REPORT

OF THE

SECRETARY OF THE NAVY,

NAVY DEPARTMENT, December 4, 1848.

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

During the past year, the St. Lawrence, a frigate of the first class, and the Vermont, ship-of-the-line, have been launched. The shores as well as the lower timber of the frigate were found, on inspection, to be so decayed by the long time she had been on the stocks, that her security would have required repairs at a large cost, and it was deemed economical to launch her. She has been put in commission and is a splendid addition to the navy. The old ship-house in the Boston yard, which covered the Vermont, stood so near the boundary line of the public grounds that the experienced officers in charge of the Bureau of Construction, and in command of the yard, concurred in the opinion officially communicated, that the ship and the valuable public property in the yard were exposed to danger of destruction by fire, from the contiguous private buildings. I was satisfied that if the ship-house had taken fire, the ship could not have been saved, the admirable stone dock near it, would have been destroyed, and public property to the value of several millions of dollars would probably have shared the same fate. I therefore directed that the ship should be launched and secured from injury, until the wants of the service would require her to be fitted for sea. This has been done and the ship-house has been taken down and the materials used for other purposes.

The construction of the four steamships of war, authorized by the act of Congress, of 3d March, 1847, is in a satisfactory state of progress. The Saranac, built at the navy yard at Kittery, has been launched; the Powhatan, at Norfolk; the Susquehanna, at Philadelphia, and the San Jacinto, at New York, may be launched and ready for sea in the course of the next year. In the models and construction of these war steamers, and in the manufacture of their engines and machinery, great care has been taken in the skillful execution of the work, and in careful inspection by competent officers, to make them worthy of the service, and I doubt not they will fully meet the expectations of the country. The appropriations by Congress for so important an addition to our naval force have been liberal, and the officers, mechanics, and contractors, have exerted themselves to prove that we can be as successful
in the construction of steam ships of war, as we have been in the sailing ships of the navy.

There are unfinished, on the stocks at the several navy yards, four ships, of the rate of 74 guns, and two frigates, of 44 guns. They are securely sheltered, and it has not been considered judicious or consistent with the interests of the service to launch them. They are so near completion that they can be readily launched and fitted for sea service on short notice, if public exigencies shall require. The vessels in commission during the past year, have been employed as follows:

In the Pacific, the ships of the line Ohio and Columbus; razee Independence; frigate Congress; sloops Portsmouth, Warren, Cyane, Dale, and Preble, with the storeships Erie, Lexington, and Southampton. The Columbus; Captain Wyman, bearing the broad pennant of Commodore Biddle, arrived in the United States on the 13th of March last, and was placed in ordinary. The frigate Congress, Captain La Vallette, having been in commission more than three years, has been ordered home, and may be expected to arrive in the coming spring. The Portsmouth, Commander Montgomery, arrived in the United States on the 5th of May last, and was soon again ready for sea. The Cyane, Commander Du Pont, arrived at Norfolk the 9th day of October last, and has been placed in ordinary. In the month of May last, the Preble, Commander Glynn, sailed from the west coast, with orders to take to China Commodore Geisinger, commander of the East India squadron, and, after having performed this service, to return to her station. The sloop St. Mary's, Commander Crowninshield, on the 11th April last sailed from Norfolk to join the Pacific squadron.

With a view to the regular supply of the squadron in the Pacific, and to furnish means for transportation of invalids, or men whose time of enlistment may have expired, and who desire to come home, orders were given, some months since, that one of the three storeships attached to that squadron shall sail on her return to the United States semi-annually. Under this arrangement, one will be with the squadron, one on her way home, and one will be going out with fresh stores.

The Erie has come home, and, under Lieutenant Commanding Wm. McBlair, has sailed to the Mediterranean, by the Cape de Verdes, with stores for the African and Mediterranean squadrons, and the Fredonia, Lieutenant Commanding F. A. Neville, has sailed from New York for the Pacific.

When Commodore Biddle left the station he was succeeded in the command of the squadron by Commodore Shubrick, and he was relieved, at his own request, by Commodore Thomas Ap Catesby Jones, who assumed command in the month of May last. Commodore Shubrick was authorized by the department to detach himself from the squadron, and return home across the Isthmus; but he deemed it to be his duty to remain on board the Independence, and is now on a cruize to the Sandwich, Fejee, and other islands in the Pacific, where the presence of a ship-of-war was considered of great importance to the interests of American commerce. The In-
Ex. Doc. No. 1.

dependence may be expected to reach the United States early in the spring of the next year.

The home squadron continued under the command of Commodore Perry until the 20th of November last, when the department, in view of his impaired health, yielded to his request to be relieved of the command, the duties of which had been very arduous and satisfactorily performed. Commodore Wilkinson on that day assumed the command. During the past year, the squadron consisted of the frigate Cumberland, the sloops Albany, John Adams, Germantown, and Saratoga; of the steamers Mississippi, Spitfire, Vixen, Scorpion, Water Witch, Scourge, Iris, and Petrita; of the schooners Reefer, Petrel, Bonito, Flirt, Mahones, Falcon, and Tampico; and of the bomb vessels Ætna, Stromboli, Vesuvius, and Hecla, with the store ships Relief and Electra.

