

opposing a grant by Congress of any subsidies to the San Joaquin and King's River Canal and Irrigation Company, to the Committee on the Public Lands.

Also, resolutions of the Legislature of California, in favor of an appropriation to turn San Diego River into its old channel, making it again discharge into False Bay, to the Committee on Commerce.

Also, resolutions of the Legislature of California, opposing the passage of a bill pending in Congress supplemental to an act to promote the development of the mining resources of the United States, approved May 10, 1872, to the Committee on the Public Lands.

Also, resolutions of the Legislature of California, in favor of the re-establishment of a daily mail-route from Redding to Yreka, to the Committee on the Post-Office and Post-Roads.

Also, resolutions of the Legislature of California, in favor of granting pensions to the soldiers of the Mexican war, to the Committee on Invalid Pensions.

Also, resolutions of the Legislature of California, relative to the establishment of an Indian reservation in Siskiyou County, to the Committee on Indian Affairs.

Also, resolutions of the Legislature of California, asking for a commission to adjust, settle, and fix the losses which certain claimants of lands in Solano County have sustained by action of the Government, to the Committee on Claims.

By Mr. CHIPMAN: The petition of Joseph H. Brooks and others of the District of Columbia, praying for a charter for the Grand United Order of the Sons and Daughters of Liberty, to the Committee on the District of Columbia.

By Mr. CROUNSE: The petition of Dwight J. McCann, of Nebraska, for relief, to the Committee on Indian Affairs.

By Mr. EAMES: Papers relating to application of Andrew Dillman for extension of letters-patent, to the Committee on Patents.

By Mr. FIELD: Papers relating to the claim of Charles A. Von Waldemar, late captain Fifth Missouri Cavalry, to the Committee on Military Affairs.

By Mr. GARFIELD: The petition of Clara Morris, for compensation for property taken during the war, to the Committee on War Claims.

By Mr. HEREFORD: The petition of the heirs and legal representatives of Daniel Bedinger, for relief, to the Committee on War Claims.

By Mr. HOUGHTON: Resolutions of the Legislature of California, opposing the passage of a bill pending in Congress supplemental to an act to promote the development of the mining resources of the United States, approved May 10, 1872, to the Committee on the Public Lands.

Also, resolutions of the Legislature of California, asking an appropriation to turn San Diego River into its old channel, to the Committee on Commerce.

Also, resolution of the Legislature of California, in favor of granting pensions to the soldiers of the Mexican war, to the Committee on Revolutionary Pensions and War of 1812.

By Mr. HUBBELL: The petition of citizens of Antrim County, Michigan, for the prepayment of postage on all mail matter, to the Committee on the Post-Office and Post-Roads.

By Mr. LUTTRELL: Concurrent resolution of the Legislature of California, instructing the Senators and Representatives in Congress from California to oppose the passage of a bill introduced into the House of Representatives by Hon. J. D. WARD, supplemental to and amendatory of an act to promote the development of the mining resources of the United States, approved May 10, 1872, to the Committee on Mines and Mining.

By Mr. NILES: The petition of citizens of Mississippi, for the payment of the claim of the Southern Methodist publishing house, at Nashville, Tennessee, to the Committee on War Claims.

By Mr. PHILLIPS: The petition of citizens of Kansas, for the repeal of the second section of the act of June 6, 1872, which reduced certain duties 10 per cent., to the Committee on Ways and Means.

By Mr. RANDALL: The petition of Mrs. Catharine Strubing, asking relief for services rendered by her father and husband during the revolutionary war, to the Committee on Revolutionary Pensions and War of 1812.

By Mr. RANSIER: Papers relating to the claim of James L. Barnwell, late of Beaufort, South Carolina, for proceeds of sale of real estate, less taxes, costs, and legal charges, to the Committee on Claims.

By Mr. TREMAIN: The petition of citizens of New York, veterans of the Mexican war, in relation to pensions and other bounties, to the Committee on Revolutionary Pensions and War of 1812.

By Mr. WARD, of Illinois: The petition of William H. Reid, William Barnes, and others, for compensation for the use and detention of their steamer, Belle Peoria, from September 30, 1865, to April 15, 1866, and for expenses incurred in efforts to procure the return of the boat, to the Committee on Claims.

By Mr. WHITE: The petition of citizens of Alabama, for the establishment of a post-route from Houston to Larissa, in the State of Alabama, to the Committee on the Post-Office and Post-Roads.

By Mr. WHITEHEAD: The remonstrance of manufacturers of and dealers in tobacco, residing in Boston, Massachusetts, against any increase of tax on manufactured tobacco, to the Committee on Ways and Means.

IN SENATE.

THURSDAY, February 12, 1874.

Prayer by the Chaplain, Rev. BYRON SUNDERLAND, D. D.

The Journal of yesterday's proceedings was read and approved.

SENATOR FROM KANSAS.

Mr. INGALLS presented the credentials of Hon. JAMES M. HARVEY, chosen by the Legislature of Kansas Senator from that State to fill the vacancy occasioned by the resignation of Alexander Caldwell.

The credentials were read; and the oaths prescribed by law having been administered to Mr. HARVEY, he took his seat in the Senate.

PETITIONS AND MEMORIALS.

Mr. FENTON presented a memorial of several hat manufacturers of Buffalo, New York, remonstrating against the extension of the Wells patent for forming hat-bodies; which was referred to the Committee on Patents.

Mr. SHERMAN presented a petition of late soldiers in the war of the rebellion, citizens of Ohio, praying an equalization of bounty and bounty lands; which was referred to the Committee on Military Affairs.

Mr. PATTERSON. I present resolutions of the Legislature of the State of South Carolina, praying for the passage of the civil-rights bill now before Congress; and I desire to state in regard to these resolutions that on a call of the yeas and nays on their passage, they were voted for by every member of the Legislature except one, the democrats voting with the republicans for their passage. We have in South Carolina a civil-rights bill, and the people are entirely satisfied with it. I move that the resolutions be referred to the Committee on the Judiciary and printed.

The motion was agreed to.

Mr. SCHURZ presented a petition of soldiers of the late war, citizens of Missouri, praying for a grant of one hundred and sixty acres of land and for an equalization of bounties; which was referred to the Committee on Military Affairs.

Mr. NORWOOD presented a resolution of the Legislature of Georgia in favor of granting pensions to surviving soldiers and the heirs of soldiers of the Mexican war; which was referred to the Committee on Pensions, and ordered to be printed.

Mr. CONOVER presented the memorial of Charles G. Barkley, asking for relief as surety on the bond of Dudley Walker, formerly a purser in the United States Navy; which was referred to the Committee on Naval Affairs.

