PRESBYTERIAN BANNER --- WED NESDAY, DECEMBER 16, 1863.

but vory cheap assistance can be afforded THE «PRESIDENT'S MESSAGE

Fellow-Citizens of the Senate and House of Representatives :

Another year of health and sufficiently abundant harvests has passed. For these, and especially for the improved condition of our national affairs, our renewed and our profound gratitude to God is due. We remain in peace and frendship with foreign powers. The efforts of disloyal citizens of the United States to involve un foreign wars, and to aid service upon citizens of the United States, in inezousable insurrection, have been una-vailing. Hef Majest's Government as was justly expected, have exercised their asthor-ity to prevent the departifie of fiew Holdlife ex-poditions from British ports. The Emperor of France has by a like proceeding promptly indicated the neutrality which he proclaimed at the beginning of the contest. Questions of mession, have been proferred to definitive answer to the propo-great intricacy, and importantid have arisen out of the blockades and other belignerent opgreat intricacy and importando have arisen out of the blockades and other beligerent operations between the Government and several of the maritime powers, but they have been discussed, and, so far as was possible, accommodated in a spirit of frankness, justice and monates in a spirit of trankness, justice and good wills. It is: especially, gratifying that our prize courts, by the impartiality of their adjudinations, have commanded the respect and confidence of the maritime powers.

and confidence of the maritum powers. (on FOREION TREATIES. The Supplemental treaty between the Uni-ted States and Great Britain, for the suppres-sion of the African slave trade, made on the 17th defor Rebulat Mast, has been duly rati 8ed and carried into execution. It is balieved that so far as. Another ports: and American oitizens are gencerned, that inhuman and bar-barous traffic has been brought to an end. I shall submit, for the consideration of the Ser-ate. a Convention for the adjustment of posshall submit, for the consideration of the sef-ate, a Convention for the sejustment of pos-sessory claims in Washington territory, aris-ing out of the treaty of the 15th of June, 1846, between the United States and Great 1846, between the United States and Orbat Britain, and which have been the source of some disquiet among the citizens of that now rapidly improving part of the country. A novel and important question, involving the extent of the maritime jurisdiction of Spain, in the waters which surround the Island of Cuba, has been debated, without reaching an igreement, and it it is proposed, in an amica-ile spirit, to refer it to the arbitrament of a friendly Power. A convention for that purpose will be submitted to the Senate. I have thought it a proper subject to suggest for the ap-proval of the Senato to concur with the intersted commercial powers, in an arrangement for the liquidation of the Scheldt dues, in the principles which have been heretofore adoped in regard to the imposts upon navigation in the waters of Denmark.

The long pending controversy between this Government and that of Chili, touching the seizure at Selana in Peru, by Chilian officers, of a large amount of treasure belonging to or a large amount of treasure belonging to citizens of the United States, has been b ought to sclose, by the award of His M -jesty, the King of the Belgians, to whose ar-bitration the question was referred by the parties. The subject was theroughly and patiently examined by that justly respected magistrate, although the sum awarded to the elaimant and a not have been as large as they expected, there is no reason to distrust the wisdom of His Majesty's decision. That dewisdom of His Majesty's decision. That de-cision was promptly complied with by Chili when intelligence in regard to it reached that country. The joint commission, under the act of the last session, for carrying into effect act of the last session, or carrying into each of the convention with Peru on the subject of claims, has been organized at Lima, and is engaged in the business entrusted to it. The difficulties concerning inter-occanic transit. through Nicaragua are in course of amicable adjustment. In conformity with the principles sot forth in my last annual message, received a representative from the United States of Columbia, and have accredited a

Minister to that republic. ON NATURAIZATION. Incidents occurring in the progress of our

It is easy to see that under the sharp-dis cipline of civil wat the nation is beginning a new life, and this noble effort demands the aid, and ought to receive the attention and support of the Government. Injuries unfor-seen by the Government and unintended, may in some cases have been inflicted upon the

A NEW LIFE.

subjects or citizens of foreign countries both at sea and on land, by persons in the service of the United States, and as this Government sition has yet-been received from any.

FISCAL CONCERNS. The operations of the Treasury during the last year have been successfully conducted The enactment by Congress of a Nationa Banking Law has proved a valuable suppor of the public credit, and the general legisla tion in relation to loans has fully answere the expectitions of its favorers sold and do

these measures have been in operation all demands on the Treasury, including pay of th mands on the Tressury, including pay of the army and navy, have, been promptly met, and fully satisfield. Not considerable, body of troops, it is, believed, were ever more amply provisioned, more liberally and punctually paid, and, it may be added that by no people were the burdens incident to a great war

ever more cheerfully bords. The receipts during the year from all sources, including loans and the balance in the Treasury at its commencement, were \$901,125, 674 86 ; the aggregate disbursements, \$895, 776,630 55; leaving a, balance, on the 7th o 796,630 55; leaving a, balance, on the 7th o July, 1863, of \$5,329,044 21. Of the receipt there were derived from customs, \$69,059,64 40; from internal revenue, \$37,640,767 95 from/direct taxes,\$14,851,935,001; from lends from diancet taxes, \$14,851,936,001; from dands, \$167,617 17; from miscellaneous sources, \$30,466,153 005; and from loans, 776,682,361.57; making the aggregate of \$90,112,567,486.1 Of the disbursments, there were \$232,539 22; for pensions, etc., \$4,216,520 50; for interest on public debt, \$24,729,846 51; for War Depart-ment, \$599,295,600 83; for the Navy Depart-ment, \$5,99,295,600 83; for the Navy Depart-inent, \$6,324,105 27; for the payment of fund-ed and temporary debt, \$181,076,635 07, mak-ing an aggregate of \$395,766,630.55, and leaving a balance of \$585,290,442.001 Bat the payment of the funded and tempo-rary debt having been made from moneys ber-rowed during the year must be regarded ac morely nominal payments, and the moneys borrowed to make them as merely nominal

wed to make them as merely nomina receipts, and their amount, \$181,086,635 07 should therefore be deducted both from the receipts and disbursements. This being done, there receipts, as a ctual receipts, \$714,709,995 58, leaving the balance as already stated. The actual receipts and disbursements for the first quarter, and the estimated receipts and disbursements for the remaining three and discursements for the remaining three quarters of the current fiscal year of 1864, will be shown in detail by the report of the Secre-tary of the Treasury, to which I invite your attention. It is sufficient to say here that it is not believed that the actual results will ex-Secretary of the Interior suggesting a modi-fleation of the act in favor of those engaged is not believed that the actual results will de-hibit a state of the finances, more formidable to the country, than the estimates of that efficer herotofore submitted; while it is confidently expected that at the close of the year, both disbursements and debts will be found very considerably less than had been anticipated. THE ARMY.