The frigate Cumberland, bearing the pennant of Commodore Perry, arrived in New York in July last with a considerable number of cases of fever on board, and finding that it did not abate, but assumed a more malignant type, it was deemed unsafe to send her again into the tropics until she could be thoroughly broken out in a cold climate. She has been put in ordinary. The frigate Raritan, Captain Page, has taken her place in the squadron. The John Adams, Commander Adams, arrived at Boston in September last, and is undergoing repairs. The steamer Mississippi, Commander Mackenzie, returned to the United States in April, and is undergoing repairs of her hull and machinery. The Vixen is also undergoing repair. The Petrita was wrecked in the gulf of Mexico. The Water Witch and the Iris are at sea. The store ship Relief has sailed with stores for Brazil, and the Fredonia to the Pacific. The other steamers and vessels enumerated have been sold, and the proceeds paid into the treasury. They were purchased for special service in the gulf of Mexico, during the war, and were not suitable for general naval purposes.

In the squadron on the coast of Africa, commanded by Commodore Bolton, the sloops Jamestown, Commander Mercer; Portsmouth, Commander Armstrong; Decatur, Commander Byrne; and brigs Boxer, Lieutenant Commanding Bell; Porpoise, Commander Gordon, and Bainbridge Commander Slaughter, have been employed. Commodore Cooper sailed in the sloop Yorktown, Commander Marston, on the 22d of November, with orders to relieve Commodore Bolton in the command of the squadron. The Boxer arrived at Philadelphia in May last, and being condemned on survey as unworthy of repair, was sold. Commodore Bolton has orders, on the arrival of his relief, to proceed in the Jamestown, and relieve Commodore Read, in command of the naval forces of the United States in the Mediterranean sea.

There have been employed during the year, in the Mediterranean, under Commodore Read, the frigate United States, Captain Smoot; sloop Marion, Commander Simonds; the steamer Princeton, Commander Engle; schooner Taney, Lieutenant Commanding C. G. Hunter, with the store ship Supply, Lieutenant Commanding Lynch. The Marion having finished her cruize, arrived in Boston in the
month of September. The steamer Alleghany, Lieutenant Commanding W. W. Hunter, has been ordered from the Brazil station to the Mediterranean, and the frigate Constitution, Captain Gwinn, has sailed for the same station. On the arrival of his relief, Commodore Read, having finished a long cruise on the coast of Africa and in the Mediterranean, has orders to return home in the frigate United States. In consequence of our being compelled to discontinue the depot at Mahon, it became necessary to supply the squadron with stores, by means of store ships. The store ship Supply, Lieutenant Commanding Lynch, was sent out with a full cargo of stores in the month of November, 1847. Having delivered them to the several ships of the squadron from time to time, as they were required, she is on her return home, and the Erie has been loaded and sent out to continue the service. Commodore Read has made a temporary arrangement for landing stores for the squadron at Spezzia. There are some objections to this place as a depot on account of its position, and in the present very disturbed condition of Europe it is uncertain whether the arrangement will be permanently continued.

On the coast of Brazil, under command of Commodore Storer, the frigate Brandywine, Captain Boarman, the brig Perry, Lieutenant Commanding Tilton, and the steamer Alleghany, Lieutenant Commanding W. W. Hunter, have been employed. The sloop St. Louis, Commander Cocke, sailed from Norfolk in August last, to join the squadron, and carried orders for the Alleghany to proceed to the Mediterranean.

In obedience to your directions, and with an anxious desire to give protection to our commerce in the East Indies, I despatched for that station, in the month of March last, the sloop Plymouth, Commander Gedney. She carried out, as a passenger, the Hon. Mr. Davis, Commissioner to China, and landed him at Macao on the 16th day of August. The brig Dolphin, Lieutenant Commanding Ogden, left New York in the month of May, for the same station. As the frigate "Congress" had nearly completed her cruise in the Pacific, it was deemed advantageous that she should return home by way of China and Bombay, as in doing so she would visit several important points where the occasional presence of a ship of war would exert a favorable influence on our commercial interests. Commodore Geisinger left the United States in November, 1847, to go across the isthmus with orders to the Pacific, and hoisting his pennant on board the Congress, proceeded to China. On his arrival there he was directed to transfer his pennant to the Plymouth, and assume command of the East India squadron, and the frigate was expected to pursue her voyage home. For reasons satisfactory to the department, Commodore Jones, on joining the Pacific squadron, determined to retain the frigate until the pending question of peace should be definitively settled between the United States and Mexico, and ordered the sloop Preble to convey Commodore Geisinger to his station. The delay consequent on this arrangement rendered it just and proper that the Congress should return home by the most direct route, as
the terms of her crew's enlistment had generally expired, or would expire before her arrival in the United States, and justice and policy forbade that they should be held to service beyond their contract, without urgent necessity.

