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Dec. 6, 1886 THE PRFSIDENT'S MESSAGI

A STATESMANLIKE AND COM PREHENSIVE DOCUMENT.

Revenue Reform Strongly Advocated.

HE STICKS TO THE CIVIL SER

VICE LAW.

Wise and Pertinent Suggestions Public Topics,

BUT SILENT AS TO OUR TERRITORY.

To the Congress of the United States: In the discharge of a Constitutional duty, and following a well established precedent in the Executive office, i Polynesian Island groups have been herewith transmit to the Congress at so absorbed by other and more powerits reassembling certain information ful governments, that the Hawaiian Islands are left almost alone in the enconcerning the state of the Union, together with such recommendations for legislative consideration as appear necessary and expedient.

Our Government has consistently maintained its relations of friendship toward all powers, and of neighborly interest toward those whose possessions are contiguous to our own. Few questions have arisen during the past year with other governments, and none of those are beyond the reach of settle-ment in friendly coucil. We are as yet without provision for the

# SETTEMENT OF CLAIMS

of citizens of the United States against Chili for injuries donelin the war with Peru and Bolivia. The mixed commis-sion organized under the claims convention concluded by the Chill government with certain European States have developed an amount of friction which we trust can be avoided in the convention which our representative at Santiago is authorized to negotiate.

### CHINESE PERSECUTIONS.

The cruel treatment of inoffensive Chinese has, I regret to say, been re-peated in some of the far Western States and Territories, and acts of vi-between the United States and Japan, olence against those people beyond the power of the local constituted authori- been lately proclaimed. ties to prevent and difficult 'to putish, are reported even in distant Alaska Much of this violence can be traced to race prejudice and competition of labor, which cannot, however, justify the oppression of strangers whose

the terms and conditions of inter-course and commerce between the Uni-ted States and their neighbors stong a EVENING NEWS. irontier of over 3,500 miles. This propinquity, community of language and occupation and similarity of fallguage and occupation and similarity of political and social institutions, indicate the practicability and obvious wisdom of maintaining mutually beneficial and friendly relations; whilst I am un-feignedly desirous that such relations should arist between us and the in

seace of the two countries. THE NETHERIANDS. should exist between us and the in-The government of the Netherlands

habitants of Canada, yet the action of has exhibited concern in relation to their officials during the past season certain features of our tariff laws which are supposed by them to be aimed at a class of tobacco produced in the Dutch East Indies. Comment would seem unnecessary upon the unwisdom toward our fishermen has been such as to seriously threaten their continuance. although disappointed in my efforts to secure a satisfactory settlement. The fishery question negotiations are still pending, with a reasonable hope that before the close of the present session of Congress, such advancement of legislation appearing to have a spe-cial national tdiscrimination for its object, which, although unintentional,

may give rise to injurious retaliation. may be made that an acceptable con-The establishment, less than four years. clusion may been reached. At an early ago, of a legation at Teheran is hearing day there may be laid before Congress fruit in the interest exhibited by the the correspondence of the Department of State in relation to this important subject, so that the history of the past fishing season may be fully disclosed and the action and the attitude of the Shah's government, in the industrial activity of the United States, and the opportunities of beneficial inter-changes.

'PERU. administration clearly comprehended More extended reference is not

restored

two countries.

deemed necessary in this communica-ALASKA AND HAWAII.

The recommendation submitted last year, that provision be made for a preliminary reconnoisance of the conventional boundary line between Alaska and British Columbia, is re-

as a result of the reciprocity treaty of

joyment of their autonomy which it is important for us should be preserved. Our treaty is now terminable on one year's notice, but propositions to ab-rogate it would in my judgment be most ill-advised. The paramount in-

fluence we have there acquired, once relinquished, could only with difficulty be regained, and a valuable coign of vantage for ourselves might be con-verted into a stronghold for our commercial competitors. I earnestly recommend that the existing treaty stip-nlations be extended for a further term of seven years. A recently-signed treaty to this end is now before the Senate. The importance of telegra-

phic communication between those not be overlooked.

The question of a general revision of the treaties of Japan is again under discussion at Tokio. As the first, to open relations with that empire, and as the nation in most direct commercial relation with Japan, the United States have lost no opportunity to tes-tify their consistent friendship by sup-porting the just claims of Japan to

been lately proclaimed.

measure of reciprocity requisite under ficulty of maintaining effective soveour statute for the continuance of the suspension of discriminations against reighty over its outlying districts have Rexposed that republic to enthe Spanish flag in our ports, I was safety is guaranteed by our treaty with China equally with the most favored that this distant community is an offconstrained in October last to rescind nations. In opening our vast domain to alien elements, the purpose of our law-givers was to invite assimilations, whose praiseworthy efforts to create a nucleus of civilization tication from the government of Spain antagonisms. The paramount duty of | in the dark continent have commanded that all differential treatment of our vessels and their cargoes from the maintaining public order and de- respect and sympathy everywhere, fending the interests of 'our especially in this country. Although own people, may require the adoption a formal protectorate over Liberia is United States or from any foreign country had been completely and abcontrary to our traditional policy, the solutely relinquished, I availed myself of my discretion conferred by law, and moral right and duty of the United States to assist in all proper ways in issued on the 27th of October, my prothe maintenance of its integrity is obclamation declaring reciprocal suspenvious and has been consistsion in the United States. It is most ently advanced during nearly gratifying to bear testimony to this a century. recommend earnest spirit in which the govern-ment of the Queen Regent has that in the reorganization of our navy small vessels no longer found adequate met our efforts to avert the initiation of commercial discrimina-tions and reprisals, which are ever joined to the to our needs, be presented to Liveria protection of those Chinese subjects to be employed by it in the protection of its coastwise revenues. disastrous to the material interests and the political goodwill of the countries MEXICO.