Mr. PRATT presented the petition of Jefferson A. French, of Rising Sun, Indiana, praying to be allowed a naval pension; which was referred to the Committee on Pensions.

He also presented the petition of John R. Polke, of Wabash County, Indiana, praying for a special act giving him the pay and allowances of a major of infantry from the 22d day of May, 1864, to the 26th day of November, 1864; which was referred to the Committee on Military Affairs.

Mr. SCOTT. I present the petition of members of the class of 1869 of the United States Naval Academy, praying that an act be passed allowing them to take rank and precedence as determined by the date of their graduation. This is a printed petition, and the names are printed, and I make it a rule not to present such petitions; but this comes with a manuscript letter of one of the signers to it, which I attach to the petition as his petition. I move its reference to the Committee on Naval Affairs.

The motion was agreed to.

Mr. FERRY, of Michigan. On the 27th of January an order was entered for the withdrawal of certain papers in the case of Wolf & Spink. By request, I now move that they be referred to the Committee on Claims.

The motion was agreed to.

Mr. FRELINGHUYSEN presented the petition of John B. McIntosh, administrator of John McIntosh, praying compensation for services rendered by said John McIntosh as lieutenant-colonel in the war of the Revolution; which was referred to the Committee on Revolutionary Claims.

Mr. GORDON. I present a memorial from a committee appointed by a resolution of the city council of the city of Brunswick, Georgia, giving certain facts tending to show the importance of the establishment of a navy-yard by the Government at that port. I simply want to call special attention to the fact that there is no naval depot south of Norfolk, and that recent events and the prospect of a war on our immediate Southern Atlantic coast invest this subject with new interest. I move that the memorial be referred to the Committee on Naval Affairs.

The motion was agreed to.

Mr. SPRAGUE presented a petition, signed by E. C. Curtiss, Belya A. Lockwood, and Hattie J. French, asking permission to make an excavation of twenty feet or more in depth on Goat Island, in San Francisco Bay, for the purpose of making some mineralogical and geological investigations, and to remove therefrom some minerals supposed to be there deposited, of which they possess a description; which was referred to the Committee on Public Lands.

Mr. JOHNSTON presented the petition of John E. Kirwan, of Matthews County, Virginia, praying compensation for property de-

stroyed by the United States gun-boat Crusader, on the 25th of June, 1863; which was referred to the Committee on Claims.

REPORTS OF COMMITTEES.

Mr. PATTERSON, from the Committee on Pensions, to whom was referred the petition of Phebe Riker, mother of Henry S. Riker, late private in Company K, Ninety-fifth Regiment New York Volunteers, praying for arrears of pension, submitted an adverse report; which was ordered to be printed, and the committee was discharged from the further consideration of the petition.

Mr. RAMSEY, from the Committee on Post-Offices and Post-Roads, to whom was referred the bill (S. No. 207) for the relief of C. E. Rogers, reported it without amendment.

Mr. SAULSBURY, from the Committee on Post-Offices and Post-Roads, to whom was referred the bill (H. R. No. 215) to exempt George M. Richard, of Pittston, in the State of Pennsylvania, from the payment of \$881.29 for postage-stamps stolen from his office while postmaster, reported it without amendment, and submitted a report thereon; which was ordered to be printed.

Mr. HAMLIN, from the Committee on Post-Offices and Post-Roads, to whom was referred the petition of James R. Young, late postmaster at Lisbon, New Hampshire, praying to be reimbursed for loss sustained in the year 1869 by reason of his office having been broken open and robbed of postage-stamps to the amount of \$309.84, submitted a report, accompanied by a bill (S. No. 470) for the relief of James R. Young.

The bill was read and passed to a second reading, and the report was ordered to be printed.

Mr. HAMLIN, from the Committee on Post-Offices and Post-Roads, to whom was referred the bill (H. R. No. 1213) for the relief of Willard Howe, of Massachusetts, reported it without amendment.

He also, from the same committee, to whom was referred the bill (H. R. No. 1576) for the relief of Reuel B. Fuller, of Wilton, Maine, reported it without amendment.

Mr. HAMLIN. In these two cases there are reports from the House committee accompanying the bills, which are adopted by the Post-Office Committee of the Senate; and therefore we submit no written report.

Mr. PRATT, from the Committee on Pensions, to whom was referred the petition of Fleming Crump and William Williamson, praying for pensions for service in the Yellowstone expedition, submitted an adverse report thereon; which was ordered to be printed, and the committee was discharged from the further consideration of the petition.

Mr. INGALLS, from the Committee on Pensions, to whom was referred the petition of Elizabeth Reidenbach, of Missouri, widow of Frederick Reidenbach, late of Company E, Second Regiment Illinois Artillery, praying to be granted a pension, submitted an adverse report thereon; which was ordered to be printed, and the committee was discharged from the further consideration of the petition.

He also, from the same committee, to whom was referred the petition of Susan Ten Eyck Williamson, of New Jersey, widow of the late Captain Charles L. Williamson, praying for increase of pension, submitted an adverse report thereon; which was ordered to be printed, and the committee was discharged from the further consideration of the petition.

He also, from the same committee, to whom was referred the petition of R. S. McKay, of Kentucky, praying to be allowed a pension, submitted an adverse report thereon; which was ordered to be printed, and the committee was discharged from the further consideration of the petition.

Mr. OGLESBY, from the Committee on Pensions, to whom was referred the petition of Abraham Lansing, of Massachusetts, praying for an increase of pension, submitted an adverse report thereon; which was ordered to be printed, and the committee was discharged from the further consideration of the petition.

He also, from the same committee, to whom was referred the petition of John O'Connor, Lewis Jacobs, Charles Alexander, and others, of Brooklyn, New York, praying the amendment of the act of March 2, 1867, so that their naval pensions may commence from the date of their discharge from the service, submitted an adverse report thereon; which was ordered to be printed, and the committee was discharged from the further consideration of the petition.

He also, from the same committee, to whom was referred the petition of Almira H. Thompson, of New York, praying payment of bounty due for services rendered by her son, and that she be allowed a pension, submitted an adverse report thereon; which was ordered to be printed, and the committee was discharged from the further consideration of the petition.

He also, from the same committee, to whom was referred the petition of William Dailey, late of Company B, Third Missouri State Militia, praying for a pension, submitted an adverse report thereon; which was ordered to be printed, and the committee was discharged from the further consideration of the petition.

Mr. OGLESBY. I am also directed by the same committee, to whom was referred the petition of Jemima Maxwell, widow of John Maxwell, late of Company D, Fifth Missouri State Militia, praying to be allowed a pension, to report a bill for her relief, accompanied by a report which I desire to have printed, and I ask that the bill be placed upon its passage.

The bill (S. No. 477) granting a pension to Jemima Maxwell, was

read and passed to a second reading, and the report was ordered to be printed.

