

REPORT
OF
THE SECRETARY OF THE NAVY.

NAVY DEPARTMENT, *December 1, 1849.*

SIR: I have the honor to present to you the annual report of the condition and operations of this department of the public service.

The home squadron, under the command of Commodore Parker, consists of the flag-ship frigate *Raritan*, Captain Page, the sloop of war *Albany*, Commander Randolph, the sloop of war *Germantown*, Commander Lowndes, the steamer *Vixen*, Lieutenant Commanding Ward, the steamer *Water Witch*, Lieutenant Commanding Totten, and the schooner *Flirt*, Lieutenant Commanding Farrand. The steamer *Allegany*, commanded by Lieutenant Hunter, was temporarily attached to this squadron, but has been recently withdrawn, and placed in ordinary at the Washington navy-yard. The sloop of war *Saratoga*, Commander Nicholson, has also been withdrawn, and placed in ordinary at Norfolk.

The vessels of the home squadron have been actively employed among the West India islands, in the gulf of Mexico, and along the Atlantic coast.

The squadron in the Pacific ocean, under the command of Commodore Jones, consists of the flag-ship *Ohio*, Commander Stribling, the frigate *Savannah*, Captain Voorhees, the sloop of war *St. Mary's*, Commander Johnston, the sloop of war *Warren*, Commander Long, the sloop of war *Preble*, Commander Glynn, the sloop of war *Falmouth*, Commander Petigru, the sloop of war *Vandalia*, Commander Gardner, the sloop of war *Vincennes*, Commander Hudson, the store-ship *Fredonia*, Lieutenant Commanding Neville, the store-ship *Southampton*, Lieutenant Commanding Handy, and the steamer *Massachusetts*. The razeed *Independence*, bearing the broad pendant of Commodore Shubrick, returned from the Pacific ocean on the 26th of July last, after distinguished and important service in the war with Mexico. The vessel was taken out of commission. The sloop of war *Dale*, Commander Rudd, also returned from the Pacific. She reached New York on the 23d of August, and was placed in ordinary. Orders have been given for the return of the *Ohio*, the *Preble*, and the store-ship *Southampton*, in consequence of the expiration of the periods of enlistment of their crews. On the 12th of January, 1849, Commodore Jones was ordered to exchange the *Ohio* for the *Savannah*, as his flag-ship; the *Ohio* was ordered to proceed, under the command of Captain Voorhees, to China, to relieve Commodore Geisinger in the command of the East India squadron, and Commodore Geisinger was ordered to return to the United States in the *Ohio*, by the way of Bengal. The terms of service of a large number of her crew having expired, it was deemed expedient to revoke that order; and instructions were accordingly sent to Commodore Jones on the 23d of June, to direct the immediate re-

turn of the Ohio by the way of Cape Horn. She sailed from the coast of California on the 15th of September, on her passage home. Captain Voorhees has proceeded to China in the sloop of war *St. Mary's*, for the purpose of relieving Commodore Geisinger, who will return to the United States in that vessel; but in the event of his having left the station, under a permission granted by the department on the 16th of February, the *St. Mary's* will be retained, and constitute a part of the squadron under Commodore Voorhees. The *Falmouth* sailed from the United States on the 16th of May, the *Vandalia* on the 5th of September, and the *Vincennes* on the 13th of November, with orders to join the command of Commodore Jones in the Pacific. The store-ship *Supply*, Lieutenant Commanding Kennedy, is under orders, and will shortly sail with supplies and stores for the squadron in the Pacific. Commodore Jones reports that the crews of the vessels under his command have been greatly reduced by desertions, and by the expiration of terms of service of the men. He states, also, that there exists an unwillingness to re-enlist for the navy. The temptations held out by the prospect of obtaining gold, and the great demand for seamen, render it impossible to enlist men on the coast of California for the navy pay of from ten to twelve dollars per month, while the merchant service is paying from eighty-five to one hundred and fifty dollars in the same ports. The evils resulting to the naval service from these causes are severely felt. Great efforts have been made to remedy them, and every exertion that authority and discipline could enforce has been made, with but partial success.

The squadron in the Mediterranean sea, under the command of Commodore Morgan, consists of the flag-ship *raze* Independence, Commander Blake, the frigate *Cumberland*, Captain Latimer, the frigate *Constitution*, Captain Conover, the steamer *Mississippi*, Captain Long, the sloop of war *Jamestown*, Commander Mercer, and the store-ship *Erie*, Lieutenant Commanding Porter. The frigate *St. Lawrence*, Captain Paulding, has also joined this squadron.

The force now employed in the Mediterranean is believed to be larger and more efficient than at any previous period in our history, with the exception, perhaps, of the years 1804 and 1805, during the Tripolitan war.

The steamers *Princeton*, Commander Engle, and *Allegany*, Lieutenant Commanding Hunter, were ordered home from the Mediterranean, in consequence of the reports of the necessity for extensive repairs. The *Princeton* has, since her return, undergone a strict and careful survey by a board of competent and skilful officers. Their report condemned her as unworthy of repairs; she was, therefore, broken up, and such portions of her as were unserviceable for naval purposes were ordered to be sold. The schooner *Taney* also returned from the Mediterranean. This vessel belongs to the Treasury Department, and on her arrival was turned over to that department. There being, however, no vessel of the navy at my command, calculated for the service contemplated by the second section of the act making appropriations for the naval service, approved March 3, 1849, viz: for testing new routes, and perfecting the discoveries made by Lieutenant Maury, in the course of his investigations of the winds and currents of the ocean, the *Taney* was again received and assigned to that service. Lieutenant Walsh, an officer well qualified for the duty, was intrusted with the command; detailed instructions were prepared for him, and he proceeded in their execution on the 26th of October. The death of Commo-