The report of the Secretary of War is a ta as First, The military operations of the year, detailed in the report of the General-in-Chief. Second, The organization of colored arduous crisis.

thal postal revenue has nearly equalled to state that during the contine expenditure; the latter amounting about one-half of which number actually bear immediately preceding the rebellion, the deficiency and under the straige of taking so much labor from the in-straige of taking so much labor from the in-ecollion, the deficiency amounted to \$565, 7670,540, the postal receipts of that year being \$264,572,219 less than those of 1888. The de-crease since 1860, in the sanual amount of transportation has been only about trongy. ive per cent, but the annual expenditures, in the sanual expenditures, in the sanual expenditures, in the sanual expenditures, is an extent which the measures of emanie. "I do solemaly swear, in presence of ALcrueity, has marked the measures of emerci-pation and arming the blacks. These meas-mighty God, that I will henceforth faithfully ures have been much discussed in foreign support, protect and defend the Constitution o untries; and contemporary with such discus-ision, the tone of public sentiment there is much between the blacks. These meas-mighty God, that I will henceforth faithfully o untries; and contemporary with such discus-sion, the tone of public sentiment there is much between the blacks. These meas-mighty God, that I will henceforth faithfully of the United States, and the Union of States hereunder, and that I will, in like manner, The whole of the receipts and disburseon account of the same has been reduced thirty-five per cent. It is manifest, therefore, that the Postoffice Department may become self-sustaining in a few years, even with the restoration of the whole service.

FOREIGN POSTAGE. The international Conference of postal dele-gates from the principal countries of Europe and America, which was called at the august are highly encouraging to those whose special duty it is to bear the country through this reat trial. Thus we have the reckoning; he orisis which threatened to divide the tion of the Postmaster densral, met at Paris; on the 11th of May last, and concluded its do-liberations on the 6th of June. The princithe friends of the Union is past.

interations of the 6th of June. The princi-ples..established by the conference, as best adapted to facilitate postal intercourse between nations, and is the basis of future conventions to inaugurate a general system of uniform international charges at reduced rates of post-age, cannot fall to produce boneficial results. RECONSTRUCTION Looking now to the present and future, and DEPARTMENT OF THE INTERIOR.

proclamation, it will appear, as is beliaved, amply justified by the Constitution. True, the form of an eath is given, but no man is I refer you to the report of the Secretary of the Interior, which is herewith laid before you, for the useful and varied information in relation to public lands, Indian affairs, pat-onts, pensions, and other matters of public coerced to take it. A man is only promised a pardon in onse he voluntarily takes the oath The Constitution authorizes the Executive to concern pertaining to this Department. The concern pertaining to this Department: une quantity of lands disposed of during the, last three quarters of the last fiscal year, and the first quarter of the present fiscal year, was three million eight hundred and forty-one thousand and five hundred and forty-nine agres, of which one hundred and grant it on terms, as; is fully established by grant it on terms, as; is fully, established by judicial and other authorities. It is also prof. fored that if, in any of the States named, gov-ernments should be established in the pre-scribed mode, such government shall be recog-nized and guaranteed by the United States, and that under it the State shall, on subscrib-ing to the constitutional conditions, be, pro-tected against, invasion, and domestic vicence. The constitutional obligation of the United sixty-one thousand nine hundred and eleven acres were sold for cash; one million four hundred and fifty six thousand five hundred and fourteen acres were taken up under the homestand have and the residue disposed of under laws granting lands for military bounties, for railroads, and other purposes. It also appears that the sale of the public lands is largely on the increase. It has long been a cherished opinion of some of our wisest statemen; that the people of the United States had as higher and more enduring interest in the early set, tlement and substantial cultivation of the pub-lic laads, than in the amount of direct revenue to be derived from the sale of them. This opinion has had a controlling influence, shaping legislation upon the subject of our national domain: I may one as an instance of this the liberal measures adopted in reference to actual settlers; the grant to the States of the overflowed lands within their limits; in der to their being reclaimed and rendered fit for cultivation ; the grant to railroad com panies of alternate sections of land upon the contemplated lines of their road, which, when

completed, will largely multiply the facilities of reaching our distant, possessions. This policy has received its most signal and bene-ficient illustration in recent enactment, grant-ing homesteads to actual settlers. Since the 1st. day of January last, the before mentioned quantity of over one million four hundred and hity-six thousand; five hundred and fourteen acres of land, has been taken up under its provisions. This fact, and the amount of sales, furnish gratifying evidence of the increasing sottlement upon the public hands. Notwithstanding the great struggle in which the en-ergies of the nation have been engaged, and which has required so large a withdrawal of our citizens from their accustomed pursuits, L cordially concur in the recommendation of the

in the military and naval service of the United States. I doubt not that Congress will cheerfully adopt such measures as will with-out essentially changing the general features of the system, secure to the greatest practica-ble extent its benefits to those who have left their homes in defense of the country in this THE MINERAL LANDS. M > h

ures have been much discussed in toreign support, protects and database of the United States, and the Union of States sion, the tone of public, sentiment there is much improved.: At homo, the same measures have been fully discussed, supported; orticised and denounced, and the annual elections following with reference; to slaves, so long and so far as not menaled, modified or held void by Com-

Congress passed during the existing rebellion with reference to slaves, so long and so far as not repealed, modified or held void by Con-gress or by a decision of the Supreme Court, and that I will, in like manner, abide by and faithfully support all proclamations of the President, made during the existing rebellion, thiving reference to slaves, so long and so far as not modified or declared void by a decision of the Supreme Court. So help me God." The persons excepted from the benefits of the foregoing provisions, are all who are or

with reference to a resumption of the national authority within the States wherein that au-thority has been suspended, I have thought fit to issue a proclamation; a copy of which is here with transmitted. On examination of this, proclamation, it will appear, as is believed, inclusion of the so-called Confederate Govern-ment; all who have left judicial stations un-der the United States Congress to aid in the continue and the Constitution. True rebellion; all who resigned their commis-sions in the army and havy of the United States and afterwards aided the rebellion, and all who have engaged in any way in treating colored persons or white persons in charge of such, otherwise than lawfully as prisoners of war, and which persons may have been found n the United States service as soldiers, sea

