

selected for the purpose, who entered with zeal upon the discharge of their duties, prepared with an intelligent appreciation of the requirements of the service the regulations contemplated, and took charge of the examinations, and who in this capacity as a board, have been known as the Civil Service Commission. Congress for two years appropriated the money needed for their compensation and for the expenses of carrying on the work of the commission. It appears from the report of the commission submitted to the President in April, 1874, that examinations had been held in various sections of the country, and that an appropriation of about \$25,000 would be required to meet the annual expenses, including salaries involved in discharging the duties of the commission. The report was transmitted to Congress by a special message of April 18th, 1874, with the following favorable comment upon the labors of the commission: "If sustained by Congress I have no doubt the rules can, after the experience gained, be so improved and enforced as to still more materially benefit the public service and relieve the Executive, members of Congress, and the heads of departments from influences prejudicial to good administration. The rules they have hitherto been enforced have resulted beneficially, as is shown by the opinions of the members of the cabinet and their subordinates in the departments, and in that opinion I concur," and in the annual message of December of the same year, similar views are expressed, and appropriations for continuing the work of the commission again advised. The appropriation was not made, and as a consequence the active work of the commission was suspended, leaving the commission itself still in existence, without the means, therefore, of causing qualifications to be tested in a systematic manner or of securing for the public service the advantages of competition upon any extensive plan. I recommend, in my annual message of December, 1877, the making of an appropriation for the resumption of the work of the commission. In the meantime, however, competitive examinations, under many embarrassments, have been conducted within limited spheres, in the executive departments in Washington and in a number of the custom houses and post offices of the principal cities of the country, with a view to further test their effects, and in every instance they have been found to be as salutary as they are stated to have been under the administration of my predecessor. I think the economy, purity and efficiency of the public service could be greatly promoted by their systematic introduction wherever practicable, throughout the entire civil service of the government, together with ample provision for their general supervision, in order to secure consistency and uniformity. Reports from the Secretary of the Interior, from the Postmaster General, from the postmaster of the city of New York, where such examinations have been some time in trial, and also from the collector of the port, the naval officer, and the surveyor in that city, and from the postmasters and collectors in several of the other large cities, show that the competitive system, when applied, has in various ways contributed to improve the public service. The reports show that the results have been salutary in a marked degree, and that the general application of similar rules cannot fail to be of decided benefit to the service. The reports of the permanent officers of the city of New York especially bear decided testimony to the utility of open competitive examinations in their respective offices, showing that these examinations and the excellent qualifications of those admitted to the service through them, have had a marked incidental effect upon the persons previously in the service, and particularly upon those aspiring to promotion. There has been on the part of these latter an increased interest in the work and a desire to extend acquaintance with it beyond a particular desk, and thus the morale of the entire force has been raised. The examinations have been attended by many citizens, who have had an opportunity to thoroughly investigate the scope and character of the tests and the method of determining the results, and those who have, without exception, approved the mode employed and several of them have publicly at-

tested their favorable opinion upon such consideration. I deem it my duty to renew the recommendation contained in my annual message of December, 1877, requesting Congress to make the necessary appropriation for the resumption of the work of the civil service commission. Economy will be promoted by authorizing a moderate compensation to persons in the public service who may perform extra labor upon or under the commission, as the Executive may direct. I am convinced that if a just and definite test of merit is enforced for admission to the public service and in making promotions, such abuses as removing without good cause, and partisan and official interference with the proper exercise of the appointing power, will, in a large measure, disappear. There are other administrative abuses to which the attention of Congress should be asked in this connection. Mere partisan appointment and the constant peril of removal without cause very naturally lead to an absorbing mischievous political activity on the part of those thus appointed, which not only interferes with the due discharge of official duty, but is incompatible with the freedom of elections. Not without warrant in the view of my predecessors in the Presidential office, directly in accordance with the law of 1871 already cited, I endeavored by a regulation made on the 22nd of June, 1877, to put some reasonable limits to such abuses. It may not be easy, and may never, perhaps, be necessary, to define with precision the proper limit of political action on the part of federal officers. But while their right to hold and freely express their opinions cannot be questioned, it is very plain that they should neither be allowed to devote to other subjects the time needed for the proper discharge of their official duties, nor to use the authority of their office to enforce their own opinions, and to coerce the political action of those who hold different opinions. Reasons of justice and public policy, quite analogous to those which forbid the use of official power for the oppression of the private citizen, impose upon the government the duty of protecting its officers and agents from arbitrary exactions. In whatever aspect considered, the practice of making levies for party purposes upon the salaries of officers is highly demoralizing to the public service and discreditable to the country. Though an officer should be as free as any other citizen to give his own money in aid of his own opinions or his party, he should also be as free as any other citizen to refuse to make such gifts. If such salaries are but a fair compensation for the time and labor of the officers, it is gross injustice to levy a tax upon them. If they are made excessive in order that they may bear the tax, the excess is an indirect robbery of the public funds. I recommend, therefore, such a revision and extension of the present statutes as shall secure to those in every grade of official life or public employment the protection with which a great and enlightened nation should guard those who are faithful in its service.

