

(Continued from fourth page.)

of American industry. The temporary depression of our manufacturing interests is the effect of foreign causes, and is far less severe than has prevailed on all similar occasions.

It is but a passing shadow, looking to the great aggregate of all our interests, the whole country was never more prosperous than at present. And never more rapidly advancing in wealth and population. Neither the foreign war in which we have been involved, nor the loans which have absorbed so large a portion of our capital, nor the commercial revolution in Great Britain, nor the perilous condition of credit and commerce throughout Europe, in 1846, have affected injuriously, to any considerable extent, any of the great interests of the country, or arrested our onward march to greatness, wealth, and power.

Had the disturbances of Europe not occurred, our country would undoubtedly have still more extended, and would have added still more to the national wealth and public property. But notwithstanding these disturbances, the operations of the revenue system established by the tariff act of 1846 have been generally beneficial to the Government and the interests of the country, that the revenue provisions is defined by a wise public policy, and none is recommended.

The operations of the Constitutional Treasury, established by the act of the sixth of August, 1846, in the receipt, custody, and disbursement of the public money, have also been successful. Under this system, the public finances have been carried through a foreign war, involving the necessity of loans and extraordinary expenditures, and requiring distant transfers and disbursements, without embarrassment, and no loss has occurred of any of the public money deposited under its provisions. What has proved to be safe and faithful to the government, its effects have been most beneficial upon the business of the country. It has tended powerfully to secure an exemption from that inflation and fluctuation of the paper currency, so injurious to domestic industry, and rendering so uncertain the rewards of labor, and it has benefited largely the interests of the whole country from a serious commercial revulsion, such as often occurred under the bank deposit system. In the year 1847, there was a revulsion in the business of Great Britain of great extent and intensity, which was followed by failures in that Kingdom unprecedented in the amount of losses. This is believed to be the first instance when such disastrous bankruptcies, occurring in a country with which we have such extensive commerce, produced little or no injurious effect upon our trade or currency. We remained but little affected in our money market, and our business and industry were still prosperous and progressive.

During the present year, nearly the whole continent of Europe has been convulsed by civil war and revolutions, attended by numerous bankruptcies, by an unprecedented fall in their public securities, and by almost universal prostration of commerce in that country; and yet, although our trade and the price of our products must have been somewhat unfavorably affected by these causes, we have escaped a revulsion, our money market is comparatively easy, and public and private credit have advanced and improved.

It is almost universally acknowledged that we have been benefited by the salutary operation of the Constitutional Treasury. It is certain, that if twenty-four millions of specie imported into the country during the fiscal year ending on the thirtieth of June, 1847, had gone into the hands of the people, it must have done it, in the absence of this system, have been the basis of augmented bank paper issues, probably to an amount not less than sixty or seventy millions of dollars, producing, as an inevitable consequence of an inflated currency, extravagant prices for a moment, and a general revulsion, which must have followed, on the return to specie, the succeeding year, so much of that specie, by the prostration of the business of the country, the suspension of the banks, and most extensive bankruptcies. Occurring, as this would have done, at a period when the country was in a state of great excitement, considerable loans of specie were required for distant disbursements, and when the banks, the fiscal agents of the Government, and the depositors of its money, were suspended, the public credit must have sunk, and many millions of dollars, as was the case during the year of 1812, must have been hoarded, and upon loans, and upon the depreciated paper currency which the Government would have been compelled to use.

Under the operations of the Constitutional Treasury, the dollar has been lost by the depreciation of the Mexican dollar, and the Secretary of the Treasury above, realizing a large premium to the Government. The remaining effect of the system upon the tendency to excessive paper issues by banks has saved the public treasury from heavy losses, and thousands of our business men from bankruptcy and ruin. The wisdom of the system has been tested, by the experience of the last two years; and it is the dictate of sound policy that it should remain undisturbed. The modifications in the details of the system, and the alterations in the principles, heretofore recommended, are again presented for your favorable consideration.

In my message of the sixth of July last, transmitting to Congress the ratified treaty of peace with Mexico, I recommended the adoption of measures for the redemption of the public debt, and the reduction of the public debt. I refer you to the considerations presented in that message in its support. The public debt, including that authorized to be negotiated, in pursuance of existing laws, and including Treasury notes, amounted at that time to sixty-five million seven hundred and seventy thousand four hundred and fifty dollars and fifty cents.

Funded stock of the United States, amounting to about half a million of dollars, has been purchased, as authorized by law, since that period, and the public debt has thus been reduced; the details of which will be presented in the annual report of the Secretary of the Treasury.