In the present political condition of the north of Europe, and in view of the existence of war between Prussia and Denmark, it was deemed important that a ship of war should be sent to the North Sea and the Baltic, to give protection to American commercial interests in that quarter. The frigate St. Lawrence, Captain Paulding, sailed from Norfolk in the month of September last, with instructions to touch at Bremer Haven, and to enter the Baltic, if the advanced state of the season did not forbid his doing so. If such should be the case, he was instructed to cruize during the winter between Cape Finisterre and Cadiz, touching at Lisbon, and in the spring to return to the north and execute his orders. Captain Paulding, on his arrival at Bremer Haven, found that the war was suspended by an armistice, and that winter was so near at hand as to make it imprudent for him to take his ship into the Baltic. I am happy to learn that the arrival of the ship has been hailed with universal satisfaction. The highest honors and most gratifying demonstrations of respect have been shown to our flag, and the officers received with the most flattering distinction and paternal affection. The evidence thus afforded of the friendly feeling and admiration with which Germany regards the United States, leaves no reason to doubt that this noble ship could not have been sent on more important service.

The condition in which our ships have returned from long cruizes, and their services abroad, have afforded gratifying evidence of the high state of discipline in the navy.

The political condition of Sicily, Sardinia and other States bordering on the Mediterranean sea, has given peculiar interest to the operations of the squadron on that station. Commodore Read has performed his responsible and often delicate duties with zeal, judgment and activity; and on no occasion have our countrymen received more timely and effective protection of their persons and property than in the violent revolutionary conflicts which during the past year have frequently occurred within the limits of his command.

The reports are satisfactory from the squadrons on the coast of Africa, Brazil and the East Indies.

At the date of my last annual report the United States were engaged in war with Mexico.

In the Gulf of Mexico, the squadron under the command of Commodore Perry continued until the return of peace to hold military possession of the several posts then in its occupation, commanding the trade, collecting a moderate revenue, and administering the temporary civil government authorized by the law of nations.

Yucatan, one of the States of New Mexico, had been permitted by the government of the United States to occupy a neutral position, and was thereby exempted from the evils of the war. While thus situated, hostilities commenced between the Indians and the
white inhabitants of that State. It was a war of races, attended by the most shocking atrocities. Under your orders the squadron, with a humanity and success which did honor to our national character, extended protection, food, and shelter to the fleeing white inhabitants in their destitution and despair, and those thus aided were a portion of the people of a country with which we were at war.

In that report I felt authorized to state that the squadron in the Pacific had captured Mazatlan, San Blas, and Acapulco, and was holding them open to the trade of our countrymen and of neutrals, under the same conditions as were other Mexican ports in the military occupation of the United States.

The correspondence which is annexed will show that, with the exception of Acapulco, the facts justified the belief expressed. All the important points on both shores of the Gulf of California were gallantly captured by the squadron, in co-operation with a detachment of the army under Lieutenant Colonel Burton, and occupied until the return of peace. Commodore Shubrick found his force too small to attempt the reduction of Acapulco, without so weakening the garrisons of the important places held in the gulf as to endanger their recapture, and wisely determined not to make any movement against it.

In the month of March the commanders of the naval forces in the Gulf of Mexico and in the Pacific were confidentially informed of the disposition made by the Senate of the United States of the treaty of peace, and were instructed to act in conformity with its stipulations as soon as they should be informed by the United States commissioners of its ratification by Mexico in the amended form, thus avoiding an unnecessary and irritating delay.

The exchange of ratifications was made known to them, and without waiting for further instructions measures were taken by Commodore Jones, in the Pacific, and by Commodore Perry, in the Gulf of Mexico, for the evacuation of the Mexican territory, and the restoration, according to the terms of the treaty, of all places within the limits of the Mexican republic which had been taken and occupied by the naval forces of the United States. These measures were promptly executed, and it is a source of the highest satisfaction to have it in my power to state that no complaint of the manner in which the duty was performed has reached the department.

The skill and courage with which the officers and men of the squadron conducted their military operations, are not entitled to higher praise than is the scrupulous regard to justice and humanity which characterized their conduct while occupying portions of the enemy's country, controlling their revenues and governing their inhabitants. The delicate duties resulting from this position have been performed without a stain on our national character, and without an act of extortion, cruelty or oppression.

I have the honor to transmit copies of the official reports of our naval officers on the subject of the operations of their respective commands, and especially of military operations during the war. They present more in detail than I could with propriety use in my
official reports, incidents which belong to the history of the country.

In this final report of naval operations in the war with Mexico, now happily ended, I deem it to be my duty to make a brief allusion to the participation of the navy in scenes and achievements which have reflected honor and glory on the American name, and commanded the respect of the world for our flag.

The enemy had no navy and an inconsiderable commercial marine; our ships of war had, therefore, nothing to contend with on their appropriate element. In the Pacific, our squadron, with means not fitted for inland operations, acting independently, and in co-operation with a small portion of our gallant army, effected the conquest of California. In supplying the deficiency of his means, and in preparing for and executing an inland campaign with the crews of his ships, Commodore Stockton displayed the highest military resource and the greatest energy. Since his memorable march from San Diego to the Cuidad de los Angelos, and the battles of the 8th and 9th of January, 1847, that country has been tranquil, our possession undisputed, and its inhabitants have hailed the cession of California to the United States with grateful satisfaction. Important points in the Gulf of California were taken by the forces under Commodore Shubrick, and their occupation maintained by him and his successor in command independently and in co-operation with the troops under Lieutenant Colonel Burton, with a display of the highest skill and courage by officers and men, while their conduct was so just and humane, that a large portion of the inhabitants, especially of Lower California, deeply regret that they too are not to have the advantage of our laws and institutions, and the protection of our glorious flag. All will concur in admitting that the troops sent to California, with their acknowledged courage and military skill, were not in sufficient force to have conquered and maintained the occupation of the country without the efficient services of the officers and men of the squadron, both ashore and afloat.