dore Bolton, which occurred at Genoa on the 22d of February, rendered it necessary to order a senior captain to the command of the Mediterranean squadron. Commodore Morgan was selected; he sailed from the United States in the steamer Mississippi, on the 7th of June. Important considerations made it necessary, in the judgment of the department, to increase the force in the Mediterranean. By active exertions, two vessels, in addition to the Mississippi, (the razez Independence and the frigate Cumberland,) were despatched; the former sailed on the 26th of July, and the latter on the 10th of August. The store-ship Erie, Lieutenant Commanding McBlair, returned from the Mediterranean on the 11th of July; and on the 5th of September she was again despatched, under the command of Lieutenant Porter, with supplies for the squadron. By the death of Commodore Bolton, the late Captain Gwinn was left the senior officer in this squadron. His reports show that the vessels of his command were actively employed under circumstances requiring the exercise of prudence and discretion, to prevent embarrassments with belligerent powers. I am happy to say that our commerce has been fully protected, and friendly intercourse has not been interrupted. Information has reached the department of the death of Captain Gwinn, which occurred at Palermo on the 4th of September, 1849. The reports from Commodore Morgan, since he took command of the squadron, are highly satisfactory. The duty assigned him has been promptly performed, and the condition of his command reflects credit upon the service.

The squadron on the coast of Brazil, under the command of Commodore Storer, consists of the flag-ship frigate Brandywine, Captain Boardman, and the sloop of war St. Louis, Commander Cocks. The brig Perry, under the command of Lieutenant Tilton, returned from this station on the 10th of July, and was put under repairs for further service. The store-ship Supply, commanded by Lieutenant Sinclair, returned from Brazil on the 4th of September. The store-ship Lexington, Lieutenant Commanding Mitchell, will sail in a few days with supplies for the squadron. It was the purpose of the department to increase the force on this station, and with this view the sloop of war John Adams, under the command of Commander Powell, sailed from the United States in June, with orders to report to Commodore Storer as a part of his command; but it became necessary to relieve the sloop of war Decatur, on the coast of Africa, and on the 29th of July orders were issued to transfer the John Adams from the Brazil to the African station. The Decatur was ordered home on a report of the surgeon of the fleet relative to the health of the crew, and because the terms of service of a large number of the men had expired. The vessels under the command of Commodore Storer have been usefully employed in the suppression of the slave trade, in protecting our commerce, and rendering efficient service to vessels of the United States.

The squadron on the coast of Africa, under the command of Commodore Gregory, consists of the flag-ship sloop of war Portsmouth, Commander Peck, the sloop of war Yorktown, Commander Marston, the sloop of war John Adams, Commander Powell, the brig Porpoise, Commander Gordon, the brig Bainbridge, Commander Slaughter, and brig Perry, Lieutenant Commanding Foot. The sloop of war Decatur, Commander Byrne, returned from the coast of Africa on the 15th of November. The brig Perry sailed from the United States on the 27th of November. The store-

ship *Relief*, commanded by Lieutenant Totten, sailed from New York on the 26th of October, with supplies for the squadrons on the coast of Africa and in the Mediterranean. The brig *Porpoise* will return to the United States on the arrival out of the *Perry*.

In the month of August last, the department was informed by Commodore Cooper that ill health prevented his longer remaining on the coast of Africa in command of the squadron, and asked to be relieved. Orders were accordingly issued detaching him, and the command was assigned to Captain Gregory. Before the departure of the latter officer, Commodore Cooper arrived at New York in the *Portsmouth*, (the flag-ship of the squadron,) in low health. The command was immediately transferred to Captain Gregory, and he was ordered to proceed forthwith to the coast of Africa. Events, however, transpiring at the seat of government, early in the month of September, rendered it proper to change for a time the destination of the *Portsmouth*, and orders were given on the 17th of September for Captain Gregory to proceed to the Mediterranean with despatches for Commodore Morgan, and after performing that service, to repair to the station assigned him on the coast of Africa. The *Portsmouth* sailed from New York on the 20th of September.

The reports received from Captain Paulding, of the frigate *St. Lawrence*, while in the North sea, are very satisfactory. His continuance there during the winter being considered unnecessary, orders were sent to him on the 13th of September to proceed with the frigate to winter in the Mediterranean, and to report to Commodore Morgan. Should it be deemed advisable to keep up a force in the North sea and the Baltic, vessels from the Mediterranean will be despatched in the spring on that service.

The squadron in the China seas, under the command of Commodore Geisinger, consists of the flag-ship sloop of war *Plymouth*, Commander Gedney, and the brig *Dolphin*, Lieutenant Commanding Ogden. The sloop of war *Preble* was temporarily attached to this squadron. She has returned to the Pacific, and orders have been sent to Commodore Jones for her return to the United States. It is gratifying to state, that the small force employed in the East Indies has been eminently useful to the commercial interests of our country, in extending information, cultivating friendly relations, and affording protection to American seamen in that quarter. In a recent despatch received from Commodore Geisinger, the important fact is stated that coal of an excellent quality is found at the island of Formosa, in a convenient position and in abundance for the wants of steam navigation between California and China.

I am happy to report that no interruption has occurred to the fair and legal commercial pursuits of our citizens abroad. Wherever our national vessels have been shown, they have been received with marked respect, and our officers have been treated with kindness and courtesy; they have on all occasions pursued a course of steady neutrality, in accordance with the policy of our government, and in compliance with the instructions of this department.