the prosperity of both countries. To assist this good work, all grounds of to their respective writings and dis-coveries; this government did not feel apprehension for the security of perwarranted in becoming a signatory, son and property should be removed. pending the action of Congress upor measures of international copyright and I trust that in the interests of good now before it, before the right of ad-hesion to the Bern convention hereneighborhood, the statute referred to will be so modified as to eliminate the present possibilities of danger to the after has been reserved. I trust the subject will receive at your hands the attention it deserves and that the just claims of authors, so urgently pressed, will be duly heeded.

A RESTRICTIVE TAX.

Representations continue to be made o me of the injurious effect upon American artists studying abroad and having free access to the art collections of foreign coun-tries, of maintaining a discriminative duty against the introduction of the works their brother artists of other

Pursuant to a provision of the dip-lomatic and consular appropriation act, approved July 1st, 1886, the esti-mates submitted by the Secretary of State for the maintenance of the con-Staple government is now happily in Peru by the election of basis of salaries for all officers to whom constitutional President, and a period of rehabilitation is entered upon, but recovery is necessarily slow from the such allowance is deemed advisable. Advantage has been taken of this to redistribute the salaries of offi-cers now appropriated for in ac-cordance with the work performed, the importance of the representative duties of the incumbent, and the cost of living at each post. The last con-siderstion has been too often lost sight exhaustion caused by the late war and civil disturbance. A convention to adjust by arbitration the claims of our citizens has bee promised and is un-der consideration. THE "JEANNETTE" TESTIMONIAL. The naval officer who bore to Siberia of in the allowances heretofore made The compensation which may suffice the testimonial bestowed by Congress in recognition of the aid given to the for the decent maintenance of a worthy Jeanette survivors, has successfully accomplished his mission. His interand capable officer in a position of onerous and representative trust at a post readily accessible, and where the accessaries of life are abundant and esting report will be submitted. It is pleasant to know that this mark of apcheap, may prove an inadequate pittance in distant lands where the better part reciation has been welcomed by the Russian government and people as befits the traditional friendship of the of a year's pay is consumed in reaching the post of duty, and where the comforts of ordinary THE SAMOAN ISLANDS. civilized existence can only be ob-Civil perturbations in the Samo

co st. I trust that, in considering the submitted schedules, no mistaken theory of economy will, perpetuate a system which in the past has virtually closed to deserving talent many offices where capacity and attainments of a Islands have during the past years been a source considerable embarrasment high order are indispensable, and in not a few instances has brought discredit on our national character and entailed embarrasment and even suffering on those deputed to uphold our dignity and interests abroad. In connection with this subject I carnestly of supplying some mode of trust-worthy inspection and report treaty powers may acquire any para-mount or exclusive interest. In May of the manner in which the consulates are conducted. In the absence of such reliable information, efficiency can scarcely be rewarded or its opposite last Malitoa offered to place Samoa under the protection of the United States, and the late consul, without authority, assumed to grant it. The corrected.

proceeding was promptly disavowed and the over zealous official Increasing competition in trade ha directed attention to the value of the consular reports printed by the Derecalled. Special agents of the three governments have been deputed to examine the situation in the islands. partment of State, and the efforts of the government to extend the practical With a change in the representation of usefulness of these reports have creat-ed a wider demand for them at home all three powers and a harmonious understanding between them, the peace, prosperity and autonomous adminisand a spirit of emulation abroad, con-stituting a record of the changes occurtration and neutrality of Samoa can hardly fail to be secured. ring in trade and of the progress of the arts and inventions in foreign coun-OUR CASE WITH SPAIN tries. They are much sought for by all

It appearing that the government of embrace. Spain did not extend to the flag of the United States in the Antilles the whole

which every American citizen boasts, has for its objects, the protection of redeemen every person within its borders with ter date. the greatest liberty consistent with the good of the country and his perfect security in the enjoyment of his earnings with the least posible diminu-tion for public needs. When more of the peoples' sustenance is exacted through the form of taxation than is necessary to meet the just obligations of the Government and the expense of its economical administration, such action becomes

RUTHLESS EXTORTION

and a violation of the fundamental principles of free government. The indirect manner in which these exac-tions are made has a tendency to conceal their true character and their excountries, and I am induced to report my recommendation for the abolition tent. But we have arrived at a stage of that tax.