The estimates for expenditures for the next fiscal year, submitted by the Secretary of the treasury, it is believed will be ample for all necessary purposes. If the appropriations made by Congress shall not exceed the amount estimated, the means of the treasury will be sufficient to defray all the expenses of the Government to pay off the next instalment of three millions of dollars to Mexico, which will fall due on the thirtieth of May next; and still a considerable surplus will remain, which should be applied to the further purchase of public stock and reduction of the debt. Should enlarged appropriations be made, the necessary consequences will be to postpone the payment of the debt. Though our debt, as compared with that of other nations, is small, it is our true policy, and in harmony with the genius of our institutions, that we should present to the world the spectacle of a great Republic, possessing vast resources and wealth, wholly exempt from public indebtedness. This would add still more to our strength, and give to us a still more commanding position among the nations of the earth.

The public expenditures should be economical, and be confined to necessary objects as are clearly within the power of Congress. All such as are not absolutely demanded should be postponed, and the payment of the public debt at the earliest practicable period should be a cardinal principle of our public policy.

For the reasons assigned in my last annual message, I report to Congress that a branch of the treasury of the United States be established at the city of New York. The importance of this measure is greatly increased by the acquisition of the rich mines of the precious metals in New Mexico and California, and especially in the latter.

I repeat the recommendation, heretofore made, in favor of the graduation of the rate of the price of such of the public lands as have been long offered in the market, and have remained unsold, and in favor of extending the right of pre-emption to actual settlers on the unsurveyed as well as the surveyed lands.

The conditions and operations of the army, and the state of other branches of the public service, under the supervision of the War Department, are satisfactorily presented in the accompanying report of the Secretary of War.

On the return of peace, our forces were withdrawn from Mexico, and the volunteers and that portion of the regular army engaged for the war were discharged, and the regular establishment of various positions in our extended territory, where troops may be required. Owing to the necessities of some of these positions, the detachments have not yet reached their destinations. It is recommended that the extension of the limits of our country and the forces required in the present establishment in different parts of our territory, as long as our present relations remain undisturbed.

Of the annual military contributions collected in Mexico, the sum of seven hundred and sixty-nine thousand six hundred and fifty dollars was applied towards the payment of the debt under the provisions of the act of the sixth of August, 1846. The further sum of three hundred and forty-three thousand three hundred and thirty cents has been paid into the Treasury of the United States, and the balance of the sum of one million and six hundred and thirty cents has been retained in the hands of the Secretary of War, and is to be applied to the payment of the debt.

engaged in the collection of these moneys. After the completion of peace, no further arrangements were made. Any surplus moneys were applied to the payment of the debt. The balances on hand were directed to be paid into the Treasury, and individual claims on the fund will remain unadjusted until Congress shall authorize their settlement and payment. These claims are not considerable in number or amount.

It is recommended that your favorable consideration be given to the report of the Secretary of War, and the Secretary of the Navy in relation to the legislation on this subject.

Our foreign relations are presented in a most favorable view in the reports from the War Department. The wisdom of our policy in regard to the tribes within our limits, is clearly manifested by their improved and rapidly improving condition.

The most important treaty with the Menomonees has been recently negotiated by the Commissioner of Indian Affairs in person, by which all their land in the State of Wisconsin amounting to 4,000,000 acres, has been ceded to the United States. This treaty will be submitted to the Senate for ratification at an early period of your present session.

Within the last five years, eight important treaties have been negotiated with different Indian tribes, and with a total of \$1,840,000; Indian lands to the amount of more than 18,500,000 acres have been ceded to the United States, and an equal amount has been reserved to the country west of the Mississippi the tribes which occupied this large extent of the public domain. The title to all the Indian lands within the several States of our Union has thus been extinguished, and a vast region opened for settlement and cultivation.

The accompanying report of the Secretary of the navy exhibits a most successful and happy termination of that branch of the public service.

A number of small vessels suitable for entering the mouths of rivers were purchased, and the naval facilities were improved to the squadron in the Gulf of Mexico. On the return of peace, when no longer required for naval purposes, and liable to constant deterioration, they were sold, and the money placed in the Treasury.

The number of men in the naval service authorized by law during the war, has been reduced by discharges below the maximum fixed for the peace establishment. Adequate squadrons are maintained in the several quarters of the globe where experience has shown their service to be most necessary and useful. The discipline of the service was in a condition of higher discipline or greater efficiency.

I invite attention to the recommendation of the Secretary of the navy, in relation to the reduction of the corps at the end of the war required that officers of each of the three lower grades should be dropped from the rolls. A board of officers made up of the three grades, and without any alleged fault. I concur in the opinion with the Secretary, that the service would be improved by reducing the number of lieutenants and in increasing the number of officers to the extent of the reduction by dismissal, and still the corps would have fewer officers than a corresponding number of men in the army.