Under the 3d section of the act of the 3d of March, 1849, the Secretary of War transferred to the Navy Department the following steamers, viz: *The Massachusetts*, *Edith*, *Telegraph*, *Alabama*, *Fashion*, *Monmouth*, *New Orleans*, and *Major Tompkins*. At the time of the transfer, the *Massachusetts* and *Edith* were in the Pacific ocean on special service connected with the War Department; the others were at New

Orleans. All these steamers were purchased during the war with Mexico, for the transportation of troops and supplies for the army. With the exception of the Massachusetts and Edith, they were wholly unfit for general naval purposes—their retention was expensive, and they were rapidly deteriorating in value. Orders were given for their sale. The Alabama, New Orleans, and Major Tompkins, have been sold, and the proceeds paid into the treasury. The Fashion has been returned to the War Department for the transportation of troops and supplies to Florida. The Telegraph and Monmouth remain to be sold. The Edith was wrecked and totally lost on the 24th of August last, on the coast of California.

Under a provision of the act making appropriations for the naval service, approved March 3, 1849, viz: "That a competent officer of the navy, not below the grade of lieutenant, be charged with the duty of preparing the Nautical Almanac for publication," Lieutenant Davis has been selected to superintend the work. The preliminary arrangements have commenced, and I have no doubt, from the eminent qualifications of this officer, the work will progress with all the rapidity practicable, where so great accuracy and precision are required. The report as to the manner in which Lieutenant Davis proposes to execute the important duty intrusted to him, and the progress made, will be found herewith transmitted.

The practical experiments authorized by the same act, for testing the capacity and usefulness of the electro magnetic power as a mechanical agent for the purposes of navigation and locomotion, have, in accordance with the act, been intrusted to Professor Charles G. Page. The experiments are in progress; when they are completed, the result will be reported to Congress.

The act of August 3, 1848, directed the Secretary of the Navy to cause the observations to be made recommended by the American Philosophical Society and the Academy of Arts and Sciences. The necessary instruments have been procured, and are on their way to Santiago, in Chili, under the charge of two passed midshipmen. Lieutenant Gilliss, the officer selected to superintend the observations, left the United States in August last, to proceed, by the way of Chagres and Panama, to the point selected. No report has been received from him. He is instructed to advise the department from time to time of the progress made in the duty assigned him.

Under the act of Congress of the 3d of March, 1847, contracts were made with E. K. Collins and his associates for the transportation of the mail between New York and Liverpool; with A. G. Sloo for the transportation of the mail from New York to New Orleans, touching at Charleston, (if practicable,) Savannah, and Havana; and from Havana to Chagres; and with Arnold Harris for the transportation of the mail from Panama to Astoria, in Oregon, to connect with the mail from Havana to Chagres, across the isthmus.

The three sea steamers, under the contract for the Panama and Oregon line, were accepted before the close of the year 1848. It is believed they are actively employed in the service required by the law establishing the line. No provision is made, either by the law or under the contract, for the command of the steamers on this line by officers of the navy, nor for passed midshipmen to serve as watch officers. There have been no

reports made to this department of the services rendered by the steamers on this line.

The contractors for the Liverpool line engaged with the department to build five steamships, of not less than two thousand tons measurement, for the transportation of the mail between New York and Liverpool. The first of the steamships to be ready to perform the service in eighteen months from the date of the agreement, (November 1, 1847,) and three others as soon thereafter as each may be required to take its place in the line; that the fifth should be commenced and built as early as may be practicable thereafter. By the 7th section of the act approved March 3, 1849, the Secretary of the Navy was authorized so to modify the contract as to postpone the commencement of the mail service stipulated to be performed until the 1st day of June, 1850; which has accordingly been done. The officer superintending the construction of the vessels expresses the opinion that the Atlantic will be the first in readiness; that it is possible she may sail some time in the following month of January. The Pacific will be ready by the first of March; that two others will probably not be completed earlier than the first of August, 1850; and that a contract has been entered into by Mr. Collins for the frame of the fifth vessel. No information has yet been received of the probable period of her final completion. The department is informed that the contractors are making exertions to complete their vessels, to enter upon the service for which they are designed, by the time stipulated.

The contractor for the New Orleans and Chagres line bound himself to establish a line of steamships, to consist of at least five vessels, for the transportation of the United States mail from New York to New Orleans twice a month and back, touching at Charleston, (if practicable,) Savannah, and Havana, and from Havana to Chagres and back, twice a month; that two of the steamships should be completed and ready for service on the first day of October, 1848, and should be of the burden of not less than fifteen hundred tons; that, should the Secretary of the Navy determine to employ a steamer of not less than six hundred tons burden for the service between Havana and Chagres, in lieu of one of the five steamers of not less than fifteen hundred tons burden, then the contractor agreed to construct a steamship complete in all respects for performing the service and answering all the conditions required by the law. The contractor further bound himself to complete and have in readiness for service the two remaining steamships by the first day of October, 1849; that the line of steamships should be kept up by alterations, repairs, or additions, (of approved character,) fully equal to the exigencies of the service and the faithful accomplishment of the purposes intended by the law; that the vessels should be in full and entire operation on the first of October, 1849; that each and all of said steamships should be commanded by an officer of the navy of the United States not below the grade of lieutenant, to be selected by the contractor, with the approval and consent of the Secretary of the Navy; that the officers should be accommodated on board thereof in a manner becoming their rank and station, without charge to the government of the United States: and further agreed to receive on board each of said steamships, and accommodate in a manner suitable to their rank, without charge to the government, four passed midshipmen of the United States navy, to serve as watch-officers. In December last, before any of the vessels under this contract were completed, the contractors,