THE CONSULAR SERVICE.

sular service have been recast on the ance and clamoring for the protection and favor of the government, is dull and sluggish till, touched by the magi-cal hand of labor, it springs into ac-tivity, furnishing an occasion for Federal taxation and gaining the value which enables it to bear its bursideration has been too often lost sight den, and the laboring man is thoughtfully inquiring whether in these circumstances and considering the tribute he constantly pays into the public treasury as he supplies his daily wants, he receives his fair share of advan-tages. There is also suspicion abroad that the surplus of our revenue indicates' abnormal and exceptional busuess profits which make the system which produces such surplus increase without corresponding benefit to the tained with difficulty and at exerbitant fortunes, rivaling the wealth of the most favored in anti-democratic na-Our farmers, too, and those engaged

wants of their households recur, they are forced to pay excessive and need-less taxation, while their products struggle in foreign markets with the competition of nations, which by alsell for prices which distress the American farmer. As every patriotic citizen rejoices in the constantly in creasing pride of our people in Ameri-can Citizenship, and in the glory of our pational achievements and progress, a septiment prevails that the leading-strings useful to a nation in its less self-reliance, and for the privilege

of indulging in this sentiment with true American enthusiasm, our citizens are gaite willing to forego an idle surplus in the public treasury. All the people know that the average rate of Federal taxation upon imports is today, in time of peace, but little less, interested in the subjects which they while upon some articles of necessary

THE FINANCES was imposed by the grievous burden, The report of the Secretary of th Treasury exhibits in detail the condi tion of the public finance and of the several branches of the Government

taxation. Good government, of by 222,806,150, being bonds which have six years, at which time it may be needed for use by the government, redeemed and cancelled before the latnothing worthy the name will remain. All the vessels heretofore authorized

SILVER COINAGE.

During the fiscal year ended June 30. 1886, there were coined under the com pulsory silver coinage act of 1878, \$29. 858,345 silver dollars, and the cost of the silver used in such coinage was \$23,448,960.01. There had been coined up to the close of the previous fiscal year under the provisions of the law, 203,882,554 silver dollars, and on the 1st

day of December, 1886, the total amount of such coinage was \$247,131,-549. The director of the mint reports that at the time of the passage of the act of 1878 directing this coinage, the intrinsic value of the dollars thus coined was ninety-four and one-fourth cents each, and that on the

of superfluous revenue which has aroused the people to a realization of the fact that the amount raised professedly for the support of the government, is paid by them as absolutely as if added to the price of silver on the 30th of November is the things which supply their daily manual if it was paid at fixed periods was least. These differences in value mendations they are substantially agreed. In the event that present in-vitation of the department for bids to furnish such of this material as is now authorized shall fail to induce domes-Those who toil for daily wages are be- of the coins represent the fluctuatic manufacturers to undertake the ginning to understand that capital, ions of the price of silver and large expenditures required to prethough sometimes vaunting its import- they certainly do not indicate that pare for this new manufacture, compulsory coinage by the governand no other steps are taken by Conment enhances the price of that com-modity or secures uniformity in its status. Every fair and legal effort has gress at its coming session, the Secretary contemplates with dissatisfaction the necessity of obtaining abroad the armors and the gun-steel for the au-thorized ships. It would seem desir-able that the wants of the army and been made by the Treasury Depart-ment to distribute this currency among the people. The withdrawal of United cavy in this regard should be reason-States treasury notes of small denomiably met, and that by uniting the con nations and the issuing of small silver certificates have been resortedito in the tracts such inducement might be offered as would result in securing the endeavor to accomplian this result, in domestication of these important inobedience to the will and sentiment of terests.

the representatives of the people in Congress. On the 27th day of Novem-ber, 1886, the people held of these THE POSTAL SERVICE. coins or certificates representing the normal sum of \$169,873,041, and we still The affairs of the postal service show marked and gratifying improvehave \$79,464,345 in the treasury as ment during the past year. A particular account of its transactions against about \$142,894,055 in the hands people at large; the vast accumulations of the people and \$72,865,576 remaining and condition is given in the report of a few among our citizens whose in the treasury one year ago. The of the Postmaster General, which will be laid before you. The reduction of director of the mint again urges the most favored in anti-democratic na-tions, are not the natural growth of a steady, plain and industrious republic. ver dollars which are not the rate of letter postage in 1883, ren-dering the postal revenue inadequate to sustain the expenditures, and busineeded for circulation by the people. I ness depression also contributing, redirectly and indirectly in supplying the have seen no reason to change the views sulted in excess of cost for the fiscal products of agriculture, see that day expressed in my last annual message year ended June 30, 1885, of eight and by day, and as often as the daily on the subject of this compulsory coinone-third millious of dellars. An additional check upon receipts by doublage, and I again urge its suspension on all the grounds contained in my former recommendation, reinforced by the ing the measure of weight in rating scaled correspondence and diminish-ing one-half the charge for newspaper significant increase of our gold expor-tations during the last year. It apcarriage, was imposed by legislation, which took effect with the beginlowing a freer exchange of productions pears by the comparative statement, than we permit, enable their people to herewith presented, and for the further ning of the past fiscal year, while the constant demand of our territorial dereasons that the more this currency is distributed among the people the velopment and growing population for greater becomes our duty to protect it the extension and increase of mail from disaster; that we have abundance for all our needs, and that there seems but little propriety in building vaults to store such currency facilities and machinery necessitate a steady annual advance in outlay; and the careful estimate of a year ago upon the rates of expenditure then existing when the only pretense for its coinage ontemplated the unavoidable infancy, may well, to a great extent, be is the necessity of its use by the people mentation of the deficiency in the last discarded in the present stage of as a circulating medium. The great fiscal year by nearly two millions of dollars. The anticipated revenue for American ingenuity, courage and fear- number of suits now pending in the United States courts for the southern the last year failed of realization by district of New York, growing out of about \$64,000, but proper measures of the collection of customs revenue at conomy have so satisfactorily limit eff the port of New York, and the aum-ber of such suits that are almost daily instituted, are certainly worthy the attention of Congress. These legal and at this time the increase of revecontroversies, based on conflicting nue is in gaining ratio over the increase views by importers and the collector as of cost, demonstrating the sufficiency of the present rates of postage ulti-