The contracts for the transportation of the mail in steamships convertible into war steamers, promise to be of great benefit to our commerce and to the service which were anticipated. The first steamer thus secured to the government was launched in January, 1847, and is now in service, and in another year there will, probably, be not less than seven or eight more. The great national advantage is secured, our social and commercial intercourse is increased and promoted with Great Britain, and other parts of Europe, and with the countries on the west coast of our continent, especially with Oregon and California, and between the northern and southern sections of the United States. The interest of the manufacturers, commerce, agriculture, and the currency of the United States. As an important part of the system, I recommend your favorable consideration of the bill for the improvement of the route between New Orleans and Vera Cruz. It promises the most happy results in cementing friendship between the two republics, and in extending reciprocal benefits to the interests of the manufacturers of both.

The report of the Post Master General will make known to you the operation of that department for the past year.

It is gratifying to find the revenue of the department under the new mode of postage now established by law, so rapidly increasing. The gross amount of postage due for the year ending on the thirtieth of June, 1847, by the annual average received for the nine months immediately preceding the passage of the act of the third of March, 1845, by the sum of \$6,453, and exceeding the amount received for the year ending the thirtieth of June, 1846, by the sum of \$425,184.

The expenditures of the year, excluding the sum of \$24,000,000, which was appropriated by Congress at its last session to indemnify the owners of the mail steamers between New York and New Orleans, amount to \$4,199,845, which is less than the amount received for the nine years previous to the year 1845, by \$3,076,748.

The mail routes, on the 30th day of June last, were last year in extent—being an increase during the year, of 2,319 miles, and the number of miles run, during the same time, 41,012,579 miles; making an average of transportation for the year of 2,124,689 miles, from heavy losses, and less than that of the previous year by \$4,225.

The increase to the mail transportation within the last year, has been 2,319 miles, while the expenditures were reduced \$450,735—making an increase in the rate of 15 per cent, and a reduction in the expenses of more than 15 per cent.

The contract for the service of the Post Office Department, two ocean steamers to convey the mails monthly between New York and Bremen, and one once a month between New York and Havanna, and a contract has been made for the transportation of the Pacific mails across the isthmus from Panama to the Pacific, and the service between the intermediate ports, on the first of January next, will be commenced by the service between the United States and our territories on the Pacific.

Notwithstanding this great increase in the mail service, the cost of the service has not increased the present year as it did in the last, there will be received near \$450,000 more than the expenditure.

These considerations have satisfied the Postmaster General, that with certain modifications, the act of 1845, the revenues may be still further increased, and a reduction of postage made to a uniform rate of five cents, without an interference with the principle, which is the basis of the present system, and properly enforced, of making that department self-sustaining.

A well regulated cheap postage system is the best means of diffusing intelligence among the people, and it is of so much importance to a country so extensive as the United States, that I recommend your favorable consideration of the suggestions of the Postmaster General.

Nothing can retard the onward progress of our country and prevent us from assuming and maintaining the first rank among nations, but a disregard of the export duties, and a recourse to the duties on the public policy. We have just closed a foreign war by an honorable peace—a war rendered necessary and unavoidable in the maintenance of the national rights and honor. The great object of the country is similar in character to that which existed immediately after the close of the war with Great Britain in 1815, and the occasion is similar, and a preparation to take a retrospect of the progress of the country, which followed that war, is a measure of great importance, and one which should be adopted, which, united and combined, can be of great benefit to the country, and to the interests of the American people.

The introduction of the new policy was for a time favored by the condition of the country; by the heavy debt contracted during the war; by the depreciation of the public credit; by the deranged state of the finances and the currency; and by the commercial embarrassments which extensively prevailed throughout the country, not only during the war, but also during the period of its termination. The events of the war with Great Britain, and the embarrassments which attended its prosecution, left on the minds of many of our contemporaries the impression that our government was a strong one, and that to wield its resources successfully in great emergencies, and especially in war, more power should be concentrated in its hands. This increased power they did not seek to obtain by the legitimate prescribed mode—an amendment of the constitution. They sought to obtain it by a usurpation of the powers of Congress, and by a suspension of the writ of *habeas corpus*, and by a suspension of the laws, and by a suspension of the rights of the citizen, and by a suspension of the rights of the States. They sought to obtain it by a suspension of the powers of Congress, and by a suspension of the writ of *habeas corpus*, and by a suspension of the laws, and by a suspension of the rights of the citizen, and by a suspension of the rights of the States.

engaged in the collection of these moneys. After the completion of peace, no further arrangements were made. Any surplus moneys were applied to the payment of the debt. The balances on hand were directed to be paid into the Treasury, and individual claims on the fund will remain unadjusted until Congress shall authorize their settlement and payment. These claims are not considerable in number or amount.

It is recommended that your favorable consideration be given to the report of the Secretary of War, and the Secretary of the Navy in relation to the legislation on this subject.