Mr. SHERMAN. I would rather the bill would go on the Calendar. The PRESIDENT *pro tempore*. The Senator from Ohio objects to its present consideration, and the bill will be placed on the Calendar.

BILLS INTRODUCED.

Mr. BOUTWELL asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 471) providing for the survey and disposal of the timber lands of the United States; which was read twice by its title, referred to the Committee on Public Lands, and ordered to be printed.

Mr. CONOVER asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 472) to quiet land titles in West Florida, State of Florida; which was read twice by its title, referred to the Committee on Public Lands, and ordered to be printed.

Mr. BOGY asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 473) for the relief of the heirs of Brigadier-General William Thompson; which was read twice by its title, and referred to the Committee on Revolutionary Claims.

Mr. GORDON asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 474) for the relief of mail contractors for services rendered in the States of Virginia, North Carolina, South Carolina, Georgia, Florida, Alabama, Mississippi, Tennessee, Louisiana, Arkansas, and Texas, prior to May 31, 1861; which was read twice by its title, and referred to the Committee on Appropriations.

Mr. JOHNSTON (by request) asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 475) to amend the act of Congress, approved February 23, 1865, entitled "An act to amend an act entitled 'An act to incorporate the Columbia Institution for the Instruction of the Deaf and Dumb and the Blind,' approved February 16, 1857;" which was read twice by its title, referred to the Committee on the District of Columbia, and ordered to be printed.

Mr. PRATT asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 476) for the relief of John R. Polke; which was read twice by its title, and referred to the Committee on Military Affairs.

PAPERS WITHDRAWN AND REFERRED.

Mr. GOLDTHWAITE. I ask that an order be made that the petition and papers in the case of James A. Torbert be taken from the files and referred to the Committee on Public Lands.

The PRESIDENT *pro tempore*. Has there been an adverse report? Mr. GOLDTHWAITE. Not that I know of.

The PRESIDENT *pro tempore*. If there has been an adverse report copies will be retained; otherwise the order will be made.

Mr. HOWE. I move that an order be made that Andrew Samuel Birdsall, jr., have leave to withdraw his papers from the files of the Senate. I understand there has been an adverse report.

The PRESIDENT *pro tempore*. The order will be entered, the Secretary retaining copies of the papers.

On motion of Mr. FERRY, of Connecticut, it was

Ordered, That the petition and papers of Andrew Dillman be taken from the files and referred to the Committee on Patents.

INDIAN DEPREDACTIONS IN OREGON.

The PRESIDENT *pro tempore*. If there be no further morning business, the Secretary will report the first bill on the Calendar.

Mr. BAYARD. I ask the Senate to resume the consideration of the resolution offered by me the day before yesterday, and not acted upon yesterday by reason of the expiration of the morning hour.

Mr. MITCHELL. I should like to make an appeal to the Senator from Delaware. Yesterday I gave notice that after the expiration of the morning hour to-day I desired to submit some observations on a resolution that I offered early in the session, and it has been suggested to me by the chairman of the Committee on Finance that perhaps I had better proceed now.

Mr. BAYARD. I remember that the Senator from Oregon expressed a desire to address the Senate this morning, and I therefore withdraw my motion for the purpose of enabling him to do so.

The PRESIDENT *pro tempore*. The Senator from Delaware withdraws his motion.

Mr. MITCHELL. I now call for the reading of the resolution on the table, submitted by me on the 3d of December.

The Chief Clerk read the resolution, as follows:

Resolved by the Senate, That the Committee on Indian Affairs be, and are hereby, instructed to inquire into the expediency of reporting a bill for an act, as follows:

"A bill to provide for ascertaining losses sustained by citizens of Oregon by reason of Indian depredations.

"Whereas it is the duty of the Government to protect its citizens on the frontier, engaged in peaceful and honorable avocations, in the enjoyment of life and property against the depredations of hostile Indians, and whenever, for any reason, this protection is not given, it follows as a necessary consequence that it is a duty of equal magnitude resting on the Government to make good, so far as possible, the ascertained losses resulting from such failure; and whereas during several years past numerous depredations have been committed in the State of Oregon by wandering bands of Indians, principally Modocs and Snakes, who have in times of peace invaded the settlements and usual and known lines of travel, murdered the inhabitants, destroyed and carried away the property of citizens of said State, broken up their families, and caused those not massacred to flee from their homes for safety: Therefore,

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States be, and he is hereby, authorized and empowered to appoint three persons to act as commis-

sioners, to inquire into the extent and character of said depredations, by what tribe or bands or portion of tribe or bands of Indians committed, when committed, the number and names of persons murdered, and the number and names of survivors of the families of such persons, the character and value of the property destroyed or carried away, from what portion of said State and to whom the same belonged, and the damages sustained by citizens of said State by reason of such depredations.

"Sec. 2. That it shall be the duty of said commissioners, or a majority of them, as soon as practicable, to proceed to the frontiers of said State, and take testimony under oath of such witnesses as may appear before them of all such depredations, when, where, by what band, bands, or portion of band, and upon and against whom committed, and as to the value of property destroyed, and when, and the damage sustained by each citizen by reason of such depredations, and shall make up and transmit to the Secretary of the Interior, as soon as practicable, their report, showing the result of such investigations, to which shall be appended all the testimony taken by them: *Provided*, Such commissioners, before proceeding to hear such testimony, shall give notice of the time and place of their meeting by publication thereof for ten days previous in at least two newspapers of said State: *Provided further*, That said commissioners shall, before entering upon such investigation, each take an oath to faithfully perform the duties of his office.

"Sec. 3. That said commissioners shall be entitled to and shall receive, as compensation for their services, the sum of ten dollars per day each and their traveling and other necessary expenses."

Mr. MITCHELL. Mr. President, I am not a member of the Committee on Indian Affairs. I desire, however, at this time, with the indulgence of the Senate, to submit some observations for the consideration of that committee.

On the 14th day of April last a scene was enacted near the boundary line that separates Oregon and California which startled the people of this Republic and caused many hearts to weep. It was the atrocity by which that good and noble man and valiant soldier, General E. R. S. Canby, and his associate, Rev. Dr. Thomas, were ruthlessly assassinated by the treacherous Modocs, while engaged in a peace conference under a flag of truce.

Such an act of barbaric savagery may well call forth public indignation and the universal condemnation of mankind. Subsequent events demonstrated that it did not require the commission of any similar act to induce a general sentiment calling for a war of extermination, if need be, against those who were guilty of this act of barbarism. And yet this high-handed outrage against humanity, this bloody assault, operating as it did against the laws of life and of civilization as well, is but one of a series of acts of treachery and assassination upon the part of certain bands and tribes of Indians in Oregon that have, from the earliest settlement of its territory until now, stained our frontiers with the life-blood of our citizens, kept our pioneers in constant alarm, and, to a great extent, held in abeyance the settlement of our country.