consumption it is actually more than to the interpretation of our present complex ard indefinite revenue<sup>2</sup> laws, willingly borne, at a time when the might be largely obviated by an amendthe more pleasing because our people Government needed millions to main- ment of those laws. But pending such tain by war the safety and integrity of amendment the present condition of the United States. It has been the this litigation should be relieved. policy of the Government to collect the There are now pending about flyelunprincipal part of its revenues by a tax died of these suits; more than cleven upon imports and no chance in this hundred have been commenced within expenditures unwarranted by law have bolicy is desirable, but the present the past eighteen months, and many of ceased, and the outlays for mail car-

by 222,806,150, being bonds which have six years, at which time it may be needed for use by the government, been called, as already stated, but not said that of the present naval force quite a large permiary benefit would be realized in partial return for our outlay. are under contract or in course of con-

THE COURTS.

struction, except the armored ships, the torpedo and dynamite boats and one cruiser. As to the last of these, the bids were in excess of the limit fixed by Congress. The production in the United States of armor and gun steel is a question which it seems agreed that semething should be done necessary to settle at an early day, if the armored war vessels are to be completed with those materials of home manufacture. This has been last session of the Congress and recthe subject of investigation by two ommended in my fast annual message boards and by two special committees of Congress within the last three years. The report of the gun foundry heard in 1884, of the board on fortifica-manner of compensating District Attorneys and Marshals, and tions made in January last, and the Attorneys and Mar reports of the select committee of the the latter subject comtwo houses made at the last session of mended to Congress for its action Congress have entirely exhausted the in the interest of economy to the govsubject so far as prelimimary inves-tigation is involved, and in their recom-justice to our people.

### THE INTERIOR DEPARTMENT.

The report of the Secretary of the Interior presents a comprehensive summary of the work of the various branches of the public service connected with his Department, and the suggestions and recommendations which it contains for the improvement of the service should receive your careful consideration. The exhibit made of the condition of our Indian population and the progress of the work of their enlightenment, notwithstanding the many embarrass-ments which hinder the better administration of this important branch of the service is a gratifying and hopeful one. The funds appropri-ated for the Indian service for the fiscal year just passed, with the available income from Indian land and trust moneys amounting in all to \$7,850,-75.18 were ample for the service under the conditious and restrictions of laws regulating their expenditure. There remained a balance on hand on June

30, 1886, of \$1,860,023,30, of which \$1,337,763.21 are permanent funds for fulliment of treaties and other ike purposes, and the remainder \$3,-22,255 09 is subject to be carried to the surplus fund as required by law. The estimates as presented for appropriations for the ensuing fiscal year amount to \$5,608,873.64, or \$442,386.20 less than those laid before Congress last year. The present system of agencies, while absolutely necessary and well adapted for the manage-ment of our Indian affairs and for the ends in view, when it t was adopted, is in the present stage of Indian management inadequate. Standing alobe for the accomplishment of an object which has become pressing n its importance-the mere rapid transition from tribal organizations to citizenship of such portions of the Indiins as are incapable of civilized life When the existing system was adopted aug the Indian race was outside the limits of organized States and Territories. and beyond the immediate reach and operation of civilization, and all efforts were mainly directed to the maintenance of friendly relations and the deficiency in that of 1855 is now changed. There is no such thing as the Indian frontier. Civiliza-tion, with the busy hum of industry and the influence of Christianity, surrounds these people at every point. None of the tribes are outside of the mately to sustain the service. This is bounds of organized government and society, except that the Territorial system has not been extended over hat portion of the country known as

