wholesome and cibile rations less wasteful and more economical than those in common usa."

Under this appropriation the department has prepared and now has nearly ready for distribution an elementary discussion of the nutritive value and pecuniary economy of food. When we consider that fully one-half of all the money carned by the wage-carners of the civilized world is expended by them for food, the importance and utility of such an investigation is apparent.

The department expended in the fiscal year 1892, \$2.354,899.56; and out of that sum the total amount expended in scientific research was 45.6 per cent. But in the year ending June 39, 1894, out of a total expenditure of \$1,948,989.33, the department applied 51.8 per cent. of that sum to scientific work and investigation. It is, therefore, very pigniny observable that the economies which have been practiced in the administration of the department have not been at the expense of scientific research.

The recommendation contained in the report of the Secretary for 1893, that the vicious system of free distribution of its department documents and the officers and liberaries of States and of the Federal Government. But from all individuals applying for them a price covering the cost of the secretary of Agricuature are printed for distribution at an annual cost of about \$300,000. Large numbers of them are cumbering store rooms at the Capitol and the shelves of second-hand book storesthroughout the country. All this labor and waste might be avoided if the resommendations of the Secretary were adopted.

The Secretary also again recommends that the gratultous distribution of seeds cease and that no money be appropriated for that purpose, except to experiment stations. Heroiterates the reason

partment. Such a course is commended for trial by the chief of that division. Its scope

(1) The area under each of the more im-(2) The aggregate products of each of

such crops.

(3) The quantity of wheat and corn in the hands of farmers at a date after the spring sowings and plantings and before the beginning of harvest; and also the quantity of cotton and tobacco remaining in the hands of planters, either at the same date or at some other designated time.

The cost of the work is estimated at \$500,-

Owing to the pecular quality of the statis-tician's work and the natural and acquired statess necessary to its successful prossec-tion, the Secretary of Agriculture expresses the opinion that every person employed in gathering statistics under the chief of that division should be admitted to that service only after a thorough, exhaustive and successful examination at the hands of the United States Civil Service Commission, This has let him to call for such examination of candidates for the position of assistant statisticians and also of candidates for chief of sections in that division.

CIVIL SERVICE REPORM.

CIVIL SERVICE REFORM.

The advantages to the public service of an adherence to the principles of civil service reform are constantly more apparent, and nothing is so encouraging to those in official life who honestly desire good government as the increasing appreciation by our people of these advantages. A vast majority of the voters of the land are ready to insist that the time and attention of those they select to perform for them important public duties, should not be distracted by doling out minor offices, and they are growing to be unanimous in regarding party organization as something that should be used in establishing party principles instead of dictating the distribution of public places as rewards of partisan activity.

of dictating the distribution of public places as rewards of partisan activity.

Numerous additional offices and places have lately been brought within Civil Services rules and regulations, and some others will probably soon be included.

The report of the Commissioners will be submitted to the Congress, and I invite careful attention to the recommendations it

A NATIONAL BOARD OF HEALTH.

tam entirely convinced that we ought not
to be longer without a National Board of
Health, or National Health Officer, charged
with no other duties than such as pertait
to the protection of our country from the invasion of pestilence and disease. This would

involve the establishment, by such board or officer, of proper quarantine precautions, or the necessary aid and counsel to local authorities on the subject, prompt advice and assistances to local boards of health or health officers in the suppression or contagious disease, and in cases where there are no such local boards or officers, the immediate direction by the National Board or officer of measures of suppression, constant and authentic information concerning the health of foreign countries and all parts of our own country as related to contagious diseases, and consideration of regulations to be enforced in forcing ports to prevent the introduction of contagion isto our cities, and the measures which should be adopted to secure their enforcement. involve the establishment, by such board or

forcement.

There seems to be at this time a decided There seems to be at this time a decided inclination to discuss measures of protection against contagious disease in international conference, with a view of adopting means of mutual assistances. The creation of such a National health establishment would greatly aid our standing in such conferences and improve our opportunities to avail ourselves of their benefits.

I carnestly recommend the inauguration of a National Board of Health, or similar National instrumentality, believing the same to be a needed precaution against contagious disease and in the interest of the safety and health of our people.

RAHLEGADS AND THUR EMPLOYES.

BAILAGADS AND THEIR EMPLOYES.
By virtue of a status of the United States, passed in 1888, I appointed in July tast Hog. John D. Kernan, of the State of New York, and Hon. Nicholas E. Worthington, of the State of Illinois, to form with with Hon. Carroll D. Wright, Commissioner of Labor, who was designated by said statute, a commission for the purpose of making careful inquiry into the causes of the controversies between certain railroads and their employes, which had resulted in an extensive and destructive strike, accompanied by much violence and imagerous disturbance, with considerable loss of life and great destruction of property. The report of the commissioners has been submitted to me and will be transmitted to the Congress with the evidence laten upon their investigation.

Their work has been well done and their standing and intelligence give assurance that the report and suggestions they make are worthy of careful consideration.

FAVORS FREE COAL AND IROS. RATLEGADS AND THEIR EMPLOYES.

PAVORS FREE COAL AND IRON.

The tariff act passed at the last session of the Congress needs important amendments if it is to be executed effectively and with certainty. In addition to such necessary amendments as will not change rates of duty, I am still very decidedly in favor of putting coal and iron upon the free list. So far as the sugar schedule is concerned, I would be glad, under exiting aggravations to see every particle of differential daty in