

PRESIDENT'S MESSAGE.

The Discontinuance of the Coinage of Silver Dollars Most Earnestly Recommended.

The Banks Compelled to Deposit an Excessive Amount of Security, Thinks the President.

Methods for Extending the Foreign Trade Suggested—Condition of the War Department.

Restoration of the Navy Urged—The Civil Service Law—A Graceful Valedictory.

THE PRESIDENT'S MESSAGE. THE LATE ELECTION.

To the Congress of the United States: Since the close of your last session the American people, in the exercise of their highest right of suffrage, have chosen their chief magistrate for the four years ensuing.

FOREIGN RELATIONS. ENTIRELY AMICABLE.

Our relations with all foreign powers continue to be amicable. With Belgium a convention has been signed whereby the scope of present treaties has been so enlarged as to secure to citizens of either country within the jurisdiction of the other equal rights and privileges in the acquisition and alienation of property.

THE CONGO

That of a friendly government, avoiding, as so doing, any prejudice of the conflict in territorial claims in that region. Subsequently, in execution of the expressed wish of the congress, I appointed a commercial agent for the Congo basin.

privileges can probably be secured in China and Persia. The owning of such premises would not only effect a large saving of the present rentals, but would permit of the due assertion of the extra territorial rights in these countries, and would the better serve to maintain the dignity of the United States.

continues to be a most friendly character. The government of Hawaii has indicated its willingness to continue for seven years the provisions of the existing reciprocity treaty.

THE ISLAND OF CUBA hostile to the Spanish crown having been fermented by persons abusing the sacred right of hospitality which our territory affords. The officers of the government have been instructed to exercise vigilance to prevent infractions of our neutrality laws at Key West and other ports near the Cuban coast.

also needs revision. Those sections relating to persons residing within the limits of the United States in 1795 and 1798 have now only a historical interest. Section 2172, recognizing the citizenship of the children of naturalized parents, is ambiguous in its terms and partly obsolete.

ourselves scarcely less intimate than the commercial movement between our domestic ports, and to insure the removal of the burdens on shipping in the Spanish, India, of which in the past our shippers and shipmasters have so often had cause to complain.

Central and South America. The Central and South American commission, appointed by authority of the act of July, 1884, will soon proceed to Mexico. It has been furnished with instructions which will be laid before you.

NATURALIZATION LAWS also needs revision. Those sections relating to persons residing within the limits of the United States in 1795 and 1798 have now only a historical interest.

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FINANCIAL.

THE SECRETARY'S REPORT. The condition of our finances and the operations of the various branches of the public service which are connected with the treasury department are very fully discussed in the report of the secretary.

Total ordinary revenues... \$348,519,809 92 The public expenditures during the same period were: For civil expenses... \$22,312,907 71 For foreign intercourse... 1,260,766 37

Total ordinary expenditures... \$290,916,483 83 Leaving a surplus of \$57,603,326 09. As compared with the preceding fiscal year there was a net decrease of over \$21,000,000 in the amount of expenditures.

SILVER DOLLARS. I concur with the secretary of the treasury in recommending the immediate suspension of coinage of silver dollars and of the issuance of silver certificates.

TAXATION. In my annual message of 1882 I recommended the abolition of all excise taxes except those relating to distilled spirits.

THE NEW CRUISERS. The report of the secretary of the navy exhibits the progress which has been made on the new steel cruisers authorized by the acts

gushing. The secretary of the treasury advises that the duty of investigating this subject be entrusted in the first instance to a competent commission. While fully recognizing the considerations that may be urged against this course, I am nevertheless of the opinion that, on the whole, no other would be likely to effect speedier or better results.

THE WAR DEPARTMENT.

DECREASED EXPENSES. In the expenses of the war department the secretary reports a decrease of more than \$9,000,000, of which a reduction of \$5,600,000 was effected in expenditures for rivers and harbors and \$2,700,000 in expenditures for the quartermaster's department.

SEA-COAST DEFENSES. The secretary of war submits the report of the chief of engineers as to the practicability of protecting our important cities on the seaboard, by fortifications and other defenses able to repel modern military attack.