enjoy now both cheaper postage, proportionately to distances, and a vaster and more costly service than any other on the globe. Retrenchment has been the Indian Territory. As a race the Indians are no ionger hostile, but may effected in the cost of supplies, some be considered as submissive to the control of the government, as few of iem are fragment of several bands all are now than twenty-five years. These delays subject the government to loss of evi-dence and prevent the preparation of transportation on star routes stood rathered upon reservations. It is no onger possible for them to subsist by he chase and the spontaneous producat an annual rate of cost less by over tions of earth. With an abundance of \$560,000 than at the close of the previland, if furnished with the means and implements for profitable hustandry, ous year, and steamboat and mail messenger service at nearly \$200,000 less. their life of entire dependence upon The service has been in the meantime enlarged and extended by the cstabthe Government rations from day to day is no longer defensible. Their inlishment of new offices, increase of clinations, long fostered by a defective rates of carriage, expansion of carrier system of control, is to cling to the delivery, conveniences and additions to habits and customs of their ancestors. the railway mail facilities in accordand struggle with persistence against ance with the growing exigencies of the change of life which their altered the country and the long established circumstances press upon them: but policy of the government. The Postbarbarism and civilization cannot live together. It is impossible that such incongruous conditions master-General calls attention to the existing law for compensating railroads and expressed the opinion that a should co-exist on the same soil. They are a portion of our people, are under method may be devised which will prove more just to the carriers and the authority of our government, and beneficial to the government, and the subject appears worthy of your early have a peculiar claim upon and are en-titled to the fostering care and protecconsideration. The differences which arose during the year with certain of tion of the nation. The government cannot relieve itself of this responsithe steamship companies have termibility until they are so far trained and nated by the acquiescence of all in the civilized as to be able wholly to manpolicy of the government, as provided age and care for themselves. The path by Congress in the postal approprian which they should walk must be tion, at its last session, and the Declearly marked out for them, and they partment now enjoys the utmost sermust be led or guided until they ar vice afforded by all vessels which sail familiar with the way and competent to from our ports upon either assume the duties and responsibilities ocean-a service generally adeof [citizens.] The progress] of this great work will continue and at the needs of quate to the our intercourse. Petitions have, how-ever, been presented to the departpresent slow pace and great expense unless the system and methods o ment by numerous merchants and management are improved to meet the manufacturers for the establishment of changed conditions and urgent tie a direct service to the Argentine Remands of the service the officials havpublic, and for semi-monthly disng general charge and supervision in patches to the empire of Brazil, and many cases of more than 5,000 Indians the subjects commended to your conscattered over large reservations and sideration. It is an obvious duty to ourdened with the details of accountsprovide the means of postal communibility for funds and requiring more time to look after the industrial training cation which our commerce requires and with a prudent forecast of results. ing and improvement of a few The wise extension of it may lead to Indians only, the many stimulating intercourse and become neglected and remain indolent and the harbinger of a profitable traffic, dependent, sconditions not favorable which will open new avenues for the disposition of the products of our for progress in civilization. The com-pensation allowed these agents and the The circumstances of the country. onditions of the service are not calcountries at the far south of our conulated to secure for the work men who tinent, are such as to invite our entera. e fitted by abanty and skill to propprise and afford the promise of suffierly plan and intelligently devise the cient advantage to justify an unusual effort to bring about the closer relamethods best adapted to produce the most speedy results, and permanent tions which greater freedom of combenefits; hence the necessity for a supmunication would establish. I suggest plemental agency or system, directed to the end of promoting the general that, as distinguished from a grant or subsidy for the mere benefit of any line and more rapid transition of tribes of trade or travel, whatever outlay may be required to secure additional from habits and customs of barbari y to the ways of civilization with postal service necessary and proper and not otherwise attainable, should desire to of operati an anxious devise some pian operation be regarded as within the limit of le-gitimate compensation for such which to secure the wellare of the In-dians and to relieve the Treasury so far as possible from the support of an service. The extension of the free delivery service as suggested by the Postmaster Genidle and dependent population. I recommended in my previous annual eral, has heretofore received my sancmessage the passage of a law authortion and it is to be hoped a suitable izing the appointment of a commission as an instrumentality auxiliary to those already established' for the care enactment will soon be agreed upon. The request for an appropriation sufficient to enable the general inspec-tion of fourth class officers has my approbation. I renew my approval of the recommendation of the Postmaster of the Indians. It was designed that, this committee or commission should be composed of six intelligent and capable persons, three to be General, that another assistant be from the army, having practical ideas provided for the postoffice department; and I invite your attention to the upon the subject of the treatment of Indians and interested in their welfare, and that it should be charged, under the direction of the several other recommendations in his report. Secretary of the Interior, with the management of such matters of detail The conduct of the Department of Justice for the last fiscal year is fully detailed in the report of the At-torney General, and L invite the as cannot, with the present organization, be properly and successfully con-ducted, and which present different phases, as the Indians themselves differ in their progress, disposition and earnest attention of Congress to the same and due consideration of the re-commendations therein centained. In capacity for improvement or immediate self-support. By the aid of such commission, much unwise and useless expenditure of money, waste of matestrongly recommended the erection of a penitentiary for the confinement of avoided, and it is hoped this or some prisoners convicted and sentenced in measure which the wisdom the United States courts, and he re-repeats his recommendation in his re-to supply the deficiency of the present system, may receive your con-sideration and the appropriate legisla-tion be provided. The time is ripe for the work of such an agency. There is ort for the last year. This is a mat-

# 10 to the three gomernments, Germany Great Britain and the United States. whose relations and extra-territorial rights in that important group are guaranteed my treaties. The weak-ness of the native administration and the conflict of opposing interests in the islands have led King Malitoa to seek alliance or protection, in some one quarter, regardless of the distinct enagements whereby no one of the three

8.11

few

islands and the United States should JAPAN

LIBERIA. The weakness of Liberia and the dif-

# I express my unbesitating conviction that the intimacy of our relations with Hawaii should be emphasised. 1875, those islands, on the highway of oriental and Australian traffic, are vir-

tion.

and not to provide an arena of endless fending the interests 'our of measures of restriction, but they should not tolerate the oppression of individuals of a special race.