desirous to meet the wishes of the department, proposed to place on the route, temporarily, the ocean steamer Falcon, and she was accepted until the steamships to be constructed under the contract should be ready to take their places on the line; the department reserving the right to terminate the arrangement whenever it should think proper to do so. In view of the facts, that no vessel of this line has been completed, that the demands of our citizens require every facility for the transmission of the mails and for the transportation of passengers on this route which can be afforded, I have not thought proper to discontinue the service, and the Falcon has been and continues to be actively and usefully engaged between New Orleans and Chagres. When the steamships contracted for shall be accepted for service, or when, from any other cause, the department deems it proper to dispense with the services of the Falcon, notice will be given to the proprietors, in accordance with the agreement under which she is now employed. But one steamship built under this contract has been reported as ready for the service, either by the contractor or his assignees, and that has not been accepted. Commodore Perry, the superintending agent, reported, on the 17th September, that the Ohio was not then coppered, and consequently cannot be considered as finally completed according to contract. The Ohio has, since that date, been placed, by her owners, on the line between New York and New Orleans, and sailed on the 20th of September on her first trip, without being accepted by the department. The contractor, some days before the sailing of the Ohio, informed me that she would commence the mail service on the 20th of September, and asked that the watch-officers provided by law should be sent on board. The vessel not having been completed according to the contract, I did not accept her in fulfilment thereof, and declined to order the officers to the service as suggested. To prevent, however, any embarrassment or delay in the movements of the vessel, the officers were ordered to report to Commodore Perry, to be assigned to duty in the event of the completion of the Ohio according to the agreement, and with permission, if she were not so completed, to join the ship on such terms as might be agreed upon between themselves and the proprietors. The vessel not having been completed, Commodore Perry declined to order the passed midshipmen to duty on board of her; and, the terms which were proposed by the proprietors not being such as could be accepted by those officers, they did not join the ship. The vessel has gone on her third trip, and has not yet been completed; and I have no positive assurances that she will be finished on her return a third time to New York. The Georgia is progressing rapidly, and may be ready in January next. The construction of the other vessels for this line has not been commenced.

By a contract of assignment made on the 3d day of September, 1847, A. G. Sloo assigned his contract made with the United States to George Law, Marshall O. Roberts, and Bowes R. McIlvaine, upon certain trusts declared in a deed dated the 17th August, 1847, and the assignees and trustees have proceeded in the contract with the United States. Difficulties have arisen between these parties which have led to a law-suit now pending in the courts of New York. The department regards this litigation as well calculated to embarrass and postpone the final completion of the other vessels, if not to endanger the ultimate fulfilment of the contract with the government.

The law under which these vessels are constructed does not clearly

and distinctly define the powers and rights of the government over them. While the proprietors have been willing to receive on board the passed midshipmen, they have nevertheless claimed the right to prescribe their duties and to assign them their positions; and while the passed midshipmen are received as watch-officers, the executive duties of the ship and her navigation may be confided to others selected by the proprietors. I therefore urgently invite the attention of Congress to the law under which the contract was made, to the service in which the vessels are to be engaged, and to the condition of the contract itself, that, should it be deemed advisable to extend the terms, then it may regulate the whole subject by some distinct and unequivocal legislation.

After a careful consideration of this subject, I cannot withhold the expression of an opinion adverse to embarking any further in the proposed union of public and private means, in this system of ocean steamers, as calculated to promote the interest of the navy. Whatever may be the view which Congress may entertain as to the policy of transporting the United States mail and affording facilities for the transportation of passengers and freight in the manner proposed by such a system, I entertain a decided opinion that, if it should be regarded as the mode and manner which Congress has determined on for increasing the naval force of the United States, it will be found in the end entirely subversive of the object which it intends to promote. To the extent to which the present contracts have committed the faith of the government, and to the extent of the obligations under the contracts, they are, of course, strictly to be regarded and scrupulously to be performed. Yet, as a naval establishment, I deprecate any further extension of the system as fraught with incalculable mischief to the navy, and involving immense expenditures of public money. All must appreciate the great importance of rapid, regular, and safe transmission of our mails to all quarters of the world, and all are sensible of the great commercial advantages that must result therefrom. The contracts already made and the sums already appropriated, are fully adequate to a thorough test of the experiment. I believe, however, it is a subject that should, in the future, be left to the competition of private enterprise. I feel assured that in the struggle American enterprise and American industry will eventually be successful.

For a naval establishment, that which we are most in need of is an independent naval steam force of such extent and of such magnitude as the wisdom and liberality of Congress may think sufficient, and the necessities of the country may require.

Those governments from whose examples the present system was adopted have immense independent steam navies, in which a proper military education and discipline are secured to the officers and men, and upon which they mainly rely for their naval strength and power. Until we have provided a steam power for our navy adequate for our protection, I cannot but consider it as premature and unwise to regard the proposed system as answering the necessities and wants of the government for a naval establishment.