Our foreign relations are presented in a most favorable view in the reports from the War Department. The wisdom of our policy in regard to the tribes within our limits, is clearly manifested by their improved and rapidly improving condition.

The most important treaty with the Menomonees has been recently negotiated by the Commissioner of Indian Affairs in person, by which all their land in the State of Wisconsin amounting to 4,000,000 acres, has been ceded to the United States. This treaty will be submitted to the Senate for ratification at an early period of your present session.

Within the last five years, eight important treaties have been negotiated with different Indian tribes, and with a total of \$1,840,000; Indian lands to the amount of more than 18,500,000 acres have been ceded to the United States, and an equal amount has been reserved to the country west of the Mississippi the tribes which occupied this large extent of the public domain. The title to all the Indian lands within the several States of our Union has thus been extinguished, and a vast region opened for settlement and cultivation.

The accompanying report of the Secretary of the navy exhibits a most successful and happy termination of that branch of the public service.

A number of small vessels suitable for entering the mouths of rivers were purchased, and the naval facilities were improved to the squadron in the Gulf of Mexico. On the return of peace, when no longer required for naval purposes, and liable to constant deterioration, they were sold, and the money placed in the Treasury.

The number of men in the naval service authorized by law during the war, has been reduced by discharges below the maximum fixed for the peace establishment. Adequate squadrons are maintained in the several quarters of the globe where experience has shown their service to be most necessary and useful. The discipline of the service was in a condition of higher discipline or greater efficiency.

I invite attention to the recommendation of the Secretary of the navy, in relation to the reduction of the corps at the end of the war required that officers of each of the three lower grades should be dropped from the rolls. A board of officers made up of the three grades, and without any alleged fault. I concur in the opinion with the Secretary, that the service would be improved by reducing the number of lieutenants and in increasing the number of officers to the extent of the reduction by dismissal, and still the corps would have fewer officers than a corresponding number of men in the army.

The contracts for the transportation of the mail in steamships convertible into war steamers, promise to be of great benefit to our commerce and to the service which were anticipated. The first steamer thus secured to the government was launched in January, 1847, and is now in service, and in another year there will, probably, be not less than seven or eight more. The great national advantage is secured, our social and commercial intercourse is increased and promoted with Great Britain, and other parts of Europe, and with the countries on the west coast of our continent, especially with Oregon and California, and between the northern and southern sections of the United States. The interest of the manufacturers, commerce, agriculture, and the currency of the United States. As an important part of the system, I recommend your favorable consideration of the bill for the improvement of the route between New Orleans and Vera Cruz. It promises the most happy results in cementing friendship between the two republics, and in extending reciprocal benefits to the interests of the manufacturers of both.

The report of the Post Master General will make known to you the operation of that department for the past year.

It is gratifying to find the revenue of the department under the new mode of postage now established by law, so rapidly increasing. The gross amount of postage due for the year ending on the thirtieth of June, 1847, by the annual average received for the nine months immediately preceding the passage of the act of the third of March, 1845, by the sum of \$6,453, and exceeding the amount received for the year ending the thirtieth of June, 1846, by the sum of \$425,184.

The expenditures of the year, excluding the sum of \$24,000,000, which was appropriated by Congress at its last session to indemnify the owners of the mail steamers between New York and New Orleans, amount to \$4,199,845, which is less than the amount received for the nine years previous to the year 1845, by \$3,076,748.

The mail routes, on the 30th day of June last, were last year in extent—being an increase during the year, of 2,319 miles, and the number of miles run, during the same time, 41,012,579 miles; making an average of transportation for the year of 2,124,689 miles, from heavy losses, and less than that of the previous year by \$4,225.

The increase to the mail transportation within the last year, has been 2,319 miles, while the expenditures were reduced \$450,735—making an increase in the rate of 15 per cent, and a reduction in the expenses of more than 15 per cent.

The contract for the service of the Post Office Department, two ocean steamers to convey the mails monthly between New York and Bremen, and one once a month between New York and Havanna, and a contract has been made for the transportation of the Pacific mails across the isthmus from Panama to the Pacific, and the service between the intermediate ports, on the first of January next, will be commenced by the service between the United States and our territories on the Pacific.

Notwithstanding this great increase in the mail service, the cost of the service has not increased the present year as it did in the last, there will be received near \$450,000 more than the expenditure.

These considerations have satisfied the Postmaster General, that with certain modifications, the act of 1845, the revenues may be still further increased, and a reduction of postage made to a uniform rate of five cents, without an interference with the principle, which is the basis of the present system, and properly enforced, of making that department self-sustaining.

A well regulated cheap postage system is the best means of diffusing intelligence among the people, and it is of so much importance to a country so extensive as the United States, that I recommend your favorable consideration of the suggestions of the Postmaster General.