in the United States set the as solution, same men, or in any other capacity. And I do, further proclaim, declare and make known, that whenever in any of the States of Arkansas, Texas, Louisiaba, Mississippi, Tennessee, Alabama, Georgia, Florida, South Carolina and North Carolina, a number The constitutional obligation of the United States to guarantee to every State in the Union's Tepublican form of government, and to Presidential election of the year of our Lord Presidential election of the year of our Lord is provision only to a State Government set and not having since violated it, and being a of debt on the 1st July, 1863, \$1,008,793,plicit and full, but why tonder the benefits of this provision only ton State Government, so up in this particular way. This section of the Constitution, contemplates a case wherein the element within a State favorable to a republic min dovror ment sing inno thaving since violated it, and being at qualified voter by the election laws of the State, existing immediately before the so-State diated in a state Government sing termal to, and even willin the State ind such are precisely the cases with which we are not dealing? An attempt to guarantee and profi-test in a revised state of Government con-structed in whole or in protocted is simply and wielement size to be a test by which to separate opposing elements is of by which to and thereal one, which accepts as sound who

make known; that any provision which may be adopted by such State Government in re-lation to the freed people of such State; which From iniceral revenue. 17,592,713.69 From iniceral revenue. 17,592,713.69 From iniceral revenue. 17,592,713.69 From iniceral revenue. 136,182.09 From iniceral revenue. 14,542.04 former unsoundness. I show a start of all be adopted by such State Government union may But if it be proper to require a test of ad-mission to the political body an oath of alle. I attom to the freed people of such State; which grance to the Constitution of the United States shall recognize and declare their permanent and to the Union under it, why not also to the freedom and provide for their education, and d laws and proclamation in regard to slavery. Those laws and proclamation in regard to slavery. Those laws and proclamations were enacted and put forth for the purpose of aiding in the suppression of the rebellion. To give them the fullest effect there had to be a pledge for their maintenance. In my judgment they have aided and will further aid the course for which they were enlisted. To give up, this where the mane, the boundary, the subdimentation where the subdimentation is a subdimentation of the subdimentation of the subdimentation is a subdimentation of the subdimentation is a subdimentation of the subdimentation o f principle would be not only to relinquish a lever of power, but would also be a gruel and astounding breach of faith.
I may add, at this point, that while I remain in my present position, J. shall protect of modify the Emancipation of the resont work of the free by the indications of the resont work of the free by the reasons it is thought best that the support of these positions is thought best that the support of these positions is thought best that the support of these positions is thought best that the support of these positions is thought best that the support of these positions is thought best that the support of these positions is thought best that the support of these positions is thought best that the support of these positions is thought best that the support of these positions which is point and the reasons it is thought best that the support of the same reason it may be proper to further believed the Executive may lawfully claim it say that whether members sent to Congress of laws, as before the rebellion, te maintained is thought best that the support of these posi-tions shall be included in the eath, and it is believed the Executive may lawfully claim it in return for pardon and restoration of for-feited rights, which he has clear constitution.

The whole of the receipts and disbursements for the last fiscal year may be more easily understood from a somewhat more formal statement. The receipts, estimated and actual, then for the last fiscal year, ending on the 30th

of June, 1863, were, including balancefrom the preceding year, as follows:

Total receipts from all ordinary sources......180,405,345 60 124,443,313 29 The disbursements, estimated and actual, were as follows:

Estimated. Actual

Total gross estimate. 893,346,321 48 714,709,995 58 From the actual expenditures, \$714,709,-995 58, there must be deducted the actual ecceipts, \$124,443,813 29, in order to show the amount derived from loans, \$590,266,-682 29, which sum; added to the amount of the debt on the 1st July, 1862, \$508,526,-

ESTIMATES FOR 1864. The estimates for the current fiscal year 1864 next claim attention. These are founded on actual receipts and disbursements for the first quarter, which ended September 30, 1863, and on opinions formed upon probable events and conditions as to other quarters. The following statement exhibits what is actually, known and what, after careful reflection, the Secretary thinks himself warranted in regarding as probable: For the first quarter, ending Septembe

30, 1863; the actual receipts were : From lands..... From miscel's sources.

\$46.268.500 3

115,300,000

Making total receipts of first quarter, 60,000,009 00 1300,000 00 5,000,000 00

> .\$ 161.568.500.35 594:000.000 00

Making a total of actual and estima-ted receipts from all sources for J 1864......\$ 755,568,500 38

The expenditures may be stated as follows: For the first quarter, ending September 30, 1863; the actual disbursements have been: spective Honses, and, not to any extent with the actual disbursements have been i the Exceptive. And still further, that this For the Civil Service...\$ 7,216,939 31 proclamation is intended to present to the For Pensions and In-

to national unity and national strength to national unity and harden strength started by this distribution. Every holde will secure an increase of the transformated, of a note or bond, from a five cent fractional of one hundred and fifty millions a year, is note to a five thousand dollar bond has different inferent in the security of note to a nye inclusion could out, has a direct interest in the security of national institutions and in the stability of national institutions and in the stating of national administration. And it is another and h_{ℓ}

administration. the distribution the small advantage of the short structure the the burdens of debt, always heaviest whe loans are held by few, and especially b foreigners, diminish in proportion as the termination could fully warrant. receivers of interests become identified with THE NATIONAL DEBT-OBJECTS KEPT IN VIEW the payer of taxes. IN CREATING IT.

course, no interest.

Another incidental good growing from the Another inductions gove growing rom the bitter root of debt, has been fully explained in observations heretofore submitted on the In the creation of debt, by negotiation of loans or otherwise, the Secretary has kept in observations heretoiore submitted on the national banking system. Except throng such a system no sure way is seen to the complete and permanent establishment of a uniform currency; and a system of national four objects steadily in view: (1) moderate interest; (2) general distribution; (3) future controllability; and (4) incidental utility. 1.—Towards the accomplishment of the first object, the nearest approach that seems banking, fair to all and secure for all, Ca only be safely and firmly established h making use of a portion of the national depossible has been made. The earliest negotiations were at the highest rates of in-terest: for it is a distinguishing characteras security for the national currency. istic of our financial history in this rebellion that the public credit, which was at the

as security for the instantion ways may even such great evils as are brought upon us by re-bellion be-transmuted, by a wise alchemlowest ebb in the months which preceded its breaking out, has steadily improved in into various forms of utility. The Secretahas endeavored to use this a'chemy, what success the country will judge whe the midst of the terrible trials it has brought upon the country. The first loans were ne-gotiated at seven and thirty hundredths per time and trial shall have applied to his cent; the next at seven; the next at six; work their unfailing tests. Meantime additional loans are require

more recently large sums have been ob-tained at five and four; and the whole of the debt which is represented by United States and, as legislation now stands, several modes are open. notes and fractional currency bears, of