In the Gulf of Mexico, from the beginning of the war, by co-operation at the Brazos, while the battle of Palo Alto was raging, by the capture of Tampico, by protecting the transportation and the landing of the troops at Vera Cruz, by its gallant co-operation in the siege, bombardment and capture of that city and its defences, by its successful operations against Tabasco, Tuspan, Laguna, and other points in the interior and on the coast, but especially by holding a constant command of the sea, and by its vigilance and activity excluding contraband trade, and supplies of munitions of war from the enemy, the squadrons rendered the most important services to their common country. These services were rendered in a most inhospitable climate, and in the midst of suffering and death, not caused by the enemy in the honorable conflict of arms, but by the silent ravages of disease. All this was accomplished without withdrawing the squadrons from other stations.

So effective has been the performance of the duty of the navy in every quarter of the globe, that our increasing commerce in the
most distant seas has felt no check and met no interruption, notwithstanding we were for more than two years engaged in active hostilities with an enemy possessing an extensive sea coast on the Pacific and Atlantic oceans. Not a single American vessel was lost to her owners by capture by the enemy under the rights of war; and there was not, it is believed, any material effect produced on marine insurance.

These auspicious results, so favorable to our commerce and navigation, are to be attributed to the respect which is universally felt for our flag abroad; and that respect is the honorable reward of the skill and courage, the discretion and justice, the vigilance and boldness with which the navy has performed its duty.

It is the settled policy of the United States to maintain a navy; but if, notwithstanding its gallant exploits long since achieved, and its practical service so long acknowledged, it were an undecided question whether the United States should foster and cherish a navy, the service performed in the late war would go far to settle it. Without the guns of our squadron, how easily might the troops which formed the army of Major General Scott, when crowded in transports, and crossing the gulf, have been destroyed by a few insignificant cruisers? But for the same protection, with what advantage might they not have been met on landing on the enemy's shores through a dangerous surf? But for the entire control of the enemy's ports, by our active cruisers, how long might not the war have been protracted by the introduction of munitions of war, and other supplies for the enemy, and what disasters would not have threatened, if they had not befallen, our gallant army if the enemy could have prevented the introduction of these necessary supplies for our own troops? Who can estimate the loss of life and property which would have befallen us, if the tempting offers of the enemy had been accepted, and privateers had taken their letters of marque, so freely tendered, and ravaged our commerce in every sea, opposed only by the inadequate defences of a merchant vessel, and unrestrained by the navy?

In time of peace, economy requires, and the public interests do not forbid, that the naval establishment should be comparatively small. Considering our maritime position, the great length and accessibility of our coast, and our commercial importance, our navy is smaller than that of any other power. In this regard, as in the general practical working of our system of government, we may safely rely on moral influence. In the extensive cruising grounds of our squadrons we need employ, in time of peace, but a few ships of war; it would not be practicable to have one in every port. It is enough that it is known that our flag is afloat, and that an American ship of war is ready to protect American citizens, and our countrymen follow their lawful and peaceful pursuits on the broad ocean without molestation, although there may not be a ship of war within a thousand miles. It should, however be large enough to serve as a nucleus, capable of any degree of strength, which, in the event of contingency, it may be called to put forth. One of
the most important requisites in a permanent naval system for the
United States is its capability of large expansion.

The establishment of docks and yards for building and repair of
ships, the collection and preparation of materials, the construction
of ships of war ready for launching, and the purchase of cannon
and munitions of war in quantities suitable for emergencies are
measures of wise precaution. But in the vast mercantile and me-
chanical business of our country these supplies to a certain extent,
perhaps to an extent sufficient for the exigency, may be procured
when the occasion for expansion shall arise. So too, the hardy
mariners in our merchant service would readily furnish efficient crews
for the increased number of ships fitted for war, which a maritime
war may render necessary. The difficulty of such a crisis I appre-
 hend will not be in providing guns nor ships, or will it be in finding
brave hearts and ready hands to man and fight them; the difficulty
will be neither in men to fight nor material to use, but as to officers
in sufficient number, and with adequate experience to command
and direct. A skilful naval officer fitted by education and experi-
ence in all the grades of the service to navigate and fight a ship
of war, is not readily formed. To qualify him for the responsible
duties of his profession must be the work of years. Personal
courage, general intelligence, and experience in navigation, are
not sufficient. Notwithstanding, exceptions may be found, and no
merchant marine would probably furnish them in greater numbers
than our own; yet, I am decidedly of opinion that, as a general
rule, a naval officer should enter the service at an early age, and
passing through all the grades, learn the various and complex
duties of his profession by personal experience, and especially
thus learn to command those who may be placed under him. I do
not, therefore, deem it unwise that our navy list contains a larger
number of officers than may be required in time of peace for the
active duties of their rank.

I have no doubt that important improvements may be made in
our naval establishment.