Nothing can retard the onward progress of our country and prevent us from assuming and maintaining the first rank among nations, but a disregard of the export duties, and a recourse to the duties on the public policy. We have just closed a foreign war by an honorable peace—a war rendered necessary and unavoidable in the maintenance of the national rights and honor. The great object of the country is similar in character to that which existed immediately after the close of the war with Great Britain in 1815, and the occasion is similar, and a preparation to take a retrospect of the progress of the country, which followed that war, is a measure of great importance, and one which should be adopted, which, united and combined, can be of great benefit to the country, and to the interests of the American people.

The introduction of the new policy was for a time favored by the condition of the country; by the heavy debt contracted during the war; by the depreciation of the public credit; by the deranged state of the finances and the currency; and by the commercial embarrassments which extensively prevailed throughout the country, not only during the war, but also during the period of its termination. The events of the war with Great Britain, and the embarrassments which attended its prosecution, left on the minds of many of our contemporaries the impression that our government was a strong one, and that to wield its resources successfully in great emergencies, and especially in war, more power should be concentrated in its hands. This increased power they did not seek to obtain by the legitimate prescribed mode—an amendment of the constitution. They sought to obtain it by a usurpation of the powers of Congress, and by a suspension of the writ of *habeas corpus*, and by a suspension of the laws, and by a suspension of the rights of the citizen, and by a suspension of the rights of the States. They sought to obtain it by a suspension of the powers of Congress, and by a suspension of the writ of *habeas corpus*, and by a suspension of the laws, and by a suspension of the rights of the citizen, and by a suspension of the rights of the States.

Notwithstanding this great increase in the mail service, the cost of the service has not increased the present year as it did in the last, there will be received near \$450,000 more than the expenditure.

These considerations have satisfied the Postmaster General, that with certain modifications, the act of 1845, the revenues may be still further increased, and a reduction of postage made to a uniform rate of five cents, without an interference with the principle, which is the basis of the present system, and properly enforced, of making that department self-sustaining.

A well regulated cheap postage system is the best means of diffusing intelligence among the people, and it is of so much importance to a country so extensive as the United States, that I recommend your favorable consideration of the suggestions of the Postmaster General.

Nothing can retard the onward progress of our country and prevent us from assuming and maintaining the first rank among nations, but a disregard of the export duties, and a recourse to the duties on the public policy. We have just closed a foreign war by an honorable peace—a war rendered necessary and unavoidable in the maintenance of the national rights and honor. The great object of the country is similar in character to that which existed immediately after the close of the war with Great Britain in 1815, and the occasion is similar, and a preparation to take a retrospect of the progress of the country, which followed that war, is a measure of great importance, and one which should be adopted, which, united and combined, can be of great benefit to the country, and to the interests of the American people.

The introduction of the new policy was for a time favored by the condition of the country; by the heavy debt contracted during the war; by the depreciation of the public credit; by the deranged state of the finances and the currency; and by the commercial embarrassments which extensively prevailed throughout the country, not only during the war, but also during the period of its termination. The events of the war with Great Britain, and the embarrassments which attended its prosecution, left on the minds of many of our contemporaries the impression that our government was a strong one, and that to wield its resources successfully in great emergencies, and especially in war, more power should be concentrated in its hands. This increased power they did not seek to obtain by the legitimate prescribed mode—an amendment of the constitution. They sought to obtain it by a usurpation of the powers of Congress, and by a suspension of the writ of *habeas corpus*, and by a suspension of the laws, and by a suspension of the rights of the citizen, and by a suspension of the rights of the States. They sought to obtain it by a suspension of the powers of Congress, and by a suspension of the writ of *habeas corpus*, and by a suspension of the laws, and by a suspension of the rights of the citizen, and by a suspension of the rights of the States.

Notwithstanding this great increase in the mail service, the cost of the service has not increased the present year as it did in the last, there will be received near \$450,000 more than the expenditure.

These considerations have satisfied the Postmaster General, that with certain modifications, the act of 1845, the revenues may be still further increased, and a reduction of postage made to a uniform rate of five cents, without an interference with the principle, which is the basis of the present system, and properly enforced, of making that department self-sustaining.

A well regulated cheap postage system is the best means of diffusing intelligence among the people, and it is of so much importance to a country so extensive as the United States, that I recommend your favorable consideration of the suggestions of the Postmaster General.

Nothing can retard the onward progress of our country and prevent us from assuming and maintaining the first rank among nations, but a disregard of the export duties, and a recourse to the duties on the public policy. We have just closed a foreign war by an honorable peace—a war rendered necessary and unavoidable in the maintenance of the national rights and honor. The great object of the country is similar in character to that which existed immediately after the close of the war with Great Britain in 1815, and the occasion is similar, and a preparation to take a retrospect of the progress of the country, which followed that war, is a measure of great importance, and one which should be adopted, which, united and combined, can be of great benefit to the country, and to the interests of the American people.