The only difference in the character of these acts is this: in the case just alluded to the victims were men whose reputation was a national treasure; by their death the whole country was startled; and as the people mourned their tragic fate they vowed vengeance swift and terrible upon the perpetrators of this great crime, while in the many other cases the victims were the obscure and unprotected, but no less noble men and women whose proud vocation it is to brave the dangers of frontier life and to build up with patient, tireless hands and patriotic hearts the empire of civilization amid the forests and on the plains of the distant West.

And although where Canby fell, a martyr as I believe, to a mistaken policy at the time, and one which his own better judgment repudiated, and the scene enacted there will ever be accorded a mention and place in history as an enduring evidence of the natural perfidy of disposition so peculiar to Indian character, this is but one of many scores of unprovoked and diabolical assassinations of our citizens that to-day from our distant State appeal in garments of blood to a just Government for restitution.

I take it that the relation which has existed between the United States and the various Indian tribes for the past quarter of a century should imply a guarantee upon the part of the Government to protect the citizen at his home, engaged in peaceful pursuits or passing over the common lines of travel, against Indian depredations. This, I take it, is true in a purely legal sense, and it unquestionably is true in an equitable and moral sense. Failure to provide this protection necessarily results in imposing upon the Government an obligation to make pecuniary restitution, so far as possible, for damages resulting from such failure.

To those whose lot is cast amid the peaceful scenes of eastern life, where civilization reigns in all its beauty and beneficence, free from those trials and conflicts, and those bitter experiences, that invariably attend the life of a pioneer, it is somewhat difficult, I doubt not, to apprehend and to appreciate the justice of the complaints of those who have taken their lives in their hands, pushed through the wilderness, and established the blessings of civilization on the remotest borders of our continent. Complaints, Mr. President, that in these later days are too frequently met by a strange and unjust sentimentality from the Government which seems to beseech a sympathy in all cases for the Indian, and at the same time to impute a wrong to the white man.

After a residence of many years in the far West, during which time I have been a careful observer of the dealings of the Government with the Indian tribes, I am constrained to believe that all this outcry to the effect that the Indians have been the victims of persecution, either on the part of the Government or its citizens, and that Indian depredations are to be attributed to this cause, is, as a rule, founded on a gross misconception of the real facts in the case, aided, perhaps it may be, by a willful perversion of those facts in not a few instances. The

millions of dollars annually expended, and the efforts put forth individually and by the Government in promoting the welfare of these people, by elevating them from their unfortunate condition by nature—that of barbarians—to such a state of civilization as their race may be susceptible of attaining, is a sufficient answer to all this senseless clamor. The highest demands of justice in this enlightened age have been fully met, as a rule, upon the part of the Government and its citizens in dealing and in treating with the Indian race.

And in what I here say I shall not vary a hair's breadth from that elevated and enlightened spirit of the age, so humane in its elements, and which declares that equal and exact justice to all human kind is the rule by which the action of both government and individuals should be regulated. But it is by virtue of, and in the name of, this very element of our political, and, I might say, personal faith, that I would demand a hearing to-day from the Government in behalf of the white settlers upon our frontiers, who have suffered at the hands of Indian marauders. I would not assail any policy of the Government, whether it be called the peace policy, the Quaker policy, or the pow-wow policy, provided always that in the administration of that policy the life, liberty, and property of the white settler are protected from violence, and at the same time exact justice done to the Indian. But, sir, if in the administration of any policy the sacred rights of those are to be held in jeopardy who volunteer to prepare in the wilderness places for the seats of civilization and highways for the car of progress, who widen the field of commercial and scientific advancement and of national development, and to a very great extent, in the State of Oregon, I assert that these rights have been invaded, then I condemn such a policy.

And am I wrong in declaring there is great danger that our Indian commissions and peace advocates, selected as they are with reference to their religious associations and belief, almost universally, without ever having lived upon a frontier and with little or no knowledge of the Indian character—I repeat, is there not great danger that men thus chosen, however good and honest they may be, will be prone so to sympathize and side with the Indian race to such an extent as to be unable to do justice to the white race? Is there not danger that men thus chosen will be so desirous of elevating the Indian as to forget for the time being the rights of the white man?

How often in these later years do we hear the assertion that all the outrages perpetrated by savages on our western borders are superinduced by the wrongs of the white man. Why, sir, so zealous have become these reformers in the elevation of the red man that it is scarcely possible to obtain a single expression in any speech or report made by them that by any possible construction can be tortured into an expression of belief that an Indian can do wrong, while all these bristle with sentiments which charge upon the unprotected settler the whole responsibility of all the murders and the bloody Indian wars from which we have suffered. The old maxim, that the king can do no wrong, has been of late years applied almost literally to the Indian. Indeed, so true is this that even such glaring, unprovoked, and heartless murders of defenseless citizens as were perpetrated by the Modocs in Oregon prior to the commencement of the Modoc war are held to result from the acts, as they say, of wicked white men. Such sentiments are a reproach to the men who utter them. They are libels upon the white race, and a gross injustice to our settlers. I find the following report in the Evening Star, of this city, of a few evenings since, of a conference meeting of the board of Indian commissioners and representatives of missionary societies, held recently at the Arlington Hotel, in this city, which will illustrate quite clearly what I mean:

A conference meeting of the board of Indian commissioners and representatives of missionary societies was held yesterday afternoon at the Arlington Hotel, and a resolution that the agents nominated by societies shall receive sufficient salaries, to be regulated by location, was referred to a committee. Mr. Janney opposed the proposed transfer of the Indian Bureau to the War Department. Mr. Dorsey moved that a committee be appointed to draw a memorial to Congress asking that no such transfer be made. After some debate, a resolution offered by Mr. Reed was adopted, indorsing the Indian policy of the Government, and expressing unabated confidence in its ultimate success, of which the happy unity that has thus far existed between the Interior Department, the board of Indian commissioners, and the various missionary organizations is a most grateful indication. Mr. Meacham, one of the members of the Modoc peace commission, and who was shot at the time General Canby was killed, took strong grounds against the change. He claimed that the wrongdoings of the Modocs were caused by wicked white men, and notwithstanding he had suffered from the Indians he would always be their friend. A resolution was adopted that the agricultural industry of the Indians should be fostered by purchasing from them such of their products as the Government may require. The conference then affirmed the resolution regarding the sacredness of the rights of the Indians in the Indian Territory, and the meeting adjourned.