Duty at sea is often attended with responsibility, hardship, and
experience. In the routine of that duty, especially in time of
peace, it must often become monotonous, and cease, in a great
degree, to excite the zeal and enthusiasm necessary to high dis-
tinction. It is wise to bring into active operation those principles
of human conduct which will counteract the tendency to inaction
and indifference in the performance of even the dull and disagree-
able duties of the profession. The most potent in my judgment
is the principle of military rank involved in promotion, from the
lower to the higher grades, by which the rewards of military am-
bition are secured to those who perform the arduous and active
duties of their profession to those who, by their service and ex-
posure and their ability for service, deserve them.

No one can doubt that promotions in the navy should be made
on the principle of merit, service, and the capacity for duty. Yet
the tendency of such a system, without the regulation of law, might
be to foster favoritism, to promote a partial dispensation of execu-
tive favor, and to withhold from modest and unobtrusive merit, the reward justly due to it.

Under our present system, promotions are generally made by seniority, or date of commission; and, as the laws now stand, I am not prepared to say, that unfavorable for the interests of the public service as this often proves, any other plan which the executive could adopt, would be free from great objections.

The safest and best mode, it appears to me, is to require by law that officers rendered unfit for duty, otherwise than by wounds received in battle, or not qualified for promotion to higher grades, be placed on reduced pay out of the line of promotion. Justice and policy would require that great care should be taken against the exercise of such a power capriciously, or without due regard to the rights of all.

The advantages of such a system in guarding officers against contracting disqualifying habits, in stimulating them to the active and zealous performance of duty, in exciting them to the acquisition of professional knowledge, and in securing to the meritorious the rewards of promotion without having the way blocked up by others, inferior and incompetent, would speedily develop themselves. Such a measure would reduce the expense of the navy, because under existing laws officers who do not perform duty, and are incapable of it, are in the receipt of the full pay of their rank.

Another great security for efficiency in the navy will be found in the education, and in affording the means of instruction to the officers.

The beneficial effects of the naval school at Annapolis upon the service are already beginning to be sensibly felt. The truth is admitted by all that the services required of officers are more of the head than the hand. The result of experience in the army, that in proportion as education has been encouraged, and the means of acquiring it afforded, so have the character and efficiency of the officers been improved, will not fail to be confirmed in the navy. An accomplished naval officer must understand all the sciences connected with navigation; he ought to be familiar with steam, the steam engine and mechanics, with gunnery, with chemistry, with the languages of all nations with whom his duty brings him in contact, and with the laws of his own country and of nations.

The lad who leaves his parents at the age of fourteen or fifteen years, to enter the service as a midshipman, cannot be expected to have laid the foundation even for so broad a superstructure of knowledge. The naval school promises to furnish the means of attaining these ends so important for the navy. It will produce, I trust, the same happy fruits of skill and knowledge which the military academy has produced for the army. In its present condition, and for some time to come, I do not apprehend that it will be necessary for Congress to regulate the details of the school by law, which could only be modified, if found injudicious, by the tardy process of repeal or amendment of the law. After a larger practical experience, the department, aided by the learned and judicious
professors on duty at the school, and by the officers of the navy who take a deep interest in the subject, will doubtless be prepared to present a more complete system. A necessary appendage to the institution is a vessel of the navy, fitted as a school of practice in gunnery and navigation. I earnestly recommend that the appropriation for the next fiscal year, for which an estimate has been submitted, may be made, and as no appropriation was made for the general wants of the school for the present year, I recommend the propriety of making it at the approaching session of Congress.

There are now in one of the rooms of the building occupied by the navy department, a considerable number of flags and other trophies, taken by the navy from public enemies in war. I recommend that authority may be given by Congress to the Secretary of the Navy, under the direction of the President, to cause them to be placed with suitable labels at the naval school in the care of the superintendent.

Under the act of the 18th of April, 1814, these trophies have not been displayed to the public. The proposed disposition of them would have a good moral effect in exciting in the youthful bosoms of the midshipmen who are to be the future commanders of our ships of war, an emulation of the virtues and heroism of those of whose valor and skill these trophies are the memorial.

As soon as practicable after the proclamation of peace with Mexico, the seamen, ordinary seamen, landsmen, and boys in the naval service were reduced, by discharges, below the number of seven thousand five hundred as required by law.

By the third section of the act of August 3d, 1848, the Secretary of the Navy was directed, "forthwith to contract with Messrs. Dakin and Moody for the complete construction of a floating sectional dry dock, basin, and railways at Philadelphia," with Messrs. Gilbert and Secor, "for the complete construction of a balance floating dry dock, basin, and railway at Pensacola," and with one or the other of the said respective parties, "for the complete construction at the navy yard at Kittery of a floating dry dock, basin, and railway; upon either of the said plans, as the Secretary of the Navy may prefer, as best adapted to the said yard."

Under the act of March 3d, 1847, these parties had, respectively, submitted to the navy department, proposals for building at each of the three yards named a work according to each plan, with specifications suitable for docking a line of battle ships.

The act of 1848 made these plans and specifications the basis of the contracts directed to be made, limited the cost to ten per cent. over and above the prices respectively stated in their said proposals, and provided that, if the dimensions proposed should not be found adequate to docking war steamers of the largest class, at least three hundred and fifty feet in length, "the Secretary of the Navy shall also, by further contract with said parties, enlarge the dimensions of said works at each yard to a capacity sufficient for that purpose."