I am not without assurance that the government of China, whose friendly disposition towards us I am most happy to recognize, will meet us half way half n devising a comprehensible remedy by which an effective limitation of Chinese Immigration who remain in this country may be secured. Legislation is needed to exe-cute the provisions of our Chinese convention of 1880 touching the opium

# CENTRAL AMERICAN RELATIONS.

While the good will of the Colombian government toward our country s manifest, the situation of American interests on the 1sthmns of Panama has at times excited concern and invited friendly action looking to the performance of the engagements of the wo nations concerning the territory embraced in the inter-oceanic transit. With the subsidance of the Isthmian disturbances and the erection of the State of Panama into a federal dis-trict under the direct government of her announced policy of recasting all her American treaties. Mexico has trict under the direct government of her American treaties. Mexico has the constitutional administration at since concluded with several foreign Bogota, a new order of things has been governments new treatles of commerce inaugurated which, although as yet and navigation, defining alien rights of somewhat experimental and affording trade, property, and residence, treat-scope for the arbitrary exercise of ment of shipping, consular privileges, scope for the arbitrary exercise of ment of shipping, consular privileges, power by the delegates of the national and the like. Our yet unexecuted reauthorities, promises much improve- ciprocity convention of 1883 covers

#### FRIENDSHIP WITH FRANCE.

The sympathy between the people of the United States and France, born during our colonial struggle for independence and continuing to-day, has received a fresh impulse in the success ful completion and dedication of the colossal statue of "Liberty Enlighten-ing the World" in New York harbor, the gift of Frenchmen to Americans. A convention between the United States and certain other powers for the protection of sub-marine cables was signed at Paris on March 14th, 1884. and has been duly ratified and proclaimed by this government. agreement between the high contracting parties this con-vention is to go into effect the first of January next, but the legis-lation required for its execution in the United States has not yet been adopted. I earnestly recommend its enactment.

### OUR GERMAN RELATIONS.

Cases have continued to occur in Germany giving rise to much corres-pondence in relation to the privilege of sojourn of our naturalized citizens of German origin revisiting the land of their birth. Yet I am happy to state that our relations with that country have lost none of their accustomed cordiality. The claims for interest upon the amount of tonnage dues illegally exacted from certain German steamship lines were favorably reported in both houses of Congress at the last session, and I trust will receive final and favorable action at an early day.

### THE FISHERIES

The recommendation contained my last annual message in relation to a mode of settlement of the fishery rights in the waters of British North America, so long the subject of anx-ious difference between the United States and Great Britain, was met by an adverse vote of the Senate on April 13th last, and thereupon negotiations were instituted to obtain an agreement with her Britannic Majesty's government for the promulgation such joint interpretation and definition of the article of the convention of 1818 relating to the Territorial waters and inshore fisheries of the British prov-inces as should secure the Canadian rights from encroschment from United States fishermen and at the same time insure the enjoyment by the latter of the privileges guaranteed to them by such convention. The questions in-volved are of long standing, are of grave consequence and from time to the deal on our soil in violation of ourlaws, even though the offense be against a subject or citizen of such sovereign. The Mexican statute in question makes

The encouraging development of

beneficial and intimate relations be-tween the United States and Mexico, he Spanish Antilles is naturally an which has been so marked within the object of solicitude. Lying close at our doors, and finding here their main past few years, is at once the occasion of congratulation and of friendly somarkets of supply and demand, the welfare of Cuba and Porto Rico and licitude. I urgently renew my former representation of the need of speedy their production and trade, are scarceegislation by Congress to carry into y less important to us than to Spain. effect the reciprocity commercial convention of January 20, 1883. Our commercial treaty of 1831 Their commercial and financial movements are so naturally a part of our system that no obstacle to fuller with Mexico was terminated according freer intercourse should be permitted to exist. The standing instructions of to its provisions in 1881, upon notification given by Mexico, in pursuance our representatives at Madrid and Havana have for years been to leave no effort unessayed to further these ends and at no time has the equal good de-sire of Spain been more hopefully manifested than now. The government of Spain thus removing the consular tonnage fees of cargoes shipped to the Antilles and by reducing passport fees, has shown its recognition none of these points, the settlement of the needs of less trammelled inter-

course.

behalf.

ust that this postponement will be

EXTRADITION.

territory,

WATER AND AND A STATE & MOMINIA STATE

of which is so necessary to good re-lationship. I propose to initiate with Mexico negotiations for a new and enlarged treaty of commerce and navi-

gation. THE CUTTINC CASE.

In compliance with a resolution the Senate, communicated to that body on August 2d last, and also to the House of Representatives, the corres-pondence in the case of A. K. Cutting, in American citizen then imprisoned in Mexico, charged with the commission of a penal offense in Texas, of which Mexican citizen was the object. After demand had been made for his release, the charge against him was mended so as to include a violation of Mexican law within Mexican Territory. This joinder of alleged offenses, one within and the other exterior to Mexico, induced me to to Mexico, induced me to order a special investigation of the case, pending which Mr. Cutting was

released. The incident has, however. isclosed a claim of jurisdiction by Mexico novel in our history, whereby

any offense, committed anywhere by a foreigner, ipenal in the place of its commission, and of which a Mexican is the object, may, if the offender be found in Mexico, be there tried and punished in conformity with Mexican laws. Jurisdiction was sustained by the courts of Mexico in the Cutting brief, but should it much longer conthe courts of Mexico in the Cutting tinue, the delay may well be regarded case and approved by the execu-tive branch of that igovernment as a rescission of the compact and a failure on the part of Venezuela to upon the authority of a Mexi-can statufe. The appellate court, in releasing Mr. Cutting, decid-ed that the abandonment of the com-plaint by the Mexican citizen ag-

hough to the detriment of holders of grieved by the alleged crime (a libel-ous publication) removed the basis of ona fide awards of the impugned immission. further prosecution, and also declared justice to have been satisfied by the CITIZENSHIP AND NATURALIZATION I renew the recommendation