From this report it would seem that the first great question discussed and agreed upon by these missionaries was the question of the salary grab. As the first great step in the work of christianizing the Indians they resolved that the agents nominated by the different religious societies should receive sufficient salaries. This was the vital preliminary in the work of reformation, though just how much, in their judgment, would be sufficient does not appear; neither was it stated whether salaries were to be retroactive or simply prospective. They next resolved, as a body, to oppose any transfer of control of the Indian management from the Interior to the War Department. As a matter of course, the fact that such a transfer would operate as a sudden repeal of all of these salaries, back pay and future as well, had nothing at all to do with bringing about this resolve. They then proceeded to declare in proper form what a happy unity exists between the Inte-

rior Department, the board of Indian commissioners, and the various missionary organizations from which these agents who are to have sufficient salaries are selected.

This is all very proper and commendable, as it tends to secure a more faithful disbursement than otherwise might be the case of the many millions of dollars of annual Indian appropriations. If there were a lack of this unity, to such an extent as to lead to any serious disagreement in regard to the expenditure of these appropriations, possibly it might result in a failure to disburse all the moneys appropriated; and hence the poor Indian might suffer. This feature, therefore, of perfect unity that seems to exist, I admit, is encouraging. Whether it is exactly true that such a feeling of unity does actually exist between the board of commissioners and the Interior Department I am not quite certain, but if it does it presents the idea of harmony just as a complete circle or ring of friends, whose ideas, desires, and ambitions being the same, presents to the mind the idea of unity and harmony. Peace Commissioner Meacham then entertained the conference in a speech, in which he is reported to have said:

The wrong-doings of the Modocs were caused by wicked white men, and notwithstanding he had suffered from the Indians he would always be their friend.

I do not object, Mr. President, to that spirit of charity and Christian forgiveness that enables men when one cheek is smitten to meekly turn the other to receive the blow; for I believe this is the doctrine of the Saviour of men; and therefore I do not complain when Mr. Meacham, rising as he did from the blood-smear'd rocks of the lava beds, stripped of every vestment and almost of life itself, and with his gaping wounds breathing forth the terrible history of the perfidy and wrong of the Modoc fiends, turns the other cheek also, and declares one of the most infamous assassinations recorded on history's darkest page, and from which he barely escaped alive, to have been in one sense excusable, if not entirely justifiable, and in saying that notwithstanding all he had suffered he would always be the friend of the Indian—I say I have no fault to find with the spirit that enables Mr. Meacham to do this. But when he or any other man makes the assertion that any white man, either good or bad, ever did any act or thing which would in the slightest degree palliate, much less justify, the unprovoked murder by the Modocs of some twenty of Oregon's best and most peaceful citizens in the most cowardly and brutal manner, ending with the assassination of the peace commissioners, then I protest in the name of the truth of history, read and known by all men, against the injustice of this assertion. And when a peace conference composed of peace commissioners will give audience and sanction to such sentiments, then I confess to a feeling of distrust as to their qualifications for the high office they hold, and I regard with serious apprehension as to its final results a policy shaped and controlled by such sentiments.

The whites responsible for the atrocities of the Modocs! Why so? What did the whites do? What right of the Modocs had been violated by them? None whatever. Had their property been taken from them? Not at all. Had they been deprived of their liberties? By no manner of means, for they had by solemn compact agreed to go on the Klamath reservation, and in pursuance of such compact had at one time actually gone. Had their wives or children, or neighbors or friends, been molested in any manner? Such a thing is not contended. Then why say that white men are responsible for the cowardly murders perpetrated by the Modocs?

But in this connection I desire to attract attention to two reports of the peace commissioners, one made last April at the Fifth Avenue Hotel in New York City, and the other a few days since at the Arlington Hotel in this city. From these reports I shall be able to show either that the commissioners are guilty of a willful perversion of facts or that they are grossly ignorant of the subject in regard to which they attempted to treat. In charity I must attribute their unpardonable mistakes to the latter cause; but yet, when I reflect that they had access to all the records of facts, of treaties and the like, in the office of the Commissioner of Indian Affairs, I feel almost constrained to believe that I myself grossly err in assuming this charitable view. I refer now specially to their treatment of the Modoc question. In the former report, to which I have referred, they use this language:

By this treaty (referring to the treaty of 1864) the Klamath Indians and Modocs ceded to the United States from fifteen to twenty thousand square miles of territory for the comparatively small sum of \$17,000, which was appropriated to these Indians by the last Congress.

Nothing, Mr. President, could be more remote from the truth than this statement, made, as it would seem, to justify the Modocs, and to convey the impression to the people that they had been misled and swindled by the Government.

What are the facts? The truth is that the Government had, at the date of this report, paid these Indians \$138,211, and still owed them \$170,789, making an aggregate of \$309,000, instead of \$17,000, as stated by the commissioners, which our Government agreed to pay, and is paying as rapidly as it matures under the treaty, for the title which these Klamath and Modoc Indians had, or claimed to have, to these lands ceded by them to the United States by that treaty.

But this is not all. By this same treaty, in addition to this large sum of money, they were given a reservation containing seven hundred and sixty-eight thousand acres of land, over four hundred and twenty-five acres to each Indian, man, woman, and child, of all the tribes, and more than six hundred thousand acres of land more than

the same number of white people could hold under any homestead, donation, or pre-emption law of the United States. But as I shall recur to the provisions of this treaty again, I desire now to examine further the report of April, 1873, of the peace commissioners.

They further proceed to say in that report, as a justification of the course pursued by the Indians:

The head chief and that portion of the Modocs who joined in the treaty went upon the reservation according to the agreement, but a majority of the Modocs claimed that they never joined in the treaty, and never sold their country; and so, refusing to go upon the reservation, they remained upon the lands "coveted" by the whites.

What are the facts respecting this Modoc matter and the troubles generally? Simply these. On the 14th day of October, 1864, a treaty was concluded at Klamath Lake, Oregon, between the United States, through their commissioners, J. W. P. Huntington and William Logan, and the Klamath and Modoc tribes of Indians, acting through their chiefs and principal men. By the terms of that treaty the Klamaths and Modocs ceded to the United States all their right, title, interest, and claim in and to all lands outside the limits of Klamath reservation, which reservation was reserved and set aside for their sole use and occupation. Having simply the right of possession to the lands included in this reservation, by virtue of the provisions of the treaty, they obtained the right of property and the absolute fee, as the right of possession simply belongs to the aborigines, and the right of property to the discoverer, and consequently to the Government. And by the terms of this treaty these two tribes of Indians agreed to go and reside there, and not depart therefrom except by permission of the agent or superintendent. There was also a stipulation in this treaty that the Indians should demean themselves properly in all respects, and always thereafter maintain peaceable relations with the whites and with all people, and that they would submit to and obey all laws and regulations which the United States might make and prescribe for their government and conduct.