The plans and specifications were not adequate to that object. The parties were, therefore, required to submit plans and specifi-
cations adapted to the increased dimensions of the works required by law. When presented, I caused their reference to two naval constructors and an engineer, and on their approval, in obedience to the direction of the law, the contracts were executed.

I adopted, for the navy yard at Kittery, the balance dock, with its appendages, because that plan of dock had been recommended by the board of commissioners in 1847. It was less expensive, and promised to be at least equally useful.

The increase of price consequent on the increase of dimensions was fairly calculated pro rata, and the contractors readily agreed to take the materials which had been procured for the works under the act of 1847 at their cost to the government. The prices stipulated to be paid for the works complete are:

At Pensacola........................................... $921,937
Philadelphia........................................... 813,742
Kittery.................................................. 732,905

2,468,584

By the acts of March 3, 1847, and August 3, 1848, seven hundred and fifty thousand dollars were appropriated for these objects. And an estimate is submitted for six hundred and fifty thousand dollars for the next fiscal year. In the contracts for such costly works, and especially as the appropriation made was known to be insufficient to meet the whole cost, it was deemed proper to provide for partial payments as the war progressed, with such such security to indemnify the government in the event of failure to comply on the part of the contractors, as it was thought reasonable to require.

Another years experience has confirmed the anticipation of most valuable results from the establishment of the Observatory. In a report which I had the honor to make from this department under date of November 25, 1844, I expressed the confident opinion "that in the process of time a most perfect set of charts may be supplied from the depot to the navy, and to the commercial marine, entirely to be relied on for accuracy, at the mere cost of publication." The time has arrived sooner than I anticipated. The chambers of commerce of our principal cities, and intelligent merchants and navigators from all parts of our country, aware of the great importance of such an institution for publication of corrected and verified charts, are readily communicating the results of their observations and experience, and charts from the observatory are looked on with increasing interest.

Besides these important advantages, most valuable services are rendered at the Observatory by the care and adjustment of chronometers, and other nautical instruments for the navy. The establishment is superintended and conducted with credit and success by naval officers, who have shown themselves entirely adequate to its duties. Estimates are submitted with a view to the publication of charts and a nautical Almanac. I recommend them to the favorable consideration, and as a means of refunding a part of the expense; and that none may be restrained from applying for them,
I recommend that authority be given to sell them when published at the cost of publication.

Under the several contracts made with this department, for the transportation of the mail in steamships convertible into war steamers, the parties interested have made great progress in the construction of their vessels and machinery.

The assignees of the contract for the route on the Pacific, have completed the number of steamers required by the contract. They have been inspected, reported on favorably, and accepted by the department, and have sailed from New York to engage in their most interesting service. The California, the first of this line, it is expected will be at Panama on the first day of January next, ready to make her first trip up the coast. The other two will follow, and there is no reason to apprehend that in the hands of the enterprising proprietors the contract will not be satisfactorily executed.

The proprietors of the line from New York to New Orleans, touching at Charleston, Savannah, and Havana, and from Havana to Chagres, have two of their large steamers launched and in a state of great forwardness, and have made extensive preparations for the construction of the others required by their contract.

I regarded it as a matter of great public importance that this line should commence its operations, at least to the extent of a monthly communication between Havana and Chagres, in time to connect with the Pacific line. The contractors, desirous to meet the wishes of the department, proposed to place on the route temporarily the ocean steamer Falcon. She has been inspected, reported on favorably, and accepted for the service, until the steamers constructed under contract shall be ready to take their places on the route.

The Falcon has sailed from New York—will touch at the intermediate points of the route, and deliver her mails and passengers in time to cross the isthmus, and join the steamer at Panama on the 1st of January.

The connected lines, in all their parts, will, it is expected, be in successful operation in the ensuing spring, and a regular communication established between New York and Oregon. The time occupied in the passage will not exceed thirty-five days, and, at no distant day, it is confidently believed that a regular communication will be established, by a connecting line of steamers, between San Francisco and China, making the passage in twenty days. This may readily be effected by means of the war steamers, now being constructed, as parts of the squadron in the East Indies and the Pacific, until individual enterprise shall have introduced steamers better suited for freight and passengers.

The transit of intelligence, merchandise, and passengers from China to Europe, by way of New York, can be effected, when these several lines shall be in operation in connexion with the line from that city to Liverpool; in less than one-half the time now occupied in the voyage between those countries.

The communication, by steamers regularly plying on the two routes, now about to commence, cannot fail to increase our general
commerce, and to bring to our Atlantic cities a large import of the precious metals, and this, with the facility afforded to our enterprising countrymen to visit or to emigrate to the rich territories on the Pacific, more than compensates the expense of the great undertaking.

As a most interesting part of the system, I recommend that authority be given to contract for the transportation of the mail, between New Orleans and Vera Cruz, in steamships convertible into war steamers. It will tend, by promoting social and commercial intercourse, to consolidate friendship between Mexico and the United States; promote the introduction of our great staples and manufactured goods into Mexico, and invite her rich products of specie to our cities. It will add, too, to the mails on all the connecting lines, increase the postal profits, and make available for public defence an additional number of war steamers.