MODE OF RAISING ADDITIONAL LOANS. The limits of deposits for temporary lot are fixed at one hundred millions of dollars The interest on the debt which exists in the form of treasury notes and certificates of indebtedness or of deposits; and is called As these advantages cf these deposite come better and more generally understord temporary debt, is paid in United States the loan in this form will doubtless, in the notes; while the interest on debt which ex-ists in the form of bonds, and is called absence of restriction, be largely increas funded debt, is paid in coin-a discriminaand the possibility of demands for rein bursements, beyond means to meet then can be fully provided for by an increase tion which is intended to bring the payments of coin interest within moderate compass. the existing proportion between deposi-and reserve. Such an arrangement, the Secretary inclines to think, would operate and at the same time to offer special inducements of investments in bonds, in order to avoid a too rapid increase of circulating notes and consequent depreciation. beneficially by increasing the amount operation of the second stringency shall be quire increase, and reducing its amount into the hands of the greatest possible numwhen returning ease shall allow reduction ber of holders has been the second object of Another portion of the additional loan re-quired may be obtained through the sale of the Secretary in its creation. This has been accomplished by the universal diffu-sion of United States notes and fractional the remainder of the bonds knowns as fire twenties. The amount of these bonds w. currency, by the distribution of certificates subscribed for on the first of Decen among great numbers of contract creditors ber was \$101,059,600. It will not be difficul and temporary depositors, and by arrange-ments to popularize the loans by giving to to dispose of these at par, and it is possible the people everywhere opportunities to sub that a small premium may be obtained a

a part. In a former report the Secretary place scribe for bonds. These, subscription arrangements have been especially useful and successful. They have been adopted as yet the limit, to which the loan in the form with reference to only two descriptions of certificates of indebtedness could be carried at one hundred millions of dollars. Este bonds-the two commonly known as sevenrience has shown that it can be carried thirties and five-twenties, so named, the first, from their rates of interest, and the one hundred and fifty millions, and that is second from their periods of payment. The natural limit is about that sum. On the first plan of distributing the seven-thirties was of December the amount of these certificates that of employing a large number of agents was \$145,720,000. It would be unsatin many places, and directing their action therefore, to rely on any substantial increase from the Department. It worked well for a of loan in that form.

The limit prescribed by law to the issue of United States notes has been reached, and the Secretary thinks it clearly inexpedient to in-orease the amount. When circulation exceeds therefore, a different plan was adopted. After ascertaining, by inquiry, that they could not be disposed of to capitalists in amounts sufficient for prompt payment of the army and navy, and for the satisfaction of the just claims of public, creditors gen-erally, without serious, loss, the Secretary the legitimate requirements for real payments and exchanges, no addition to its volume will increase its value. On the contrary, such addition tends inevitably to depreciation; and depreciation, if addition be continued, will find its only practical limit in the utter worth-lessness of the argumented mass.

determined to employ a general agent, un-der adequate bonds, and confide the whole When Congress authorized the creation of debt, to a certain extent, in the form of United States notes, and impressed on these Lotes the qualities of a circulating medium, its acwork of distribution. except so far as i could be effected by the Treasurer, Assisttion was justified by the disappearance of coin in consequence of the suspension of ant Treasurers, and Designated Depositories, to him and to sub-agents designated specie payments; by the necessity of prov

vened, against domestic violence. And I do further proclaim, declare and and Hberslone, which accepts as sound who-gver will make a sworn recantation of his former unsoundness.

attention th uncertain state of the international question touching the rights of foreigners in this coun-try and clizens of the United States abroad. In regard to some Governments, these rights are at least partially defined by treaties. In no instance, however, is it expressly stipulated that, in the instance of civil war, a foreigner residing in this country, within the lines of insurgents, is to be exempted from the rule which classes him as a billigerent, in whose which classes him as a biligered, in west behalf the Government of his country cannot express any privileges or immunities distinct from that character. I regret to say, however, that such claims have been put forward, and in some instances in behalf of foreigners who valuable summary of this report, except such as would be too extended for this place, and have lived in the United States the greate part of their lives. There is reason

lieve that many persons, born in foreign coun-tries, who have declared their intention to be come citizens, or who have been fully natural ized, have evaded the mlitary duty required of them by denying the fact, and thereby throwing upon the Government the burden o

It has been found difficult or impracticab to obtain this proof from the want of guides to the proper sources of information. Those might be supplied by requiring the slerks of courts, where declarations of intentions may be made or naturalization effected, to send, periodically, lists of the names of persons naturalized or of those declaring their inten tion to become citizens, to the Secretary e the Interior, in whose department these names must be arranged and printed for general information. There is also reason to believe formation. There is also reason to believe that foreigners frequently become citizens of the United States for the sole purpose of evading the duties imposed by the laws of their native country, to which, in becoming naturalized here, they at once repair, and, though never returning to the United States, they still claim the interposition of the Gov-ernment as citizens. Many altercations and encer they have been here to fore arisen out of great prejudices have heretofore arisen out o this abuse. It is, therefore, submitted to your serious consideration. It might be adthe ocean. visable to fix a limit beyond which no citizer visible to in a link beyond which in our solution of the United States, residing abroad, may claim the interposition of his Government. The right of suffrage has often been assumed and exercised by aliens under pretences of naturalization, which they have disavowed when drafted into the military service. I when it the avandings of such amendment of submit the expediency of such amendment of the laws as will make the fact of voting an estoppel against any plea of exemption from military service, or other civil ebligation, on

grounds of alienage. JAPAN.

In common with other Western Powers ou relations with Johan have been brought into serious jeopardy through the perverso oppo-sition of the hereditary aristoeracy of the empire to the onlightened and liberal policy of the Tycoon, designed to bring the country. into the society of nations. It is to be hoped, although not with confidence, that these difficulties may be peacefully overcome. I ask your attention to the claims of the minister residing there for the damages he sustained in the destruction by fire of the residence of the legation at Yeddo.

THE TELEGRAPH.

Satisfactory arrangements have been made with the Emperor of Russia, which it is be-lieved will result in effecting a continuous line of telegraph through that empire from our Pa-cific coast. I recommend, to your favorable consideration the subject of an international telegraph across the Atlantic Ocean, and also of a telegraph between this capital and the national forts along the Atlantic seaboard and the Gulf of Mexico. Such connections estab lished, with any reasonable outlay, would be economical as well as effective aids; to diplo matic, military and naval service.

CONSULS.

The consular system of the United State under the enactments of the last Congress begins to be self-sustaining, and there is rea-son to hope that it may become entirely so with the increase of trade, which will ensue whenevet peace is restored. Our minister, abroad have been faithful in defending American rights. In protecting our commercial interests our consuls have necessarily had to encounter increased labors and responsibili-ties growing out of the war. These they have for the most part met and discharged with zeal and efficiency. This acknowledg-mont justly includes these consuls who, residing in Morrocco, Egypt, China and other centre countries, are charged with extraordinary powers.

THE TERRITORIES.