Congress has heretofore, in its liberality to the navy, and in view of the necessity of an independent force, expended vast sums of money in establishing navy yards, and in the construction of docks and machinery of all kinds, for the accommodation and equipment of vessels for its service: thus there is afforded every facility required for the maintenance of

the navy; and the large quantities of stores and materials which, under the former policy of the government, have been procured and are now at its command, afford the means of building and equipping vessels better adapted to the naval service, and on terms more economical than can be furnished from any other quarter. While the policy may have been wise to collect and prepare those materials in time of peace, so as to be at our command in periods of difficulty and emergency, the great change that has occurred in the condition of our country no longer renders it necessary to the same extent. Most of the materials required in the construction and outfit of a fleet, to any extent whatsoever, are to be found everywhere throughout the country, and no emergency can arise when a deficiency need be apprehended. To retain those on hand is unnecessary; they are constantly deteriorating, and the constant improvements in the construction and equipment of vessels render it unwise to continue the present system of accumulation. The interest of the government would be promoted by discontinuing contracts for most of the materials we now possess, and by converting those on hand, as they may from time to time be required, to the repairs and outfits of the vessels now in the service, and to the construction of such others as our necessities require. It would, therefore, seem proper and economical to avail ourselves of the advantages now at our command, and apply the materials now in store to such an extension of our naval force as is desired.

The sums appropriated by Congress, and included in the navy appropriations, for the transportation of the United States mail between New York and Liverpool, between New York and New Orleans, and Havana and Chagres, and between Panama and Astoria, are as follows, viz:

By act approved August 3, 1848	-	-	-	-	\$874,600
By act approved March 3, 1849	-	-	-	-	874,600
Total sum appropriated	-	-	-	-	1,749,200
Of which there has been drawn from the treasury the sum of	-	-	-	-	681,500
Leaving unexpended the sum of	-	-	-	-	1,067,700

The amount drawn from the treasury, viz: \$681,500, was to make the advances to the contractors authorized by the act approved August 3, 1848. No advance, however, has been made to either of the contractors for mail steamers by this department since the month of May last. Prior to the 4th of March, 1849, the amount of one year's service of the New York, New Orleans, and Chagres line had been advanced to the proprietors; since which no money has been drawn from the treasury on account of that line of steamers—the department not feeling itself at liberty, under the law and the circumstances, to make advances beyond the amount of one year's service. For the Liverpool line, advances have been made, amounting to \$142,500, in equal sums, on the steamers Atlantic and Pacific; which advances are secured by liens on the vessels.

A contract was made, under the authority granted by the act of Congress of April 14, 1842, with Robert L. Stevens, for the construction of a war steamer, shot and shell proof, to be built principally of iron, upon the plan of the said Stevens; and the sum of \$250,000 was appropriated towards carrying the law into effect. The contract bore date the 10th of February, 1843; the time for its completion expired two years after the

date of the contract. Nothing appears to have been done under this contract; no plan was furnished; the construction of the iron war steamer was not commenced. The contract was renewed on the 14th of November, 1844, and the time extended for completing the vessel, two years from that date. Some preparation was made under the second contract, and a portion of the materials was procured, but no plan was submitted by the contractor, and the Secretary of the Navy withheld all payments after December, 1845. Thus the matter rested until the 9th of September, 1848, when a third contract was made with Mr. Stevens, and four years from that date were given for the completion of the iron war steamer. No precise plan has yet been submitted by the contractor to the department, and no progress has been made in the construction of the vessel, beyond the purchase and delivery of certain quantities of iron. Under these circumstances, I declined to pay bills for iron, presented in July last, and further payments under this contract will not be made. The matter, however, is submitted to Congress for its decision. Of the sum appropriated for this object, there is now in the treasury an unexpended balance of \$183,521 22, which, it is believed, should have been carried to the surplus fund. A report in this case, prepared by the chief of the Bureau of Construction, &c., is herewith submitted.

The 13th section of the act of Congress of August 3, 1848, authorizes the Secretary of the Navy to cause persons in the naval service or marine corps who shall become insane while in the service to be placed in such lunatic hospitals as, in his opinion, will be most convenient and best calculated to promise a restoration to reason. I do not think it advisable to remove the insane of the navy or marine corps from the navy hospitals to private institutions. The skill and acquirements of the medical officers of the navy, and the comforts and advantages to be afforded by the navy hospital fund, are believed to be ample for all the beneficent purposes designed by Congress for those unfortunate persons. The number of insane persons at present in the navy hospitals is but twelve, and this number, it is believed, will not be greatly increased. The reports of the attending surgeons represent most of the cases as beyond the hope of amendment.

A joint resolution of the 9th of May, 1848, authorized the Secretary of the Navy, if, in his opinion, it was advantageous to the public interest, to make contracts, for a term not exceeding five years, for the purchase of American water-rotted hemp for the use of the United States navy, provided it could be had of equal quality with the best foreign hemp, and at a price not exceeding the average price of such hemp for the last five years. After the passage of this resolution, all purchases in open market were suspended, and no foreign hemp has been purchased since that period. No advertisement for supplies of hemp under the resolution was published until the 4th of March last. On that day, proposals were invited for the delivery of a quantity of about 500 tons annually for a term not exceeding five years. Under this advertisement, several offers were made; the form of the bidding, however, was decided to be erroneous and not according to the law. All the bids were rejected, and the department determined not to enter into contract thereon. Prior to the passage of the resolution, purchases of hemp had been made, and contracts were in existence at its date for the delivery of considerable quantities. There were in store at the navy-yard at Boston, on the 30th of September last, 762 tons of hemp, of which 600 tons were of foreign growth and preparation. At the