The introduction of the new policy was for a time favored by the condition of the country; by the heavy debt contracted during the war; by the depreciation of the public credit; by the deranged state of the finances and the currency; and by the commercial embarrassments which extensively prevailed throughout the country, not only during the war, but also during the period of its termination. The events of the war with Great Britain, and the embarrassments which attended its prosecution, left on the minds of many of our contemporaries the impression that our government was a strong one, and that to wield its resources successfully in great emergencies, and especially in war, more power should be concentrated in its hands. This increased power they did not seek to obtain by the legitimate prescribed mode—an amendment of the constitution. They sought to obtain it by a usurpation of the powers of Congress, and by a suspension of the writ of *habeas corpus*, and by a suspension of the laws, and by a suspension of the rights of the citizen, and by a suspension of the rights of the States. They sought to obtain it by a suspension of the powers of Congress, and by a suspension of the writ of *habeas corpus*, and by a suspension of the laws, and by a suspension of the rights of the citizen, and by a suspension of the rights of the States.

engaged in the collection of these moneys. After the completion of peace, no further arrangements were made. Any surplus moneys were applied to the payment of the debt. The balances on hand were directed to be paid into the Treasury, and individual claims on the fund will remain unadjusted until Congress shall authorize their settlement and payment. These claims are not considerable in number or amount.

It is recommended that your favorable consideration be given to the report of the Secretary of War, and the Secretary of the Navy in relation to the legislation on this subject.

Our foreign relations are presented in a most favorable view in the reports from the War Department. The wisdom of our policy in regard to the tribes within our limits, is clearly manifested by their improved and rapidly improving condition.

The most important treaty with the Menomonees has been recently negotiated by the Commissioner of Indian Affairs in person, by which all their land in the State of Wisconsin amounting to 4,000,000 acres, has been ceded to the United States. This treaty will be submitted to the Senate for ratification at an early period of your present session.

Within the last five years, eight important treaties have been negotiated with different Indian tribes, and with a total of \$1,840,000; Indian lands to the amount of more than 18,500,000 acres have been ceded to the United States, and an equal amount has been reserved to the country west of the Mississippi the tribes which occupied this large extent of the public domain. The title to all the Indian lands within the several States of our Union has thus been extinguished, and a vast region opened for settlement and cultivation.

The accompanying report of the Secretary of the navy exhibits a most successful and happy termination of that branch of the public service.

A number of small vessels suitable for entering the mouths of rivers were purchased, and the naval facilities were improved to the squadron in the Gulf of Mexico. On the return of peace, when no longer required for naval purposes, and liable to constant deterioration, they were sold, and the money placed in the Treasury.

The number of men in the naval service authorized by law during the war, has been reduced by discharges below the maximum fixed for the peace establishment. Adequate squadrons are maintained in the several quarters of the globe where experience has shown their service to be most necessary and useful. The discipline of the service was in a condition of higher discipline or greater efficiency.

I invite attention to the recommendation of the Secretary of the navy, in relation to the reduction of the corps at the end of the war required that officers of each of the three lower grades should be dropped from the rolls. A board of officers made up of the three grades, and without any alleged fault. I concur in the opinion with the Secretary, that the service would be improved by reducing the number of lieutenants and in increasing the number of officers to the extent of the reduction by dismissal, and still the corps would have fewer officers than a corresponding number of men in the army.

The contracts for the transportation of the mail in steamships convertible into war steamers, promise to be of great benefit to our commerce and to the service which were anticipated. The first steamer thus secured to the government was launched in January, 1847, and is now in service, and in another year there will, probably, be not less than seven or eight more. The great national advantage is secured, our social and commercial intercourse is increased and promoted with Great Britain, and other parts of Europe, and with the countries on the west coast of our continent, especially with Oregon and California, and between the northern and southern sections of the United States. The interest of the manufacturers, commerce, agriculture, and the currency of the United States. As an important part of the system, I recommend your favorable consideration of the bill for the improvement of the route between New Orleans and Vera Cruz. It promises the most happy results in cementing friendship between the two republics, and in extending reciprocal benefits to the interests of the manufacturers of both.

The report of the Post Master General will make known to you the operation of that department for the past year.

It is gratifying to find the revenue of the department under the new mode of postage now established by law, so rapidly increasing. The gross amount of postage due for the year ending on the thirtieth of June, 1847, by the annual average received for the nine months immediately preceding the passage of the act of the third of March, 1845, by the sum of \$6,453, and exceeding the amount received for the year ending the thirtieth of June, 1846, by the sum of \$425,184.

The expenditures of the year, excluding the sum of \$24,000,000, which was appropriated by Congress at its last session to indemnify the owners of the mail steamers between New York and New Orleans, amount to \$4,199,845, which is less than the amount received for the nine years previous to the year 1845, by \$3,076,748.