The contractor for the line between New York and Liverpool has his vessels in a state of forwardness. He has two steamers, each of two thousand eight hundred tons measurement, ready for launching, and the frames of two others ready to take their places on the building ways as soon as launched, and the machinery in a corresponding state of forwardness. The department has not urged the contractor to undue haste in the construction of his steamers. In the present state of communication with Europe by other means, the thorough and skilful execution of the work on the hull and machinery of the ships is of more importance to the government than their speedy completion. The contractor is prosecuting his undertaking with energy and judgment.

In execution of the 13th section of the act of August 3, 1848; measures have been taken to remove the insane of the navy and marine corps, from the naval hospitals, to institutions established for the treatment and cure of persons thus sadly afflicted. It is believed that the object can be satisfactorily attained on the moderate terms prescribed by law. The whole number of insane persons in the hospitals is thirteen, and some of them are so quiet and harmless that it may not be necessary to remove them.

The supply of hemp on hand and deliverable under contracts existing, rendered it unnecessary to advertise for any additional quantity for the present year. That American hemp can be prepared, in quality equal to any in the world, has been established by experiment under the most rigid tests. The heavy outlay necessary in preparing for the production of the finer descriptions, suitable for naval purposes, has prevented many planters from engaging in annual contracts. The joint resolution of Congress of the 9th of May last, made a great improvement by authorizing navy contracts for American water rotted hemp, for a term not exceeding five years, at a remunerating price.

I propose to invite by advertisement the hemp growers themselves to contract, and by accepting proposals for quantities of twenty-five tons and upwards, and in case of equality of bid, to give the preference to the farmer who grows it, to encourage the general adoption of the most improved process of preparing this important supply for the navy.
Proposals for furnishing machinery for the rope walk at the Memphis navy yard, have been invited by advertisement, and as soon as it can be manufactured and delivered, that important establishment will be put in operation.

This place for the delivering of hemp, for the use of the navy, will be far more convenient to the hemp growers generally, than that at which cordage is now manufactured, and the facility of access will justify the farmers in selling their produce directly to the government, without the intervention of agencies, or the expense and loss of more distant transportation and frequent transhipments.

The military contributions collected in the gulf of Mexico, at forts and places in the military occupation of the naval forces, amount to one hundred and thirty-one thousand eight hundred and thirty-five dollars.

From the squadron in the Pacific, the accounts have not yet been received and adjusted. At Mazatlan, then in the occupation of the navy, Commodore Jones reports to the department, that up to the 17th June, 1848, the contributions collected at that port, amounted to two hundred and fifty-four thousand three hundred and sixty-eight dollars. It is not probable that any considerable collections were made by officers of the navy at any other point on the Pacific coast.

The plan of settlement adopted, required the officers first to settle at the Navy Department, on vouchers, the accounts of contributions, charging them the amount received, and crediting their disbursements made for the service in prosecution of the war, as established by their vouchers. The collecting officer has been then required to settle at the treasury his account as acting purser, where he is charged with money and stores received on public account, and credited with disbursements satisfactorily vouched for and beyond those already credited in his contribution account, and the balance thus appearing has, in each case, been paid into the treasury, under its proper head of appropriation. The practical effect of this mode of settlement is to relieve appropriations made by law to the full amount of the contributions. There has not been a case of default.

The duty of collection, disbursement, and accounting, was performed by naval officers, without any allowance for the service. The act of August 23, 1842, was construed to forbid any allowance beyond their pay as officers on duty, and no compensation has been made for a service, not within the general range of an officer's duties, and in some instances attended with positive and unavoidable loss. I repeat my recommendation, heretofore made, that authority be given to allow in each case a moderate commission on collections and disbursements, not exceeding in the aggregate a sum sufficient as a reasonable indemnity for the risk and trouble attendant on the duty.

I have the honor to submit the reports from the several bureaux of the department, with the estimates for the naval service, and for other objects placed under the control of this department, for the fiscal year ending with the 30th of June, 1850.
The gross amount of estimate is $3,858,356.58, of which the following, being for special objects, must be deducted to ascertain the probable annual expense of the navy.

For transportation of the mails ................................ $874,600
For floating dry docks, basin, and railways ................... 650,000
Completing stone dock at New York ............................. 490,000
Improvements, &c., at navy yards ............................... 845,310

Which sums being deducted, will leave for one year's expense of the naval service, including invalid and widow's pensions and the marine corps, $5,997,946.58.

I have the honor herewith to transmit a statement, from the Fourth Auditor's office, showing the exact amount of appropriations and expenditures made for the entire public service, under the control of the Navy Department, in each year, from the 30th of June, 1844, to the 1st day of July, 1848, by which it will appear that the aggregate amount of expenditures, for the two fiscal years ending on the 30th of June, 1845 and 1846, amounted to $14,967,036.09, and the aggregate amount expended in the two years ending on the 30th June, 1846, was $21,598,661.18.

The first two were in time of peace; the last two embrace, with a trifling exception, the entire period of the war with Mexico. In the last two, it is worthy of remark that, for the construction of war steamers authorized by Congress, but not intended or expected to be employed in the war, and for other special objects, very considerable expenditures were made under appropriations for the purpose, so that the ordinary expenses of the naval service have been but slightly increased by the war with Mexico.

On the first day of July last, it appears that there remained in the treasury an unexpended balance, of the year's appropriations for the naval service, of $3,295,630.57. Of this sum, $1,795,630.57 were carried to the surplus fund, and, as authorized by law, the balance remains subject to expenditure, if required, during the current fiscal year.