period of the passage of the resolution, an opinion was entertained that the heavy expenses to be incurred in preparing for the production of the finer qualities of water-rotted hemp deterred our farmers and hemp-growers from entering into contract for a single year's supply for the navy; and hopes were entertained that an extension of the terms of contracts to a longer period would induce the farmers and growers to enter into contract with the government, and that such extension of time would justify the necessary outlay to be incurred in the erection of the machinery and fixtures required for its thorough preparation. That such was the design of the resolution, and such the hopes of its friends and advocates, there can be no doubt. Experience, however, has not realized these expectations. The farmers and hemp-growers have evinced an unwillingness to enter into contracts; and numerous petitions and communications, remonstrating in the strongest terms against the proposed plan, have been forwarded to the department. But two bids were offered by the hemp-growers, and they were for small quantities not exceeding twenty-five tons per year. Bids were offered by others than those engaged in the growth and preparation of the article, proposing to supply the entire quantity annually required for the use of the navy for the term of five years. Under the authority vested in the department by the resolution, had there been no objection to the legality of the bids themselves, it would have declined entering into contract for the supply necessary for the next five years, as the result of such contract, if made, would have been to create an absolute monopoly, in the hands of a single individual or of an association, of the entire supply of water-rotted hemp for the navy, to the exclusion of the farmers and growers, for whose benefit the resolution was obviously intended. The department is convinced that the object contemplated by the resolution cannot be attained under the existing provisions. Such alterations and limitations should be made as will prevent a monopoly, and which will secure the supply of hemp for the navy to those actually engaged in its growth and preparation. The opinion is entertained that if the government will make known its willingness and determination to purchase American water-rotted hemp *alone*, if it can be procured at a price not exceeding the average price paid for the last five years for foreign hemp, quantities adequate to the wants of the navy, and of a quality greatly superior to the foreign hemp, would be prepared and offered by the farmers of the West at such points as would suit the convenience of the government. The encouragement designed by the resolution was intended to reach the agricultural interest, and, by a regular and constant demand for all that may be required for the navy, afford the opportunity for fair experiment in the preparation at home of an article essential to the protection and prosperity of the country.

The buildings in connexion with the rope-walk at Memphis will shortly be completed. A steam-engine and all other machinery required for the manufacture of cordage have been contracted for. The machinery is already completed; the steam-engine is in a state of forwardness. The rope-walk and machinery will be ready to commence operations for the manufacture of cordage by the end of the month of June, 1850.

The plan proposed will greatly promote the objects intended by Congress, as well as the interest and convenience of those engaged in the preparation of hemp. The extensive manufacture of cordage at Memphis will render it necessary that considerable quantities of hemp should be

delivered at that point. It can be reached with facility and cheapness by the farmers themselves, who will attend the inspection and delivery.

Under the direction of the Bureau of Ordnance and Hydrography, a series of experiments in gunnery have been in progress during the past summer, at the navy-yard in Washington. They have proved eminently successful in their results, and are of great importance to the service. A system has been prepared for regulating the inspection, proof, and preservation of ordnance and ordnance stores, and of instruction in all matters relating to gunnery and its practice afloat.

The observations, calculations, and experiments at the Observatory, the preparation of maps and charts, the rating and regulating of chronometers, have been zealously continued. The urgent demands which are constantly addressed to the superintendent for scientific information, for charts and sailing instructions, evince the increasing confidence everywhere felt by our commercial community in the skill, accuracy, and science with which the Observatory is conducted.

A joint commission of engineer and navy officers was organized in November, 1848, for the purpose of making an examination of the coast of the United States lying on the Pacific ocean, with reference to points of defence and occupation, to security and accommodation of trade and commerce, and for naval and military purposes. The board left the United States during the last winter, and arrived in California in April. The insufficiency and inadequacy of the means at the disposal of the board, and the unsettled state of the country, have entirely prevented the prosecution of the examination, and no report has been made on the various important subjects committed to its charge. I regret that it has not been in the power of this board to furnish accurate information as to the most eligible point for the location of a naval depôt and establishment. The condition of our public ships (as well as of our numerous merchant ships engaged in a rapidly extending and lucrative commerce in the Pacific ocean, its remoteness from the Atlantic cities, and the long and perilous voyage around Cape Horn) renders some adequate and proper means for their repair on the coast of California absolutely necessary. Whenever the condition of that country and the prices of labor will justify the undertaking, the establishing of a navy yard and the construction of a dock or marine railway for the refitting and repair of our vessels are earnestly recommended.

The accounts authorized to be settled under the act of March 3, 1849, and under the joint resolution of the same date, for the relief of pursers in the navy, have all been presented, and received the necessary action of this department, except those of pursers who have not yet returned to the United States.

In execution of the third section of the act of the 3d of August, 1848, for the construction of floating dry-docks, basins, and railways at the navy-yards at Kittery, Philadelphia, and Pensacola, contracts were entered into by the department with Messrs. Gilbert and Secor, and Messrs. Dakin and Moody. The contractors have commenced their operations, and have so far advanced with the works as to furnish evidence of their ability to complete their contracts within the specified periods. The time for the completion of the work at Kittery will expire before the termination of the next fiscal year. In order that the department may be enabled to meet its engagements under this contract, it will be necessary that the entire

amount estimated to complete the dock, &c., viz: \$300,000, should be appropriated.

The time for the completion of the dock at Philadelphia also terminates during the next fiscal year, and an appropriation of the sum of \$371,242 is asked for, to discharge our obligations to the contractors. The dock at Pensacola has been commenced, and considerable progress has been made in its construction. By the terms of the contract, the work is to be completed by the 1st of May, 1851. The amount which will be due upon its completion is \$414,320, and an appropriation for that amount is also asked.