The mail routes, on the 30th day of June last, were last year in extent—being an increase during the year, of 2,319 miles, and the number of miles run, during the same time, 41,012,579 miles; making an average of transportation for the year of 2,124,689 miles, from heavy losses, and less than that of the previous year by \$4,225.

The increase to the mail transportation within the last year, has been 2,319 miles, while the expenditures were reduced \$450,735—making an increase in the rate of 15 per cent, and a reduction in the expenses of more than 15 per cent.

The contract for the service of the Post Office Department, two ocean steamers to convey the mails monthly between New York and Bremen, and one once a month between New York and Havanna, and a contract has been made for the transportation of the Pacific mails across the isthmus from Panama to the Pacific, and the service between the intermediate ports, on the first of January next, will be commenced by the service between the United States and our territories on the Pacific.

Notwithstanding this great increase in the mail service, the cost of the service has not increased the present year as it did in the last, there will be received near \$450,000 more than the expenditure.

These considerations have satisfied the Postmaster General, that with certain modifications, the act of 1845, the revenues may be still further increased, and a reduction of postage made to a uniform rate of five cents, without an interference with the principle, which is the basis of the present system, and properly enforced, of making that department self-sustaining.

A well regulated cheap postage system is the best means of diffusing intelligence among the people, and it is of so much importance to a country so extensive as the United States, that I recommend your favorable consideration of the suggestions of the Postmaster General.

Nothing can retard the onward progress of our country and prevent us from assuming and maintaining the first rank among nations, but a disregard of the export duties, and a recourse to the duties on the public policy. We have just closed a foreign war by an honorable peace—a war rendered necessary and unavoidable in the maintenance of the national rights and honor. The great object of the country is similar in character to that which existed immediately after the close of the war with Great Britain in 1815, and the occasion is similar, and a preparation to take a retrospect of the progress of the country, which followed that war, is a measure of great importance, and one which should be adopted, which, united and combined, can be of great benefit to the country, and to the interests of the American people.

The introduction of the new policy was for a time favored by the condition of the country; by the heavy debt contracted during the war; by the depreciation of the public credit; by the deranged state of the finances and the currency; and by the commercial embarrassments which extensively prevailed throughout the country, not only during the war, but also during the period of its termination. The events of the war with Great Britain, and the embarrassments which attended its prosecution, left on the minds of many of our contemporaries the impression that our government was a strong one, and that to wield its resources successfully in great emergencies, and especially in war, more power should be concentrated in its hands. This increased power they did not seek to obtain by the legitimate prescribed mode—an amendment of the constitution. They sought to obtain it by a usurpation of the powers of Congress, and by a suspension of the writ of *habeas corpus*, and by a suspension of the laws, and by a suspension of the rights of the citizen, and by a suspension of the rights of the States. They sought to obtain it by a suspension of the powers of Congress, and by a suspension of the writ of *habeas corpus*, and by a suspension of the laws, and by a suspension of the rights of the citizen, and by a suspension of the rights of the States.

Notwithstanding this great increase in the mail service, the cost of the service has not increased the present year as it did in the last, there will be received near \$450,000 more than the expenditure.

These considerations have satisfied the Postmaster General, that with certain modifications, the act of 1845, the revenues may be still further increased, and a reduction of postage made to a uniform rate of five cents, without an interference with the principle, which is the basis of the present system, and properly enforced, of making that department self-sustaining.

A well regulated cheap postage system is the best means of diffusing intelligence among the people, and it is of so much importance to a country so extensive as the United States, that I recommend your favorable consideration of the suggestions of the Postmaster General.

Nothing can retard the onward progress of our country and prevent us from assuming and maintaining the first rank among nations, but a disregard of the export duties, and a recourse to the duties on the public policy. We have just closed a foreign war by an honorable peace—a war rendered necessary and unavoidable in the maintenance of the national rights and honor. The great object of the country is similar in character to that which existed immediately after the close of the war with Great Britain in 1815, and the occasion is similar, and a preparation to take a retrospect of the progress of the country, which followed that war, is a measure of great importance, and one which should be adopted, which, united and combined, can be of great benefit to the country, and to the interests of the American people.

The introduction of the new policy was for a time favored by the condition of the country; by the heavy debt contracted during the war; by the depreciation of the public credit; by the deranged state of the finances and the currency; and by the commercial embarrassments which extensively prevailed throughout the country, not only during the war, but also during the period of its termination. The events of the war with Great Britain, and the embarrassments which attended its prosecution, left on the minds of many of our contemporaries the impression that our government was a strong one, and that to wield its resources successfully in great emergencies, and especially in war, more power should be concentrated in its hands. This increased power they did not seek to obtain by the legitimate prescribed mode—an amendment of the constitution. They sought to obtain it by a usurpation of the powers of Congress, and by a suspension of the writ of *habeas corpus*, and by a suspension of the laws, and by a suspension of the rights of the citizen, and by a suspension of the rights of the States. They sought to obtain it by a suspension of the powers of Congress, and by a suspension of the writ of *habeas corpus*, and by a suspension of the laws, and by a suspension of the rights of the citizen, and by a suspension of the rights of the States.