It must also be borne in mind that Captain Jack, the notorious leader of the Modocs in the lava beds, signed this treaty in person. And again it must be remembered that at the time this treaty was made the Modocs had only four headmen who were the representatives of all their people. Without a single exception these leaders signed this treaty, namely, Schonchin, Stak-it-ut, Keint Poos, (or Captain Jack,) and Chuck-e-i-ox.

July 2, 1866, this treaty, in an amended form, was ratified by the Senate; and the amendments, on the 10th day of December, 1869, were assented to and signed by both tribes, including Captain Jack and the other chiefs; and about that time the whole of the Klamaths and Captain Jack and his tribe of Modocs—including all of the latter—in pursuance of the treaty stipulations, voluntarily entered upon the Klamath reservation.

It will be observed that in the report to which I have alluded the commissioners say "that a portion of the Indians who did not join in the treaty refused to go upon the reservation, and remained on lands coveted by the whites." While in another part of their report they say "that they left the reservation because they were mistreated by the Klamaths."

If they never went upon the reservation, and if they remained on lands coveted by the whites outside the reservation, how then, I would inquire, could they ever leave it? Two statements could not well be made more inconsistent; but in this instance, to add to the surprise that either should be made, is the fact that they are both false. Jack and all the Modocs did go upon the reservation; they remained there some two months, at the expiration of which time, without any real cause, and without the consent of the superintendent or agent, and in direct violation of the terms of the treaty, they left it; that is, Captain Jack and his band of desperate men left Klamath reservation and went to the vicinity of Lost River in the midst of white settlers, and peremptorily and sulkily refused to return, although repeated efforts were made to induce them to do so. Promises and threats proved equally unavailing; and the more frequently they were repeated the more insolent and defiant became Jack and his Modoc band.

When the Indians ceded their lands to the Government on Lost River and Tule Lake, and left there in December, 1869, these lands were thrown open to settlement and were soon occupied by white settlers, as it was their perfect right to do; and it was the duty of the Government to protect these settlers in their rights of life, liberty, and property.

The commissioners, in a tone not entirely free from derision, sneeringly say that "the Indians remained upon lands coveted by the whites." Had not these same lands been thrown open to settlement by virtue of a solemn treaty with these same Indians? Had not the Modocs surrendered and conveyed to the Government and to the whites all their interest in these same lands for a large and valuable consideration? Had not the Indian title of possession been extinguished in due form of law? And was not the United States Government as much bound to protect these settlers from the insolence and depredations of this rebellious and trespassing band of Indians as it is to protect the homes and families of the board of Indian commissioners against the depredations of any foreign power with whom we have treated? Why, then, say that those lands were "coveted" by the whites?

The term used by the board is not used by accident; it is purposely employed; it is a term that conveys in its ordinary acceptation the

idea of a great wrong, an inordinate desire, avariciousness; and this is the sense in which the term is used in the report.

"Thou shalt not covet" is the *last* but not the *least* of the Ten Commandments. "Thou shalt not covet thy neighbor's house, * * nor his man servant, nor his maid servant, nor his ox, nor his ass, nor anything that is thy neighbor's."

Is it true that the men who penetrate the depths of the forest with their wives and their little children, and there, upon lands purchased from the Indians by solemn treaty and paid for by the Government first and by themselves afterward, strive to build up a home for themselves and families, shall be characterized in their actions by terms imputing to them a violation of the tenth commandment?

But a reference to the more recent report of the board of peace commissioners, that of January 30, of the present year, discloses a tenacity of adherence upon the part of the board in its disposition to misrepresent, and to glorify the Indian at the expense of the white man, which in a different cause might be worthy of admiration. The report contains this language:

Early in the year the deplorable events of the Modoc rebellion produced serious apprehensions in the public mind in regard to the designs of other Indian tribes in Oregon, and a distrust of the peace policy, which were not shared by those conversant with the subject. The peaceable conduct of the Indians and the fact which came to be understood that the peace policy was in no way responsible for the Modoc war, but on the contrary would have prevented it, soon dissipated both the apprehensions and distrust.

How, in the face of the bald facts of history, this board can assert that the peace policy "would have prevented the Modoc war" is, to one conversant with these facts, somewhat difficult to perceive. Not content with the assertion that the peace policy was in no way responsible for the Modoc war, of the truth of which there are grave doubts, they make the remarkable declaration, on the contrary, that this policy would have prevented it.

Why, is it not a fact that this peace policy was adopted by the Government in its dealings with these Indians, and adhered to against the solemn protests of the people of Oregon, and of her Representatives in Congress, until its commissioners were stricken down by the arm of treachery, and the commission instantly dissolved by the brutal assassination of a majority of its members and the maiming for life of the remainder?

The peace policy prevent a war, when its advocates and agents are cruelly slaughtered while attempting to enforce its edicts beneath the shadow of a flag of truce! It can scarcely be contended that the persistence with which the peace policy was urged in this instance, in face of all absence of any hope of success, did not contribute to the Canby and Thomas massacre. On March 4, 1873, the administration was telegraphed, by the peace commission itself, in these words:

The Modocs emphatically reject all offers and propositions. This undoubtedly means treachery. The commission is a failure.

And then it is gravely asserted, in the same paragraph of the report, that the fact that the peace policy was not the cause of the war, but, on the contrary, would have prevented it, coming to be understood by the public, soon dissipated all apprehensions and distrust as to the designs of other Indian tribes in Oregon. What is the fact in reference to this matter? Simply this: While the Government was tampering with these Modocs through the instrumentality of the peace commission there was, and it cannot be denied, a serious dread in the public mind of a general outbreak of the Snakes, Klamaths, and other tribes. These fears were not without alarming reasons for support, for their war-dances and councils gave abundant evidence that they were not groundless.

But what prevented this general outbreak and dispelled these fears? Was it either the success of the peace policy, or a knowledge in the public mind that such a policy would have stopped the Modoc troubles? Not by any means, sir; but, on the contrary, it was the fact that on the assassination of General Canby and Dr. Thomas the nation became aroused with indignation, and was alarmed at the fruits of this Quaker policy. The military power of the Government was invoked to solve a problem for which the words of peace and the arts of civil diplomacy could find no solution. General Jeff. C. Davis with his army struck a blow that overwhelmed the conspirators and sent a word of warning into the ears of every tribe on the North Pacific coast, a blow and a warning that did more to secure peace to the country than all the peace commissioners ever have done or ever can do. The peace commissioners who have done the most for Oregon the past few years are Generals Crook and Davis.

The commissioners further say that—

They do not find any serious offense had been proven against the band of Modocs until the commencement of the untoward strife.