FOREIGN RELATIONS.

Our relations with foreign countries have continued peaceful. With Great Britain there are still unsettled questions growing out of the local laws of the maritime provinces and the action of provincial authorities deemed to be in derogation of rights secured by the treaty to American fishermen. The United States minister in London has been instructed to present a demand for \$105,305.02, in view of the damages received by American citizens at Fortune Bay on the 6th day of January, 1878. The subject has been taken into consideration by the British government and an early reply is anticipated. Upon the completion of the necessary preliminary examination, the subject of our participation in the provincial fisheries, as regulated by treaty, will at once be brought to the attention of the British government, with a view to an early and permanent settlement of the whole question, which was only temporarily adjusted by the treaty of Washington. Efforts have been made to obtain the removal of restrictions found injurious to the exportation of cattle to the United Kingdom. Some correspondence has also occurred with regard to the rescue and saving of life and prop-

erty upon the lakes, which has resulted in important modifications of the previous regulations of the Dominion government on the subject, in the interest of humanity and commerce.

AUSTRALIA EXHIBITION.

In accordance with the joint resolution of the last session of Congress, commissioners were appointed to represent the United States at the two international exhibitions in Australia, one of which is now in progress at Sydney and the other to be held next year at Melbourne. A desire has been expressed by our merchants and manufacturers interested in the import and growing trade with Australia that an increased provision should be made by Congress for the representation of our industries at the Melbourne Exhibition of next year and the subject is respectfully submitted to your favorable consideration.

THE NEW CABLE.

The assent of the government has been given to the landing on the coast of Massachusetts of a new and independent trans-Atlantic cable between France, by way of the French Island of St. Pierre, and this country, subject to any further legislation of Congress on the subject. The conditions imposed before allowing this connection with our shores to be established, are such as to secure its competition with any existing or future lines of marine cable, and preclude amalgamation therewith, to provide for entire equality of rights to our government and people with those of France in the use of the cable, and prevent any exclusive possession of the privilege as accorded by France to the disadvantage of any future cable communication between France and the United States which may be projected and accomplished by our citizens. An important reduction of present rates of communication with Europe, felt too burdensome to the interests of our commerce, must necessarily flow from the establishment of this competing line. The attention of Congress was drawn to the propriety of some general regulation by Congress of the whole subject of trans-marine cables by my predecessor in his message of December 7th, 1875, and I respectfully submit to your consideration the importance of congressional action in this matter.

RELATIONS WITH SPAIN.

Questions of grave importance with Spain growing out of the incidents of the Cuban insurrection, have been for the most part happily and honorably settled. It may be reasonably anticipated that the commission now sitting in Washington for the decision of private cases in this connection will soon be able to bring its labors to a conclusion. The long standing question of East Florida claims has lately been renewed as a subject of correspondence and may possibly require congressional action for its final disposition.

WITH THE NETHERLANDS.

A treaty with the Netherlands with respect to consular rights and privileges similar to those with other powers has been signed and ratified and the ratifications were exchanged on the 31st of July last. Negotiations for extradition treaties with the Netherlands and with Denmark are now in progress.

WITH SWITZERLAND.

Some questions with Switzerland in regard to pauper and convict emigrants have arisen, but it is not doubted that they will be arranged upon a just and satisfactory basis. A question has also occurred with respect to an asserted claim by Swiss municipal authorities to exercise tutelage over the persons and property of Swiss citizens naturalized in this country. It is possible this may require adjustment by treaty.

WITH GERMANY.

With the German Empire frequent questions arise in connection with the subject of naturalization and expatriation, but the Imperial government has constantly manifested a desire to strictly maintain and comply with all treaty stipulations in regard to them.

WITH GREECE.

In consequence of the omission of Congress to provide for a diplomatic representative, the legation to Greece has been withdrawn. There is now no channel of diplomatic communication between the two

countries, and the expediency of providing for one in some form is submitted to Congress.

OTHER NATIONS.

Relations with Austria, Russia, Italy, Portugal, Turkey and Belgium continue amicable and marked by no incident of especial importance.

THE OBELISK.

A change of the personal head of the government of Egypt has taken place. No change, however, has occurred in the relations between Egypt and the United States. The action of the Egyptian government in presenting to the city of New York one of the ancient obelisks which possess such historical interest, is highly appreciated as a generous mark of international regard. If prosperity should attend the enterprise of its transportation across the Atlantic, its erection in a conspicuous position in the chief commercial city of the nation will be soon accomplished.

CHINA AND JAPAN.