The eighth section of the act of March 3, 1849, repeals "the law authorizing the appointment of prize agents," and provides that all money remaining in the hands of prize agents, and all proceeds of prizes hereafter accruing, shall be deposited in the treasury, to be distributed under the direction of the Secretary of the Navy. In conformity with this act, the individuals who were acting as prize agents were called upon to deposit in the treasury the prize money remaining in their hands. These directions have been generally complied with by officers of the navy acting as prize agents. In one or two cases, private citizens, who had been appointed prize agents, refused to make the required deposite, upon the ground that, as they held powers of attorney to receive shares of prize money, and had actually received the amounts due from the proper officer of the prize court, they were not legally accountable for the funds in their hands, except to their constituents, or to the courts in which the awards were made. The amounts which have been deposited are now in course of distribution by the Fourth Auditor of the Treasury, under the direction of this department.

There have been no acts of Congress authorizing the appointment or regulating the duties or compensation of prize agents. The act for the better government of the navy, approved April 23, 1800, provides for the apportionment of prize money, and recognises the office of prize agent. An act approved April 16, 1816, directs that the shares of prizes belonging to the captors shall be paid to the parties entitled, or to their authorized agent or agents, upon the order of the proper court in term, or of the judge or judges in vacation. A special act of Congress of March 3, 1823, directs that certain prize agents who should not account for prizemoneys which had been intrusted to them, should not "receive from the Treasury of the United States any salary or compensation" to which they may have been entitled. The right of appointing prize agents does not appear to have been considered as vested by any general law or usage in the Navy Department, but in the captors, subject to the recognition of the prize courts, and their compensation has been derived from a commission or per centage (not regulated by law) upon the amount to be distributed, which commission was deducted by them before payment of the shares. With regard to the prize agents appointed during the recent war with Mexico, it appears that the department expressly disclaimed any control over them, and it is not known that any bonds were required of them by the captors or prize courts for the faithful discharge of their duties. The consequence of the absence of well-understood legal provisions on this subject has been, that the department has experienced some difficulty in obtaining full and accurate information as to the disposition of the proceeds of prizes, and the returns which were required from the prize agents are still imperfect. Under the new law, however, no such difficulty need hereafter occur in as-

certaining and protecting the rights of seamen and of the government. The captures made at sea during the recent war were few in number, and of inconsiderable value, consisting chiefly of small coasting vessels.

A revision and republication of the various laws passed for the government of the navy, and of the general orders of this department, urgently demand attention. The laws have been passed at various times, and the general orders of the department, which constitute the larger portion of the rules and regulations for the government of the navy, have been promulgated at different periods, and exist in a detached and undigested form. A proper revision of them, and an accurate and concise digest, is much needed. Measures will be taken at the earliest moment to effect this object, by means of a board of intelligent and experienced officers.

Attention is most respectfully asked to our interest in the Pacific ocean, and to the increasing obligations the government is under to protect and cherish it. The principle has become a settled one in the American mind, that the government is bound to afford at all times its countenance and aid to every citizen, wherever he may be, in the prosecution of the lawful and honorable enterprise of commerce or of trade. To do less, is to fall short of the objects and the ends for which it was created. As within the limits of our jurisdiction at home the obligation is imperative to extend the protection of our laws, and the means necessary to enforce them, to every citizen; so, beyond that jurisdiction the obligation is equally strong to afford him that protection to which, by the laws of nations and the principles of justice, he is entitled abroad.

Within a short period, we have added an extent of seacoast to our possessions of more than nine hundred miles, embracing many good, and one of the best harbors in the world—possessing immense mineral wealth—attracting to its shores the inhabitants of all nations, and inviting to it the commerce and trade of every climate. Crowds of emigrants are daily arriving and becoming American citizens; large numbers of our own citizens, closely connected with us in every relation of life, have gone thither, and will doubtless shortly constitute an important portion of our republic. From their remoteness, and the difficulty of access, except by sea, their safety and prosperity depend mainly on the protection of our naval power. The trade of the Pacific is now the great commercial prize for which the world is contending. The competition is one in which our country is engaged against all others. The trade of China and the Pacific ocean, from the natural advantages which we possess, if properly fostered by the government, will be easily appropriated to ourselves in a fair and generous competition. Activity and energy will make it what it ought to be—an American commerce and an American trade. A steam navy is necessary to maintain our rights and to afford the protection to our commerce required in this competition. While a just regard to the rights of all—to the present condition and pecuniary resources of our country,—do not authorize unreasonable expenditures for the maintenance of the navy, our safety, honor, and interest wholly forbid a penurious restriction of the means necessary for its proper, uniform, and judicious increase.

By an act of Congress approved March 3, 1847, an appropriation was made for building and equipping four first-class sea-going steamships, which are now in progress of completion. I have given directions for their early preparation and outfit. The Saranac will shortly be ready

for sea; the San Jacinto will be ready for service in the spring; the other two will be completed during the ensuing summer. The amount heretofore appropriated, it is believed, will be adequate to complete them. They will add greatly to the force, to the efficiency, and to the usefulness of our navy; and I respectfully submit to Congress the propriety of further appropriations for such additions to our steam force as may be deemed proper.