In the face of the statements contained in almost every report of civil and military authority ever made, to the effect that these Indians were violating their treaty obligations and trespassing upon the rights of the settlers, this would seem to be a most singular assertion.

It is perhaps true that, in the opinion of this very peaceably inclined board, the levying of black-mail upon citizens powerless to protect themselves and compelled to submit to piratical exactions plundering them of their stock, provisions, and stores, insulting their wives and daughters in the absence of their husbands and fathers, and threatening their lives, are not "serious offenses." Such conduct upon the part of white men would be, in the estimation of most peo-

ple, little less than flagrant crimes. If they are not serious offenses when committed by Indians, then there are prerogatives and immunities indeed under our laws attaching to the Indian which do not attach to the white race; and in such case the latter is peculiarly unfortunate in being white.

The people are heavily taxed to meet the expenses necessarily incurred in making and enforcing our laws, to the end that every man within the territorial jurisdiction of those laws may be protected in the most sacred of all rights—life, liberty, and property. All governments have this end in view; but especially was our Government ordained and established by the people, not only for the purpose of forming a more perfect union, but "to establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, and to secure the blessings of liberty to ourselves and our posterity." Its highest office and proudest privilege consists in guaranteeing to every man, of every race and condition, full and complete protection to all his natural rights of life, liberty, and property. Whenever it fails for any cause to defend its humblest citizen against the encroachments of the wrong-doer, even though he may reside on the borders of the continent and on the outskirts of civilization, and though such wrong-doer be an Indian, the first object of government is defeated; it becomes a useless piece of machinery; so that our boasted rights and privileges as American citizens may be said to be worse than delusions and existing only in imagination.

I would have the Indian treated in a humane and proper manner: I would throw around him in his weakness and ignorance and superstition not only the forms, but all the substantial protection of the laws, elevating him, so far as in my power, from his primary condition of barbarism to the higher plane of civilization and Christian life. But I am not willing that special privileges shall be accorded him, such as plundering and murdering our citizens, despoiling their possessions, and laying waste their homes. I would hold him to a strict accountability before the law for each violation of its mandates; and when he committed murder I would call it murder, under the law, and instead of sending him to a distant reservation, to be kept by the Government, I would have him tried by the judiciary and the laws of the State, and if found guilty I would have him treated just as the law would treat a white man under like circumstances—hanged by the neck between the earth and the sky until he is dead.

But I desire to trace more fully the history of the Modoc troubles, for the purpose of showing just where the responsibility rests.

After repeated efforts on the part of Mr. Meacham, who was then superintendent of Indian affairs in Oregon, to induce the Modocs to return to their agency, all of which proved abortive, he had some verbal understanding with them to the effect that they might remain where they were until he could make an effort to induce the Government to give them a new reservation in that vicinity. In January, 1872, Mr. Meacham requested General Canby, then in command of the Department of the Columbia, to furnish troops to enable him to remove them forcibly to the Klamath reservation. This General Canby declined to do, giving as a reason this verbal promise of the superintendent that they might remain on Lost River until he (Meacham) could succeed in securing them a reservation there.

As an evidence of the manner in which Superintendent Meacham regarded the conduct of the Modocs at that time, I quote the following extract from a letter written by him to General Canby, February 8, 1872, in response to the general's refusal to furnish troops to remove the Modocs back to Klamath reservation. He says:

They have not kept their part of the agreement, and hence have forfeited any claim they might have had to forbearance.

A petition (a copy of which I hold in my hand) signed by forty-five settlers residing in the vicinity of Lost River and Tule Lake, and addressed to Superintendent Meacham, about 25th January, 1872, will convey some idea of the reign of terror then existing in that region, and the jeopardy to which the lives and property of those settlers were then subjected. I will read it:

Hon. A. B. MEACHAM,
Superintendent Indian Affairs:
General CANBY,
Commanding Department Columbia:

We, the undersigned, citizens of Lost and Link River, Klamath and Tule Lake country, after suffering years of annoyance from the presence of the Modoc Indians, who, through the delay of the Indian and Military Departments, have not been removed to the reservation, as required by the treaty stipulations of 1864, entered into by the authorized agents of the Government and the chiefs of the Modoc Indians, by which all their lands were ceded to the United States except those embraced in the reservation, as stipulated in said treaty. But notwithstanding all the conditions of said treaty have been faithfully performed on the part of the Government, it is a well-known fact that a factious band of the Modocs, of about three hundred, who were parties to that treaty, have, through the influence of citizens of an adjoining State, who have been engaged in an illicit traffic with them, have been instigated to set the authority of the Government at defiance, and to utterly refuse compliance with their treaty stipulations by going on the reservation; and since there is no longer any conflict between the Indian and Military Departments, we, as prevent Sub-agent Applegate from bringing those Indians on the reservation, we, therefore, make this earnest appeal to you for relief—knowing that you have the cavalry force we petitioned to be sent to Fort Klamath two years ago for this specific purpose at your command. We ask you to use it for the purpose it was procured for, that the departments, both civil and military, have not been kept ignorant of the fact that we have been repeatedly on the verge of a desolating Indian war with this band of outlaws, who, by your delay to enforce the treaty, have been led to despise, rather than respect, the authority of the Government.

Their long-continued success in defying its authorities has emboldened them in their defiant and hostile bearing, until further forbearance on our part would cease to be a virtue; that, in many instances, our families have become alarmed at their

threats to kill and burn, until we were compelled to remove them for safety across the Cascade Mountains, thereby suffering great loss of time and property; that the agents at Klamath and commissary at Yainax, during this long delay growing out of this unfortunate conflict of departments, have done all they could to prevent a war and bring about an amicable adjustment of our troubles we have no reason to doubt; but we ask now, since no such conflict exists, shall a petty Indian chief, with twenty desperadoes, and a squalid band of three hundred miserable savages, any longer set at defiance the strong arm of the Government, driving our citizens from their homes, threatening their lives, and destroying our property?

Their removal to the reservation in the winter season may be easily accomplished by any one acquainted with them and their country, and will not require more force than could be furnished from Fort Klamath to do it. We recommended Commissary I. D. Applegate, of Yainax, to the consideration of the department as a suitable man to take charge of any force or expedition looking to their removal. His long connection with the Indian Department, and thorough knowledge of them and their country, and all the facts connected with this whole Modoc question, and as a stock-raiser equally interested with us in their removal, point him out to us as the right man in the right place in charge of this much-needed expedition for the removal of this band of Modocs to their reservation, for which your petitioners will ever pray.