Notwithstanding this great increase in the mail service, the cost of the service has not increased the present year as it did in the last, there will be received near \$450,000 more than the expenditure.

These considerations have satisfied the Postmaster General, that with certain modifications, the act of 1845, the revenues may be still further increased, and a reduction of postage made to a uniform rate of five cents, without an interference with the principle, which is the basis of the present system, and properly enforced, of making that department self-sustaining.

A well regulated cheap postage system is the best means of diffusing intelligence among the people, and it is of so much importance to a country so extensive as the United States, that I recommend your favorable consideration of the suggestions of the Postmaster General.

Nothing can retard the onward progress of our country and prevent us from assuming and maintaining the first rank among nations, but a disregard of the export duties, and a recourse to the duties on the public policy. We have just closed a foreign war by an honorable peace—a war rendered necessary and unavoidable in the maintenance of the national rights and honor. The great object of the country is similar in character to that which existed immediately after the close of the war with Great Britain in 1815, and the occasion is similar, and a preparation to take a retrospect of the progress of the country, which followed that war, is a measure of great importance, and one which should be adopted, which, united and combined, can be of great benefit to the country, and to the interests of the American people.

The introduction of the new policy was for a time favored by the condition of the country; by the heavy debt contracted during the war; by the depreciation of the public credit; by the deranged state of the finances and the currency; and by the commercial embarrassments which extensively prevailed throughout the country, not only during the war, but also during the period of its termination. The events of the war with Great Britain, and the embarrassments which attended its prosecution, left on the minds of many of our contemporaries the impression that our government was a strong one, and that to wield its resources successfully in great emergencies, and especially in war, more power should be concentrated in its hands. This increased power they did not seek to obtain by the legitimate prescribed mode—an amendment of the constitution. They sought to obtain it by a usurpation of the powers of Congress, and by a suspension of the writ of *habeas corpus*, and by a suspension of the laws, and by a suspension of the rights of the citizen, and by a suspension of the rights of the States. They sought to obtain it by a suspension of the powers of Congress, and by a suspension of the writ of *habeas corpus*, and by a suspension of the laws, and by a suspension of the rights of the citizen, and by a suspension of the rights of the States.

engaged in the collection of these moneys. After the completion of peace, no further arrangements were made. Any surplus moneys were applied to the payment of the debt. The balances on hand were directed to be paid into the Treasury, and individual claims on the fund will remain unadjusted until Congress shall authorize their settlement and payment. These claims are not considerable in number or amount.

It is recommended that your favorable consideration be given to the report of the Secretary of War, and the Secretary of the Navy in relation to the legislation on this subject.

Our foreign relations are presented in a most favorable view in the reports from the War Department. The wisdom of our policy in regard to the tribes within our limits, is clearly manifested by their improved and rapidly improving condition.

The most important treaty with the Menomonees has been recently negotiated by the Commissioner of Indian Affairs in person, by which all their land in the State of Wisconsin amounting to 4,000,000 acres, has been ceded to the United States. This treaty will be submitted to the Senate for ratification at an early period of your present session.

Within the last five years, eight important treaties have been negotiated with different Indian tribes, and with a total of \$1,840,000; Indian lands to the amount of more than 18,500,000 acres have been ceded to the United States, and an equal amount has been reserved to the country west of the Mississippi the tribes which occupied this large extent of the public domain. The title to all the Indian lands within the several States of our Union has thus been extinguished, and a vast region opened for settlement and cultivation.

The accompanying report of the Secretary of the navy exhibits a most successful and happy termination of that branch of the public service.

A number of small vessels suitable for entering the mouths of rivers were purchased, and the naval facilities were improved to the squadron in the Gulf of Mexico. On the return of peace, when no longer required for naval purposes, and liable to constant deterioration, they were sold, and the money placed in the Treasury.

The number of men in the naval service authorized by law during the war, has been reduced by discharges below the maximum fixed for the peace establishment. Adequate squadrons are maintained in the several quarters of the globe where experience has shown their service to be most necessary and useful. The discipline of the service was in a condition of higher discipline or greater efficiency.

I invite attention to the recommendation of the Secretary of the navy, in relation to the reduction of the corps at the end of the war required that officers of each of the three lower grades should be dropped from the rolls. A board of officers made up of the three grades, and without any alleged fault. I concur in