enforcement of a small part of the original sentence. The admission of such a pretension would be attended with serious results, invasive of the my last annual message that existing legislation concerning citizenship and naturalization be revised. We have treaties with urisdiction of this government, and highly dangerous to our citizens in foreign lands; therefore I have denied many states providing for the renunci-ation of [citizenship by naturalized it, and protested against its attemptaliens, but no statute is found to give ed exercise as unwarranted by the principles of law and inter-national usages. A sovereign bis jurisdiction of offences which take effect to such leugagements, nor any which provides a needed central burcau for the registration of naturalized citieffect within his territory, although concected or commenced outside of it but the right is denied of any foreign Experience suggests that our statutes regulating extradition might be adsovereign to punish a citizen of the United States for an offense consummavantageously amended by a provision for the transit across our

Secretary touching the simplification and amendment of the laws relating to the collection of our revenues and

the interest of economy and justice to the Government, I hope they may be adopted by appropriate leg-islation. The ordinary receipts of the government for the fiscal year ending June 30, 1886 were \$336,439,727.06; of this amount \$192,905,023.41 was received from customs and \$116,805,936.48 from internal revenue. The total receipts as here stated were \$13,749,020.68 great-er than for the previous year, but the in-crease from customs was \$11,434,084.10, and from internal revenue \$4,407,210.94, making a gain in these items for the last year of\$15,341,295.04,a fallingoff in other resources, reducing the total increase to the smaller amount mentioned. The expense at the different custom houses of collecting this increased customs hey may affect. The profitable development of the large commercial ex-changes between the United States and revenue was less than the expense at tending the collection of such revenue for the preceding year by \$490,608, and the increased receipts of in-

ternal revenue were collected a a cost to the internal revenue bureau of \$155,945.99 less than the expense of such collection for the previous year The total ordinary expenses of the gov-The total ordinary expenses of the gov-ernment for the fiscal year ended June 30th, 1886, were \$342,343,138.30. being less by \$17,788, \$7, than such expendi-tures for the year preceding and leav-ing a surplus in the treasury at the close of the last fiscal year of \$95,956,588.56, as against \$62,463,771.27 at the close of the previous year being an increase in the previous year, being an increase in such surplus of \$30,402,817.29. The expenditures are compared with those of he preceeding fiscal year and classi

fied as follows: For civil expenses for the year ending June 30th, 1886, \$21,-955,-64.04? for the year ending June 30th, 1885, \$23,824,942.11; for foreign intercourse \$133,232,088, \$543,960,911; for Incians, \$609,915,817, OUR TURKISH RELATIONS. An effort has been made during the \$655,249,263: for pensions,\$63,404,864.0 ast year to remove the hindrances to \$56,102,267.48; | for the military, includ proclamation of the treaty of ing river and harbor improvements and arsenals, \$34,324,152.74, \$42,670,578 naturalization with the Sublime Porte, and arsenais, \$34,325,102.14, \$32,670,678. 49; for the navy, including vessels, machinery and improvements of navy yards, \$13,907,887.74, \$16,021,076.69; for interest on public debt, \$50,580,145.97; \$51,386,256.47; for the District of Columbia, \$2,892,-321.80, \$3,449,450.95; miscellaneous ex-penditures, including public buildings, light houses and collecting the revenue. signed in 1874, which has remained inoperative owing to a disagreement of interpretation of the clauses relative to the effects of the return to and sojourn of a naturalized citizens in the land of his origin, and I trust soon to be able to announce a avorable settlement of the difference as to this interpretation. It has been ight houses and collecting the revenue highly satisfactory to note the im-\$47,986,683.04, \$54,728,056.21. For the surrent year to end June 30, 1887, the ascertained receipts up to October 1, 1886, with such receipts estimated for the remainder of the year, amount to \$356,000,000. The expenditures as-certained and estimated for proved treatment of American missionaries in Turkey, as has been at-tested by their acknowledgements of our late minister to that government, of his successful exertions in their

the same period are \$206,000,000, indicating an anticipated surplus at the close of the year of \$90,000,000. The THE VENEZUELAN CONVENTION. The exchange of ratification of the onvention of December 5, 1885, with total value of the exports from the United States to foreign countries Venezuela, for the re-opening of the wards of the Caracas commission unduring the fiscal year is stated and compared with the preceding year as der the claims convention of 1886, has not yet been effected, owing to the delay of the executive of that republic in ratifying the measure. I follows: For the year ending

JUNE 20, 1986.

Silver ..... 29,511,219.0

But

- OUR FARMERS

JUNE \$0, 1885. omplete an arrangement so persist ently sought by us during many years and assented to by this government in spirit of international fairness, al-15,806,809.0 foreign mdse..... Silver .....