The condition of the several organized ter ritories is generally satisfactory, although the Indian disturbances in New Mexico have not been entirely suppressed. The minered resources of Colorado, Nevada, Idaho, New Mexico and Arizona, are proving far richer than heretofore understood. I lay before you a communication on this subject from the Governor of New Maria Governor of New Mexico.

IMMIGRATION.

I again submit to your consideration the expediency of establishing a system for the erpediency of establishing a system for the oncouragement of immigration, although this source of national wealth is flowing with oreater freedom than for several years before

croons in the war service change of prisoners is fully set forth in the letter of General Hitchcock. Fourth, Opeletter of General Hitchcock. Fourth, Ope-rations under the act for enrolling and calling out the national forces, detailed in the report of the Provost Marshal General. Fifth, The organization of the invalid corps. Sixth, The operation of the several departments of the Quartermaster General; Commisary General; Paymaster General; Chief of Engineers; Chief of Ordnance and Surgeon Gene ral. It has appeared impossible to make

hence I content myself in referring your attention to the report itself.

THE NAVY.

The duties devolving on the naval branch of the service during the year, and through-out the whole of this unhappy contest, have been discharged with fidelity and eminent success. The extensive blockake has been constantly increasing in efficiency as the navy has expanded, yet on so long a line it has so ar been impossible to entirely suppress illicit trade. From the returns received at the faith.

Navy Department it appears that more than one thousand vessels have been captured since the blockade was instituted, and that the value of the prizes already sent in for adjudi eation amount to over thirteen million dollars. The Naval force of the United States, consists, at this time, of 588 vessels, completed and in the course of completion, and of these,

and in the course of completion, and of these, 75 are iron-olad steamers. The events of the war give an increased interest and im-portance to the Navy, which will probably ex-tend beyond the war itself. The armored ves-sels in our Navy, completed and in service, or which are under contract and approaching completion, are believed to exceed in number those of any other Power but while they fostering care. those of any other Power; but while the may be relied upon for harbor defense and sea-coast survey, others of greater strongth and capacity will be necessary for cruising purposes and to maintain our rightful position on

The change that has taken place in nava vessels and naval warfare, since the intro duction of steam as a motivo power for ships of war, demands either corresponding change in some of our existing navy yards, or the establishment of new ones. for the construction and necessary repair of modern war vessels. No inconsiderable embarass-ment, delay and public injury have been experienced from the want of such Government establishments. The necessity of such a navy yard so fur-nished at some suitable place upon the At-lantic scaboard has, on repeated occasions, been brought to the attention of Congress by the New Denatiment and is again great road. I transmit the second annual report of the Commissioner of the department of Agricul-ture, asking your attention to the developby the Navy Department, and is again pre-

so the hard of the second and the second accompanies this communication. I think it my daty to invite your special attention to this subject, and also to that of establishing a yard and depot for naval purposes apon one ments in that vital interest of the nation A CHANGE. of the western rivers. A naval force has been created on these interior waters, and under many disadvantages, within little more than two years, exceeding in numbers the whole naval force of the country at the commence-ment of the present Administration. Satis-factory and important as has been the per-formances of the heroic men of the navy at this period, they are scarcely more wonderful than the services of our mechanics and mit than the services of our mechanics and arti-sans in the production of war vessels; which has created a new form of naval power. Our

country has advantages superior to any other nation; in our resources of iron and timber, with inexhaustible quantities of fuel in the immediate vicinity of both, and all available and in close proximity to navigable waters. The resources of the nation have been develop-ed and its power displayed in the construction of a navy of such magnitude, which has, at

the very period of its creation, rendered signal service to the Union. The increase of the number of seamen in the public service from 7,000 men in the spring of 1861, to about 24,000 at the present time, has been accomplished without specia legislation or extraordinary bounties to pro mote that increase. It has been found, how ever, that the operations of the draft, with high sbounties paid, for army recruits is be-ginning to effect injuriously the naval ser-vice and will, if not corrected, be likely to to enter the army. I therefore respectfully suggest that Congress might aid both the

army and naval service by adequate provision on this subject which would at the same time e equitable to the communities more especi ally intended.

I commend to your consideration the sug-gestions of the Secretary of thr navy, in regard to the policy of fostering and trainin seamen for naval service. The naval acad emy is rendering signal service in preparing midshipmen for, highly responsible duties, which in after life they will be required to perform. In order that the country sho nlđ ń be deprived of the proper quota of educated officers, for which legal provision has been made, at the Naval School, the vacancies

caused by the neglect or omission to make nominations from the States in insurrection have been filled by the Secretary of the navy. new more f

I invite your attention to the views of the alpower to withhold altogether, or to grant Scoretary of War as to the propriety of rais-ing, by appropriate legislation, a revenue from the mineral lands of the United States. It should be observed, also, that this part of

the oath is subject to the modifying and ab-rogating power of legislation and Supreme Judicial decision. The proposed acquies-cence of the National Executive, in anython-THE INDIAN TRIBES. The measures provided at your last session for the removal of certain Indian tribes have been. carried into effect. Sundry treaties have been orable temporary State arrangement for the negotiated, which will, in due time, be suborable temporary State arrangement for the freed people, is made with the view of possi-bly modifying the confusion and distressing destitution which must, at best, attend all classes by a total revolution of labor through-out the whole States. It is hoped that the already deeply afflicted people in those States may be somewhat more ready to give up the mitted for the constitutional action of the Senate. They contain stipulations - for extinguishing the possessors' rights of the In-dians to large and valuable tracts of land. It is probable that the effects of these treaties will result in the establishment of perma nent friendly relations with such of thos cause of their affliction; and to this extent this vital matter is left to themselves; while no power of the National Executive to pretribes as have been brought into frequent and bloody collisions with our outlying settle-ments and emigrants. Sound policy and our vent an abuse is abridged by this proposition imperative daty to these wards of govern-ment, demand our anxious and constant at-tention to their material well being, to their THE PLAN OF RE-CONSTRUCTION.

progress in the arts of eivilization, and, above all, to that moral training which, under the blessing of Divine Providence, will confer upon them the elevated and sanctifving information The suggestion in the proclamation as to maintaining the political frame work of the States, on what is called re-construction, is made in the hope that it may do good with-out harm. It will favor labor and avoid great of the hopes and consolutions of the Christian

out harm. It will there is and avoid great confusion. But why any proclamation now upon this subject? This question is beset with the conflicting views that the step might be de-layed too long or be taken too soon. In some States elements for result prime been ready for action but require any argument for I suggested in my last annual message the propriety of remodeling our Indian system. Subsequent events have satisfied me of its necessity. The details set forth in the re-port of the Secretary, well evince the urgent for action, but remain inactive apparently for want, of a rallyin; point, or plan of action: Why shall A adopt the plan of B, rather than B that of A? and if A and B, should agrees, how can they know but that the general govneed for immediate legislative action. I commend the benevolence of the institutions established or patronized by the Government in this district, to your generous and now can they into out that the general gov-ernment here will respect their plan? By the proclamation, a plan is presented which may be accepted by them as a rallying point, and which they are assured in advance, will not be rejected here. This may bring them to act At t INTERNAL IMPROVEMENTS.