It gives me pleasure to bear testimony, as the result of my own experience, to the efficient organization of the Navy Department. Personally, I acknowledge grateful obligations to the distinguished men who are and have been in charge of the several bureaux. The division of its duties secures to the civilian who may be at the head of the department the aid and counsel of experienced officers, whose professional information, at all times freely but unobtrusively given, is eminently useful to him in the conduct of the vast and diversified business under his direction. Besides the ships on the stocks, in ordinary, undergoing repairs, and in commission, and excluding navy yards, and other public lands required for purposes of the navy, with their costly improvements, the reports herewith submitted show that the public property on hand for naval purposes amounts, in the aggregate, to $9,400,370. The sub-division of duties and of superintendence amongst the several bureaux, has
led to the introduction of judicious measures for the preservation of stores and materials, and the enforcement of strict accountability, and thus guarded against an immense waste of public property.

Under this wise distribution of duty and labor, economy and efficiency have been promoted, great improvements introduced in the purchase and inspection of timber, hemp, canvass, and other materials for construction, repair and equipment; a series of well-conducted experiments in gunnery have been made; and ordnance, ordnance stores, and munitions of war of the most approved description, are procured.

A judicious system has been established and maintained for the necessary buildings at our navy yards, and for a uniform regulation of the quantity and prices of mechanical and other labor in public employment; and the navy is supplied with medicines, provisions and clothing of the best quality and on economical terms, under regulations digested with care and skill.

There is, however, one great defect in the present organization of the Navy Department. The duty of ordering and detailing of officers for service, of the general superintendence of enlistments, of deciding primarily on applications for service, relief or discharges, occupies too large a portion of the Secretary's time, and cannot be so satisfactorily performed by him as by an officer of rank bearing the relation to the department and to the navy, which the adjutant general does to the War Department and to the army. The establishment of a bureau for this most important duty would involve a trifling expense. There would not be required for the purpose any additional clerical labor; the register and clerks now engaged on the same duty would be sufficient. It cannot be doubted that the effects of such an improvement in the organization of the department would be highly beneficial.

A revised book of regulations for the navy is very much wanted. In the government of the navy, executive regulations form a large portion of the law of the service. Those now in force are contained in several publications, made at different times and in general orders of the department. It is often difficult for officers to know what they are. A revision and republication in one book would prove of great advantage to the service, and a small appropriation would probably cover the expense.

I renew my recommendation that the appointment of a small number of assistant pursers may be authorized by law.

A joint board of officers of the army and navy has been organized, with orders to proceed to the west coast, and make an examination of the coast of California and Oregon, with a view to the collection of the necessary information to determine on proper points for fortifications and a navy yard, when it shall be the pleasure of Congress to direct such establishments. A navy yard on the California coast, with suitable means for the repair of vessels, would, in my judgment, be of the highest public importance.

I submit herewith the annual estimates for the support of the marine corps.

In obedience to the direction of the act of Congress of March 2, 1847, "at the termination of the Mexican war the marine corps
was reduced, both in men and officers, to a number not exceeding the number in service at the date of the act." The reduction of the men was effected by discharges, as they arrived in the United States. The duty of reducing the number of officers was more difficult. It was necessary to drop from the rolls four captains, four first lieutenants, and four second lieutenants. It was determined to organize a board of officers of rank superior to that of captain, and they were instructed to designate the officers who could be best spared from the service. They made their report, and the officers designated were dismissed without alleged fault. Copies of the instructions and report are herewith submitted. The efficiency of our ships of war would be promoted if the marine guard allowed by the regulation could be enlarged; and an increase of the rank and file of the corps from one thousand to fifteen hundred would, in my judgment, be highly beneficial. The number of landsmen might be reduced to the same amount. Such an increase of the non-commissioned officers and privates would justify an additional number of commissioned officers equal to the number dismissed.

By the joint resolution of Congress, approved on the 10th of August, 1848, the officers, non-commissioned officers, privates and musicians, of the marine corps, who have served with the army in the war with Mexico, were placed, in all respects, as to bounty land and other remuneration, in addition to ordinary pay, on a footing with the officers, non-commissioned officers, privates and musicians of the army.

On consultation with the attorney general, I felt constrained so to construe the resolution as not to include the marine guards, attached, under orders, to the ships of war, in the Pacific and Gulf of Mexico. It did not appear to me that they could be regarded as serving with the army within the meaning of the resolution, as did the battalion of marines who marched into Mexico, and formed a part of the army. It is known that the marine guards of both squadrons were often on land, co-operating in the most gallant manner with the land forces, and encountering all the dangers and privations of the service with the army. The discrimination has been painfully felt by them, and I may not have given to the terms of the resolution the enlarged construction which its framers intended. However that may be, I deemed it the safer course to wait, and submit the subject again to Congress. I am entirely satisfied that, while both classes of the marine officers and men did their duty, there was nothing in the service of the battalion serving with the army which entitled them to any higher privileges than their brethren, who, belonging to the ships, also served ashore. The number of these was not great; and I respectfully recommend that they be put on a footing, as to bounty land and other remuneration, with those who have already received what was given by law to the officers and men of the army.

I have the honor to be, very respectfully, your obedient servant,

J. Y. MASON.

To the President.