The value of some of our leading exports during the last fiscal year, as compared with the value of the same for the year immediately preceding, is here given and furnishes information both interesting and suggestive. For

the year ending: Cotton and June 30, 1886. cotton mfrs. \$19,045,578.00 Tobacco a n d its mfrs..... 30,424,008.00 June 30, 1885. \$213,799.049.00 \$0,424,908.00 125,846,558.00 24,767,305.00 160,370,821.00 197,322,456.00 by naturalized Breadstuffs... 125,846,558.00 Provisions.... 90,625,216.00 Our imports during the last fiscal year as compared with the previous year, were as follows:

1886. Gold, .....

In my last annual message to Connow a conveniently thoroughfare of travel from one foreign country to another, of fugitives surrendered by a ment exceeded its actual

people to demand that by a revision of OUR REVENUE LAWS,

> the receipts of the Government shall be necessary to defeat unjust and fictireduced to the necessary expense of its tious claims, while constantly accruing economical administration, and this deby the people's representatives in the legislative branch of the government. with private suits, and of the well filled In readjusting the burdens of federal taxation, a sound public policy re- than is necessary for the ordinary and quires that such of our citizens as have current business of his office, these built up large and important industries revenues, litigation cannot be considunder present conditions, should not ered. In detault of the adoption by Congress of a plan for the general re-organization of the Federal Courts as has beretofore been recommended, be suddenly and to their injury deprived of advantages to which have adapted their ousiness; but if the public good requires it, they should be I urge the propriety of passing a law permitting the appointment of an ad-ditional federal judge in the districts content with such consideration as shall deal fairly and cautiously with their interests, while the just demand where these government suits have accumulated, so that by continued sesof the people for relief from needless sions of the courts devoted to the trial taxation is honestly answered. reasonable and timely submission of these cases may be determined. It is entirely plain that a great saving to such a demand should certainly possible without disastrous shock the government would be plished by such a remedy and the suitany inferest, and a cheerful concession ors who have honest claims would not some times averts abrupt and heedless be denied justice through delay. action, often the outgrowth of impa-

> tience and delayed justice. Due re-THE WAR DEPARTMENT. gard should be also accorded in any proposed raadjustment to the interests of American labor so far as they are in-The report of the Secretary of war gives a detailed account of the adminvolved. We congratulate ourselves stration of his department, and conthat there is among us no laboring tains sundry recommenations for the class fixed within unyielding bounds, and doomed under all conditions to the improvement of the service, which I fully approve. The army consists at the date of the last consolidated return inexorable fate of daily toil. We recognize in labor a chief factor in the of 2,103 officers and 24,946 enlisted men. wealth of the republic, and The expenses of the department for we treat those who have it the last fiscal year werg \$36,990,903.28, the last fiscal year were \$36,990,903.28, in their keeping as citizens entitled to including \$6,294,305.43 for public works the most careful regard and thought-ful attention. This regard and atten-tion should be awarded them not only because labor is the capital of our working man justly entitled to its and river and harbor improvements. I especially direct the attention of Congress to the recommendation that officers be required to submit to an examination as a preliminary to their promotion. I see no objection but many advantages in adopting this share of government favor, but for the further and not less important reason, feature, which has operated so benethat the laboring man surrounded by ficially in our navy department, as well his family in his humble home, as a consumer, is vitally interested in all as in some branches of the army.

> > COAST DEFENSE.

accom-

that cheapens the cost of living and enables him to bring within his domestic circle additional comfort and ad-The subject of coast defenses and vantages. This relation of the working fortifications have been fully and careman to the revenue laws of the country fully treated by the board on fortificaand the manner in which it palpably influences the question of wages should not be forgotten in the justifitions whose report was submitted at the last session of Congress: but no construction work of the kind recomable prominence given to a proper mended by the board has been possimaintenance of the supply and protecble during the last year from the lack tion of well-paid labor, and these conof appropriations for such purpose. The defenceless condition of our seasiderations suggest such an arrangement of government revenues as shall reduce the expense of living, while it does not curtail the opportunity for work, nor reduce the compensation of American labor and injuriously affect its condition and the dignified place it helds in the activities of our people coast and lake frontier is perfectly pal-pable; the examinations made must convince us all that certain of our cities named in the report of the board should be fortified and that work on the most important holds in the estimation of our people. of these fortifications should be

commenced at once. The work has been thoroughly considered, and laid out, the Secretary of War reports, but all is delayed in default of congres-sional action. The absolute necessity, and agriculturalists, those who from the are perhaps more directly and palpably concerned than any other of our citi-zens in a just and careful system of federal taxation. Those actually ensoll produce the things consumed by all struction, which may threaten the gaged in and, more directly connected with this kind of work number nearly one-half of out population. None la-bor harder or more continuously than they; no enactments limit their hours ment of this question by the Secretary ef toil, and no interposition of the government enhances to any great exof War is earnestly commended to th

HOSTILES.

tent the value of their products; and yet for many of the accessaries and comforts of life, with the most comforts of life, with the most scrupulous conomy, enables them to bring into their homes and for their implements of husbandry, they are obliged to pay husbandry, they are obliged to pay natural profit, which, by the action of the government, is given to the more terrors to the settlers of Arizona, sur-rendered to General Miles, the mili-tary commander who succeeded Genfavored manufacturer. I recommend that, keeping in view all these con-siderations, the increasing and unneceral Crook in the management and diessary surplus of National income anrection of their pursuit. Under the nually accumulating be released to the people by an amendment to our reveterms of their surrender then reported, and in view of the understanding which nue laws, which shall cheapen the price of the necessities of life and give freer entrance to such imported materials as by American labor may be this murderous savage seemed to en-

DEPARTMENT OF JUSTICE.

consideration of Congress.

the report submitted by this officer to the last session of Congress, he ter of very great importance and should at once receive congressional action. United States prisoners are now con-

an way well a set and sended to set and the set of the