The attention of Congress, during the last session, was engaged to some extent with a proposition for enlarging the water commu-

coner than they otherwise would. The objection to a premature presentation nication between the Mississippi river and the Northeastern seaboard, which proposi-tion, however, failed for the time. Since of a plan by the National Executive, consists of a plan by the National Executive, consists in the danger of commitments in points which could be more safely left to further develop-ments. Care has been taken to so shape the document as to avoid embarrassment from then, upon a call of the greatest respectability, a convention has been held at Chicago, upon the same, subject, a summary of whose views is contained in a memorial addressed to this source. In saying that on certain terms certain classes will be pardoned with their rights restored, it is not said that other the President and Congress, and which I now have the honor to lay before you. That this interest is one which ero long will force its own way, I do not entertain a doubt, while it is authinized method to not entertain a doubt, while it asses on other terms, will never be included. In saying that a reconstruction will be accept-becomes a palpable need to this

AGRICULTURE.

so carnestly urged upon this subject, my gen-eral views and feelings remain unchanged, and I trust that Congress will omit no fair oportunity of aiding these important steps the great consummation.

THE WAR POWER-OUR RELIANCE.

In the midst of other cares, however im portant, we must not lose sight of the fact that the war power is still our main reliance. When Congress assembled a year ago, the war had already lasted nearly twenty months, and there was many conflicts on both land and sea To that power alone can we look, yet for a with varying results. The rebellion had been pressed back into reduced limits, yet, the tone of public feeling and opinion at home and abroad was not satisfactory. With the other abroad was not satisfactory. With the other-signs, the popular elections, then just past, indicated uneasiness among ourselves, while amid, much that was cold and menacing, the kindest words coming from Europe, were uttered in accents of pity that we were too blind to surrender a hopeloss, cause. Our commerce was suffering great-ly by a few armed vessels, built upon and furnished from foreign shores, and we, were threatened with such additions from the same quarter as would sweep our trade from them and to whom more than to all others the world:must stand indebted for the home of freedom disenthralicd, regenerated, enlarged and perpetanted. ABANIAN LINCOLN. December S, 1863.

Then the Proclamation, which had been and by the Constitution of the United States; issued in September, was running its assigned it is provided that the President shall have period to the beginning of the new year. A power to grant reprieves and pardons for month later the final proclamation came, in- offenses against the United States, except in cases of impeachment; and Whereas, a rebel-lion now exists whereby the loyal people and governments of several States have for a long governments of several States have for a long time been subverted, and many persons have committed and are now guilty of treason, against the United States. And Whereas, with reference to said rebellion and treason, condict. According to our political system, as a matter of civil administration, the Gen-eral Government had no lawful power to ef-fect emancipation in any State, and for a long time it had been hoped that the rebellion could be suppressed without resorting to it as a mil-itary measure. It was all the while deeme, possible that the necessity for it might come, and that if itshould, the crisis of the contest would then be presented. It came, and, as was intended, it was followed by dark and doubtful days. Eleven months having been passed, we are permitted to take another view. The rebel borders are pressed still fur-ther back, and by the complete opening of the Mississippi river, the country dominated over by the rebellion is divided into disinct parts, with no practical communication between them

with no practical communication between them Tennessee and Arkansas, have been so substantially cleared of insurgents' control and influence, and the citizens in each, ownes of slaves and advocates of slavery at the ke-ginaing of the rebellion, now declare openly rebellion to resume their allegiance to the by some persons heretofore engaged in said within two months after the adjournment according to quality, on manufactured; a ginaing of the rebellion, now declare openly rebellion to resume their allegiance to the built of congress the whole mass of suspended duty of ten cents per gallon on crude pe-

proclamation is intended to present to the people of the States wherein the national authority has been suspended and loyal State governments have been subverted, a mode by which the national authority over every loyal State government may be re-established within said States, or any of them. And while the mode presented is the Best the Executive can suggest with his present impressions, it must not be aurderstood that another possible mode would not be acceptable. Given under iny hand, at the city of Washnot, be, understood that another possible mode would not be acceptable. Given under my hand, at the city of Wash-ington, the eighth day of December, A: D. one throusand eight hundred and sity-three, and of the Independence of the United States.

of America the eighty-eighth. ABRAHAM LINCOLN. By the President: WM. H. SEWARD, Secretary of State.

Report of the Secretary of the Treasury.

In submitting to the consideration of Congress the report on the state of the financos, required of him by law at the commencement of each session, the Secretary of the Treasury has much satisfaction in being able to say, in general, that the operations of the department entrusted to his charge have been attended, during the last fiscal year, by a greater measure of success than he ventured to anticipate at its begin-

REVIEW OF LAST MISCAL YEAR. At the beginning of that year all de-

mands on the treasury had indeed been discharged, and there remained a balance to the credit of the Treasurer of \$13,043,-546 81. But the large disbursements, cor stantly demanded by military and naval operations, reduced, by comparison, this seemingly considerable balance to almost inconsiderable proportions, and the prac-tical operations of the restrictive provisions of the acts authorizing the negotia tion of the bonds known as five-twenties the most important loan acts not already fully availed of, made new negotiations for adequate amounts and on admissable terms quite impractible. The reverses which beunder existing legislation to provide largely for the increasing disbursements, there remained necessarily unpaid, on the first day of the last session of Congress, requisitions on the treasury, chiefly from the War To provide for these requisitions and for

loans in time to embody them in an act before the day on which the session closed. On that day, March, 3, 1863, the act to provide ways and means for the support of

the government, received the approval of rom cus the President, and became law. In addition to various provisions for loans. it contained clauses repealing the restrictions affecting the negotiation of the five-twen ties, and thus disengaged that importan-

loan from the embarrassments which had previously rendered it almost unavailable. A week earlier, on the 25th of February, an act, even more important to the credit of the government-the act to provide a national currency through a national bank. ing system-had received the sanction of

Notwithstanding the aid afforded by the additional issue of the United States notes, under the joint resolution of January, the Secretary had found it impossible to prevent a gradual increase, during the session of Congress, in the amount of unpaid remisition's. These which were unsatisfied t the beginning of the session were indeed lischarged, and large sums were applied to new demands for current disbursements But the aggregate of disbursements, remainng necessarily unpaid, increased steadily, notwithstanding all efforts to prevent it until it reached, at the close of the session he sum of \$72.171.189 41

The loan act and the national banking act were followed by an immediate revival of public credit. Success quite beyond anticipation crowned the efforts of the Secre-

For Navy Department 94,467,567 74 For interest on public

..... 54,881,508 01 dobt 923,621,027

suggest.