The treaty recently made between Japan and the United States in regard to the revision of former treaties, it is now believed will be followed by similar action on the part of other treaty powers. The attention of Congress is again invited to the subject of the indemnity fund, received some years since from Japan and China, which with their accumulated interest now amount to considerable sums. If any part of these funds is justly due to American citizens, they should receive it promptly, and whatever may have been received by the Government in excess of strictly just demands, should in some form be returned to the nations to whom it equitably belongs. The government of China has signified its willingness to consider the question of the emigration of its subjects to the United States with a dispassionate fairness, and to co-operate in such measures as may tend to prevent injurious consequences to the United States. The negotiations are still proceeding and will be pressed with diligence. A question having arisen between Japan and China about the Loo-Choo Islands, the United States Government has taken measures to inform these powers of its readiness to extend its good offices for the maintenance of peace, if they should mutually deem it desirable and find it practicable to avail themselves of the proffer.

STOPPING THE BORDER RAIDS.

It is a gratification to be able to announce that through the judicious and energetic action of the military commanders of the two nations on each side of the Rio Grande, under the instructions of their respective governments, raids and depredations have greatly decreased and in the localities where there were formerly disturbances, they have now almost wholly ceased. In view of this result, I entertain a confident expectation of the continuance of the prevalence of quiet on the boundary of the two countries. The third installment of the award against Mexico under the claims commission of July 4, 1868, was duly paid and has been put in course of distribution in pursuance of the Act of Congress providing for the same. This satisfactory situation between the two countries leads me to anticipate an expansion of our trade with Mexico, and an increased contribution of capital and industry by our people to the development of the great resources of that country. I earnestly commend to the wisdom of Congress the provision of suitable legislation looking to this result.

THE INTER-OCEANIC CANAL.

Diplomatic intercourse with Colombia is again fully restored by the arrival of a minister from that country to the United States. This is especially fortunate in view of the fact that the question of an inter-oceanic canal has recently assumed a new and important aspect and is now under discussion with the Central American countries through whose territory the canal by the Nicaragua route would have to pass. It is trusted that enlightened statesmanship on their part will see that the early prosecution of such a work will largely inure to the benefit not only of their own citizens and those of the United States, but of the commerce of the civilized world. It is not doubted that should the work be undertaken under the protective auspices of

the United States and upon satisfactory concessions for the right of way and its security by the Central American governments, the capital for its completion would readily be furnished from this country and Europe, which might, failing such guarantees, prove inaccessible.

SOUTH AMERICAN COUNTRIES.

Diplomatic relations with Chili have also been strengthened by the reception of a minister from that country. The war between Peru, Bolivia and Chili still continues. The United States have not deemed it proper to interpose in the matter further than to convey to all the governments concerned the assurance that the friendly offices of the government of the United States for the restoration of peace upon an honorable basis, will be extended in case the belligerents shall exhibit a readiness to accept them.

Cordial relations continue with Brazil and the Argentine Republic, and trade with those countries is improving. A provision for regular and more frequent mail communication in our own ships between the ports of this country and the nations of South America seems to me to deserve the attention of Congress as an essential precursor of an enlargement of our commerce with them, and an extension of our carrying trade.

A recent revolution in Venezuela has been followed by the establishment of a provisional government. This government has not yet been formally recognized, and it is deemed desirable to await the proposed action of the people, which is expected to give it the sanction of constitutional forms.

SAMOA.

A naval vessel has been sent to the Samoan Islands to make a survey and take possession of the privileges ceded to the United States by Samoa in the harbor of Pago Pago. A coaling station is to be established there which will be convenient and useful to the United States vessels.

ROUMANIA AND SERBIA.

The subject of opening diplomatic relations with Roumania and Serbia, now become independent sovereignties, is at present under consideration, and the subject of diplomatic correspondence.

There is a gratifying

INCREASE OF TRADE.

With nearly all the European and American countries, and it is believed with judicious action in regard to its development it can and will be still more enhanced, and that American products and manufactures will find new and expanding markets. The reports of diplomatic and consular officers upon this subject, under the system now adopted, have resulted in obtaining much valuable information, which has been and will continue to be laid before Congress and the public from time to time.

THE CONDITION OF ALASKA.

The third article of the treaty with Russia of March 30, 1867, by which Alaska was ceded to the United States, provides that the inhabitants of the ceded territory, with the exception of the uncivilized native tribes, shall be admitted to the enjoyment of all the rights of citizens of the United States, and shall be maintained and protected in the free enjoyment of their liberty, property and religion. The uncivilized tribes are subject to such laws and regulations as the United States may from time to time adopt in regard to the aboriginal tribes of that country. Both the obligations of this treaty and the necessities of the people, require that some organized form of government over the Territory of Alaska be adopted. There appears to be no law for the arrest of persons charged with common law offenses, such as assault, robbery and murder, and no magistrate authorized to issue or execute process in such cases. Serious difficulties have already arisen from offenses of this character, not only among the original inhabitants, but among citizens of the United States and other countries who have engaged in mining, fishing and other business operations within the Territory. A bill authorizing the appointment of justices of the peace and constables, and the arrest and detention of persons charged with criminal offenses, and providing for an appeal to the United States Courts for the District of Oregon, Continued on Page 700.