As a measure of deep interest to the prosperity of the navy, I ask attention to its present organization. The numbers of officers in the higher grades are greater than are required either for the vessels now in commission, for the number of men authorized by Congress to be employed, or for any increase of force afloat which may reasonably be expected. The numbers in the respective grades are disproportioned to each other. Its present organization retards promotion. Age, infirmity, and want of employment, have disqualified many for the performance of active professional duties. These evils are felt and acknowledged by all who have a just regard for the prosperity and honor of the service. The difficulty lies in suggesting a remedy, which, while it will relieve the country from unnecessary burdens, and at the same time operate justly and liberally on those who have devoted large portions of their lives to the service, will afford regular and constant occupation to those who are retained, increase their energy and activity, and hold out to all the indispensable stimulus to honorable ambition—the prospect of promotion at a period of life when each is best qualified to discharge the duties required of him. Whatever may be the extent of our naval force, or the number of officers retained in the service, the largest proportion possible of the officers should be kept in active professional employment, to acquire and insure the requisite experience and professional skill which will render them efficient for command when an emergency may arise, and to make them really and truly the nucleus capable of any and every expansion which the future exigencies of the country may require.

As the only practicable means of accomplishing these results, I recommend to Congress a reduction of the numbers in the various grades of officers to that point which will secure a sufficient number in each for such a naval force as Congress may determine is necessary and proper, and that provision be made for a retired list for such officers as are disqualified for active service, on such terms, and with such pay, as may be thought liberal and just.

Should Congress deem it proper to adopt such a system, it is believed a plan can be prepared which will meet the approbation of a large proportion of the officers themselves, and which will greatly reduce the expenditure of our naval establishment.

I respectfully invite attention to the Naval School at Annapolis. During the last year, it has been under the superintendence of Commander Upshur, who has devoted himself with zeal to the discharge of his duties. Experience had disclosed many defects in its organization, and suggested many improvements, which might be readily effected without materially increasing the expenditure for the institution. In the month of October, a board of officers was directed to revise and amend the regulations, with a view to reorganize the school—conforming it, as nearly as the two branches of the service would permit, to the West Point academy. The board discharged the duty in a manner highly acceptable and satisfactory

to the department; and the hope is entertained, that, under the system thus provided, the future discipline, instruction, and management of the school will be promoted and advanced, and its beneficial influence on the efficiency and usefulness of the service greatly increased. In the education, discipline, and professional experience of a corps of officers, can we alone evince a just and proper appreciation of the maxim that we should "in time of peace prepare for war."

Under the authority given by the 9th section of the act of August 3, 1848, transfers have been made from certain heads of appropriation to those which were deficient, amounting to \$747,533 30, most of which must be restored to the heads from which the transfers were made; to effect which, a special account of the moneys transferred will be laid before Congress, and an appropriation will be asked for, to supply deficiencies in the appropriations for the naval service for the fiscal year ending June 30, 1850.

I have the honor to submit herewith the reports from the several bureaus of this department, together with the estimates for the naval service, and for other objects placed under the control of the department, for the fiscal year ending June 30, 1851:

The gross amount of which is	-	-	-	\$9,203,356 15
From which should be deducted the sums for special objects, viz:				
For transportation of the mail	-	-	\$874,600	
For dry-dock at New York	-	-	180,000	
For floating docks	-	-	1,085,562	
For improvement of navy-yards	-	-	845,966	
For Nautical Almanac	-	-	12,850	
Amounting to the sum of	-	-	-	2,998,978 00
And leaving, for one year's expense of the naval service, the sum of	-	-	-	6,204,378 15

The total amount drawn from the treasury during the fiscal year ending June 30, 1849, (as shown by the statement of appropriations for the naval service, prepared by the Second Comptroller of the Treasury,) is \$13,167,966 86; from which deduct repayments \$2,269,623 99, and the sum of \$10,898,342 87 is shown as the expense of the navy and marine corps, and including all objects placed under the control of the Navy Department, for that year.

The unexpended balance in the treasury of the appropriations for the naval service and marine corps on the 30th June, 1849, was \$2,039,798 13, all of which will be required to meet the outstanding obligations due from the appropriations made for that year.

The value of stores and materials on hand at navy-yards for naval purposes, exclusive of ships building, in ordinary, undergoing repairs, and in commission, navy-yards and other public lands required for purposes of the navy, with their improvements, is \$9,853,921 27.

The report of the commandant of the marine corps, together with the estimates for its support during the fiscal year 1850-51, is also submitted herewith. An increased appropriation is asked for, to meet the pay of

twelve officers of that corps who had been dropped at the termination of the war with Mexico, and who were reappointed by the President, under the authority of an act in their behalf passed at the last session of Congress, and to provide the estimated amount of \$30,000 to pay the three months' extra pay to the non-commissioned officers, privates, and musicians of the corps who served with the army in the war with Mexico. Two battalions of this corps, under the separate commands of Lieutenant Colonel Watson and Major Harris, were detached from the navy and transferred to the army, to serve with it, under the command of Major General Scott. This portion, thus detached, was clearly within the provisions of the joint resolution of Congress passed on the 10th of August, 1848. Another portion of the corps attached to and employed in those vessels of the United States despatched to the coast of Mexico, to aid in subduing the cities and forts of the enemy, and in conquering the country, presented their claims, and asserted their right to the bounty land and extra pay provided by that resolution. The payment of these demands having been refused, and doubts existing as to the true construction of the law, I thought proper to refer the question to the Attorney General. In answer to my inquiry, he has expressed the opinion that the entire portion of the corps, whether serving on land or on board ship, on the Mexican coast, in the war with Mexico, is to be considered within the true meaning of the resolution of the 10th of August, 1848, as having "served with the army in the war with Mexico," and entitled to the bounty land and other remuneration therein provided. No adequate provision has heretofore been made for the discharge of these claims, and an estimate has therefore been prepared.

I have the honor to be, very respectfully, your obedient servant,
WM. BALLARD PRESTON.

To the PRESIDENT.