Leaving the total actual expenditur for 1864..... \$749,731,960 4

The tot'l of expenditures being deduct-ed from the total of receipts, there will be an estimated balance on the 30th of June 1864, of..... \$5,836,539 98

176,110,932 4 \$579,457,567 8

eaving to be provided...... Which it is estimated there will be received from ordinary sources dur-ing the three other quarters...... 115,300,000 0

Leaving yet to be provided by loans \$464,157,567 89 The amount of debt created during the quarter is ascertained by deducting from the total expenditures \$176,110,932, 46, the aggregate of ordinary receipts and balance from last year, amounting together to \$46,-268,500 35, which gives as the increase of debt \$129,842,432 11. To this sum, if there be added the sum "yet to be provided by loans,' \$464,157,567 89, the result will be \$594,000,000, from which if there be dequite impractive. The reverses which be-fel our arms in June, July, and August, in-oreased the difficulties of the situation, so that, though the Secretary was enabled will be \$588;163,460 07, and will represent the total increase on the situation of the situation of the situation of the secretary was enabled will be \$588;163,460 07, and will represent the total increase, on the basis of these es-timates, of public debt during the year. The debt on the 1st of July, 1863, was \$1,-098,793,181 37; to which if this estimated increase be added the total debt on the first of July, 1864, will be \$1,686,956,641 44, inand Navy Departments; amounting in the aggregate to the sum of \$46,394,875 80. the result of \$1,744,685,586 80, as estimated in the remember. the report of last December.

current demands, Congress on the 17th of In addition to the estimates for the cur-January, 1863, authorized an additional rent year just stated, the Secretary is re-issue of United States notes to the amount of quired to submit estimates of the receipts one hundred millions of dollars, but did not reach any definite conclusions in regard to the present condition of the country, be even less reliable than usual.

He estimates the probable receipts as follows: Estimated balance, July 1, 1864. \$5,836,539.9

125,000,000.0

5,000,000.0

rom internal revenue From miscellaneous sources. Making estimated aggregate receipts. \$206,836,539.9

And he estimates the expenditures as follows:

Estimated balance of for\$350.000.000.0 27,973,194,81 9,631,304.71 536,204,127.7 For the War Department. For the Navy Department. For interest on public debt 142,618,785.40 85,387,677.15

But he estimates as likely to remain undrawn on the 30th June, 1865, and therefore to be deducted from this

Leaving to be provided by loans......\$544,978,548.93 The sum to be provided by leans represents the increase of debt during the year. Assuming, therefore, the correctness of the estimate which puts the debt on the 1st of July, 1864, at \$1,686,956,641.44; it will re-sult from these estimates that the whole debt will have reached on the 30th of June.

1865, the sum of \$2,281,935,190.37. The Commissioner of Internal Revent recommends an increase of the tax on bank with wolf escalization for the part of the efforts of the Secre-the pardoning power, and Whereas with re-ference to said rebellion the President of the United States has issued several proclama. all parts of the country; as well as every tions, with provisions in regard to the liberal other measure adopted by him for replen-tion of slaves, and Whereas, it is now desired, ishing the treasury. The result was that withing the measure months after the adjournment. note circulation to two and two-fifths per according to quality, on manufactured; a

Under this plan, and chiefly through the ected, loans received, and payments made and by the obvious expediency of providing that medium in the form of national issues indefatigable efforts of the general agent and his sub-agents, five-twenty, bonds to instead of resorting to the paper of bank. Under the circumstances its action was wire and necessary; but it was equally wire and necessary to limit the extent of the issues by the amount of nearly four hundred millions of dollars, in denominations of fifty, one hundred, five hundred, and one thousand dollars, were distributed throughout the the necessity which demanded them. They were wanted to fill the vacuum caused by the whole country, not controlled by the rebellion, and among all classes of our country-men. The history of the world may be disappearance of coin and to supply the ad-ditional demands "created by the increased searched in vain for a parallel case of popnumber and variety of money payment. Congress believed that four hundred millions would suffice for these purposes, and thereular financial support to a national govern-ment. The Secretary is unable to perceive would sumes for these purposes, and there-fore limited issues to that sum. The Secretary proposes no change of this limitation, and places, no reliance, therefore, on any increase of resources from increase of in what better or more effectual mode the important object of distribution could be accomplished, and he proposes no departure from it, except such as considerations of eirculation. Additional loans in this make economy, harmonized with efficiency, may

ble on the score of controllability.

time, but was soon found inadequate to the

financial necessities of the government

For the distribution of the five-twenties. therefore; a different plan was adopted

vould, indeed, almost certainly prove illusory for diminished value could hardly fail to nea 3.-The object of future controllability tralize increased amount. Sufficient circulation having been already has also had a prominent place in the re-gards of the Secretary. Under the condirovided, the Government must now borres tions which existed at the outbreak of the ike any other employer of capital temporarily requiring more than income will supply, and rely for the credit which will secure advanrebellion, he acquiesced in the necessity which seemed to dictate the negotiation of tageous loans, upon good faith, industrial ac-tivity, accumulated though not immediately available capital, and satisfactory provises bonds payable after twenty years; but he acquiesced with reluctance, and, as soon as permitted by circumstances, recommended for punctual payment of accruing interest and ultimate reimbursemeni of principal. the enactment of laws authorizing the issue of bonds payable after shorter periods, as THE NATIONAL BANKING SYSTEM. well as the creation of temporary debt in For a warrant of this confidence, however, other forms. In harmony with these views e must not omit to say that he relies much on Congress provided for the issue of the bonds known as the five-twenties; and also for the issue of treasury notes payable three years from date; for certificates of indebtedness

the support to be given to the public credit by the national banking system and by the na-tionalization of the currency. There is, as he thinks, no possibility of a permanently suc-cessful administration of the finances, under payable in one year; and for temporary loans by deposits, reimbursable after ten circumstances involving the creation of large debts, unless loans can be effected in a medium days' notice. At the last session Congress days' notice. At the last session congress acoust, unless loans can be encoded in a mean-repealed some embarassing restrictions of former acts, and authorized the issue of country, and not liable to variation in quan-bonds payable after ten years, and of treas-bords payable after ten years, and of treas-invr notes bayable at pleasure or three years is a second to the general laws of treas to the general laws of the generalaws o trade.

from date. These treasury notes were made It is an error to suppose that the increase of prices is attributable wholly or in very large measure to this circulation. Had It been possilegal tenders for face value or convertible for amount and interest into U.S. notes.. The Secretary availed himself of this ble to borrow coin enough, and fast enough, for the disbursements of the war, almost if not altogether the same effects on prices would legislation by placing with the people as large an amount as possible of five-twenty bonds, and by using the other pewers so as to put the whole debt, except the long loans have been wrought. Such disbursements made in coin would have enriched fortnate contractors, stimulated lavish expenditures, and so inflated prices in the same way and first negotiated, in such a shape that prompt advantage can be taken of favorable cirnearly to the same extent as when n cumstances to diminish the burdens it imhotes. Prices, too, would have risen from other causes. The withdrawal from mechanposes on industry. Whenever the constitu-tional supremacy of the nation shall be re-established over all its parts, it will be ical and agricultural occupations of thousands of our best, strongest, and most active workcompletely within the power of Congress ers, in obedience to their country's summons and the Secretary to fund the whole or any to the field, would, under any system of curpart of the temporary debt in bonds bearing rency, have increased the price of labor, and, by consequence, the price of the products of labor, while the prices of many things would have ricen in prices of many things would very moderate interest and redeemable at the pleasure of the government, after very haver, while the prices of many things would have risen, in part from other causes, as for example, the price of railroad bonds from vast increase of income, through payments for military transportation; and the price of cot-ton from deficient supply. The Comptroller of the Currency reports the organization under the standard and the price of the comparison of the currency reports the brief periods, or, perhaps, at any time after their issue. Nothing further seems desira-The final object of the Secretary was to

extract from the unavoidable evil of debt as much incidental benefit as possible. To this end, he desired authority to reorganization under the national banking act, prior to the 29th of November, of one hundred and thirty-four associations; all which, upon the suggestion of the Secretary, have adopted the name of National Banks, distinguished by forder of organization and by hospity. These ceive temporary loans in the form of deposits reimbursable after a few days' notice. This measure was regarded by many order of organization and by locality. These Banking Associations have been formed in with something less than favor at first; but Congress, after full consideration, author-Congress, after full consideration, author-ized the receipt of such deposits at an inter-est not exceeding five per cent. to the amount of twenty-five millions of dollars; then raised the limit to fifty millions, and then to an hundred millions; and provided a reserve of fifty millions of United States notes in mean the several associations will be seventeen States, and the District of Colum-bia, and have an aggregate capital of \$16-081,200. The great care and labor required for the preparation of suitable notes for the new national currency has delayed its issue beyond expectation; but the printing is now beyond expectation; but the printing is now notes to meet demands for reimbursements beyond oblier convenient means of satisfac-tion. It was not long before these deposits reached the highest limit, and, before the reached the highest limit, and, before the flow could be well checked, somewhat exof organization. There is hardly a State not controlled by the rebellion, and hardly a conceeded it. The utility of the measure was siderable city, in which a national banking association has not been organized, or is not very conspicuous on the recent occasion of great stringency in New York, when the Secretary was able to reimburse over fifty being organized. Even New Orleans is not an exception to this statement. Thus the great work of introducing a perm millions of these deposits during the last weeks of the year; by which action the

anent national currency has been entered upen pressure was sensibly alleviated, with a use of only a fifth of the reserve. In former reports, the Secretary has sta-ted his convictions and the grounds of them, respecting the necessity and the utility of ism of the people, that it will be beyond the reach of successful assault. putting a large part of the debt in the form of United States notes, without interest, and adapted to circulation as money. These convictions remain unchanged, and seem

OPERATIONS OF THE MINT.

The operations of the mint have been less importance than usual during the last

now to be shared by the people. For the first time in our history has a real approach. year. The amount of coinage was increased over that of last year at San Francisco alone. The value of the bullion received was \$24,\$24. value of the bullion received was in filter to a uniform currency been made; and the benefits of it, though still far from the best 101 31; in gold \$23,149,495 41; and in silver \$1,674,605, 90,3 from the total of which must be deducted the bars made at one branch and attainable condition, are felt by all. The circulation has been distributed throughout the country, and is everywhere acceptdeposited for coinage at another, making the actual amount deposited \$23,701,837 31. The able. It is a gratification to know that a tribunal so distinguished by the learning coinage of the year was \$24,688,477 12: " which \$20,695,852 was gold coin; \$1,114 and virtues of its members as the Supreme Court of New York has given 877 90 gold bars; \$1,174,092 80 silver coin

to the power alone can we look, yet for a time, to give confidence to the people in con-tested regions that the insurgent power will not again overrun them. Until that confi-dence shall be established little can be done anywhere for what is called reconstruction. Hence our chiefest care must still be directed to our army and navy who have thus far borne their harder part so nobly and well, and it may be esteemed fortunate that in giving the greatest efficiency to these indisponsable arms we'do also honorably encourage gallant men, from commander to sentinel, who compose

Proclamation Accompanying the Mes-

same quarter as would sweep our trade from the sea, and raise our blockade. We had failed to elieit from European governments anything hopeful upon this subject. A great and favorable change had occurred. sage. The following proclamation is appended to the mossage: *PROGLAMATTON.-Whereas, In

cluding the announcement that colored men of shitable condition would be received into the war service. The policy of emancipation and of the employment of black soldiers gave to the future a new sepect, about which hope and fear and doubt contended in uncertain conflict. According to our political system;

deficiency of laborers in every field of indus) try, especially in agriculture, and in our minc, well of iron and coal as of proclous metals. While demand for labor is thus in- creased here, tens of thousands of persons, During the past fiscal year the financial destitute of remunerality occupations, are thronging our foreign consulates and offering to emigrate to the United States, if opsontial	Of those States not included in the emancipa- tion proclamation, Maryland and Missouri, neither of which years ago would tolerate any restraint upon the extension of slavery into their territories, only dispute now as to the best mode of removing it from within their own limits	States; Therefore I, Abraham Lincoln, President of the United States, do proclaim, declare and make known to all persons who have directly; or by implication; participated in the existing challion examt as hereing for extended	made for the pay of the army and navy. During the remainder of the fiscal year no embarrassments attended the administration of the finances except those which are in- separable from yast expenditores. Not-	leum drawbacks; and various other changes of the internal revenue laws, designed to	So, too, real and great advantages are de- rived from the wide diffusion of the debt among the people, through business trans- actions, and through the exertions of the dofficers of the department and the agents for loans already noticed.	Of this coinage \$4,184,497 37 in 49,108.47 pieces was effected at Philadelphia; \$18,301- 598 68 in 2.872,173 pieces at San Francisco and \$2,137,642 82 in 3,404 gold and silver bars at New York. The Secretary renews the recommendation of preceding reports in relation to the univer-