I. N. SHOOK.	THOMAS COLLAR.	A. C. MODIE.
SAMUEL COLYER.	J. M. RUMBO.	O. H. SWINGLE.
JAMES H. CALAHAN.	D. DAVIS.	C. A. MILLER.
DAVID P. SHOOK.	W. DINGMAN.	J. C. TURNIDGE.
J. J. BRATTON.	JOHN CLEAN.	C. B. VANRESSE.
PAUL BRATTON.	W. H. MILLER.	J. H. SPRINGER.
H. DUNCAN.	WILLIS HALL.	J. V. RUBRU.
C. RILGONE.	E. HALL.	H. BAILMANK.
JOSEPH LANGELL.	A. HALL.	JOHN GOTBROOD.
SIMPSON WILSON.	J. T. ARONT.	W. HICKS.
THOMAS WILSON.	JOSEPH SEEDS.	O. A. STEARNS.
FRANK HIFLING.	JOHN E. NAYLOR.	O. L. STEARNS.
JAMES VINSON.	GEORGE NURSE.	JOHN FULKERSON.
G. S. MILLER.	EDWARD OVERTON.	ISAAC HARRIS.
EDWIN CROOK.	WILLIAM ROBERTS.	GEORGE THOMAS.

I also read an extract from another petition, signed by 65 citizens of Lost River, Klamath and Tule Lake country, addressed to Governor Grover about the same time, and in which they pray that protection may be awarded them. They use this language:

Our reasons for this request are these: We have been harassed and bothered for the last four years by this renegade band of lawless Modoc Indians. They are extremely saucy and menacing in their repeated threats against settlers and their stock; they set up a claim to our homes; they frequently draw guns and pistols on inoffensive citizens; they recently fired at the house of citizen Ball; they watch the men leave their houses, and then go to the house and insult the female inmates of our sacred homes; they boast defiance to the authorities, &c.

These petitions were sent by Hon. A. B. Meacham, then superintendent of Indian affairs, to General Canby, accompanied by a letter in these words:

OFFICE SUPERINTENDENT INDIAN AFFAIRS,
Salem, Oregon, January 25, 1872.

SIR: Inclosed please find a petition from citizens of Jackson County, Oregon, for removal of Modoc Indians. I would respectfully ask that the said Indians be removed to Yainax Station, on Klamath reservation, by the military force now at Fort Klamath. I would also suggest that sufficient force be sent on this mission to insure success, say fifty men. I have ordered arrangements to subsist the Modocs at the place above named, and have instructed I. D. Applegate, commissary at Yainax, to confer with commander at post, and accompany said expedition if agreeable to your department. Now, if it is not consistent with your views on the subject to comply with the above request, I would respectfully ask that a military force of the number designated be placed, subject to requisition of Commissary Applegate, for the purpose above stated. Winter is the only time to successfully operate against these Indians.

I regret very much the necessity of this action, but the peace and welfare of white settlers and Indians demand that it be done promptly.

Very respectfully, your obedient servant,

A. B. MEACHAM,
Superintendent Indian Affairs in Oregon.

General E. R. S. CANBY,
Commanding Department of Columbia, Portland, Oregon.

Notwithstanding these repeated and earnest appeals no troops were furnished, and so the treaty-breaking and blood-thirsty Modocs were left to terrorize over the unprotected settlers.

About the 1st of April, 1872, Hon. T. B. Odeneal superseded Mr. Meacham as superintendent of Indian affairs for the Oregon superintendency.

As an attempt has been made in certain quarters to throw the responsibility of the Modoc war upon the management of Mr. Odeneal, as a matter of simple justice to an able, honest, and efficient officer, I desire to show by official records that any such insinuation is as untrue in fact as it is unjust in character. Shortly after Mr. Odeneal took possession of the office, April 11, 1872, Major Elmer Otis, of the First Cavalry, commanding the district of the lakes, addressed him a letter, in which this language appears:

SALEM, OREGON, April 11, 1872.

SIR:

I would recommend that the permission for Captain Jack's band of Modocs to remain where they now are, until the question of a new reservation be decided, in the vicinity of Tule Lake, given by Mr. Meacham, be withdrawn, and that they be directed to go on the Klamath reservation as per treaty of October, 1864; that this order be given some time in the latter part of September, so that in case they refuse the military authorities could put them upon the reservation the following winter—the best time for "corralling" them, should they prove refractory; that at least two of their leaders, Captain Jack and Black Jim, be removed from them and sent to Siletz, or any other place you might suggest.

The reasons why I make this recommendation with reference to the Modocs is, that where they are now they are very insolent, insulting to families, and the settlers are generally of the opinion that they are dangerous to both life and property. I do not believe they will live where they now are in peace with the whites any length of time, without the presence of a military force sufficiently large to make them behave themselves. There is now a force of fifty men and three officers in their immediate country.

I would propose, and strongly recommend, that We-ah-was's band, Oche-hoes's band, the band at McDermitt, and the band on the Truckee reservation, or Pyramid Lake reservation, (official name of the reservation not known by me,) be brought on a reservation on the head-waters of the Malheur, or Stein's Mountain country.

I make the above recommendations, after commanding the military districts of Nevada, Owyhee, and district of the lakes, successively, since December of 1867.

Very respectfully, your obedient servant,

ELMER OTIS,

Major First Cavalry, Commanding District of the Lakes.

T. B. ODENEAL,
Superintendent Indian Affairs.

And in his report to General Canby, bearing date April 15, 1872, Major Otis said:

They (the Modocs) signed a treaty in October, 1864, to go on the Klamath reservation. They came on the reservation in the fall of 1869. A portion of them, with the old chief, still remain, but Captain Jack, who signed the treaty in 1864, became dissatisfied soon after coming on the reservation, and in February, 1870, formed a band, numbering now probably sixty warriors, and left the reservation, going to Lost River and Tule Lake. Last fall Superintendent Meacham promised to allow them to remain where they are until he could see if a small reservation could not be set aside for them on the north end of Tule Lake. These Indians are still in this country, and are insolent and insulting in many instances to the white settlers, and the latter generally deem this band of Modocs unsafe to both life and property. If a military force was present they could probably be removed peaceably to Camp Yainax, on Klamath reservation, and by removing the Pi-Utes now there, would leave them homes and farms for their cultivation. I am of the opinion that if left where they now are, it will probably lead to serious outbreak in time.

On the 12th of April, 1872, Hon. F. A. Walker, then Commissioner of Indian Affairs, addressed Superintendent Odeneal a letter instructing him in positive terms to have the Modocs removed, if practicable, to their reservation. That letter reads:

DEPARTMENT OF THE INTERIOR, OFFICE OF INDIAN AFFAIRS,
Washington, D. C., April 12, 1872.

SIR: I inclose herewith copies of papers received by this Department by reference from the honorable Secretary of War, in reference to the hostile attitude of, and apprehended trouble with, the Modoc tribe of Indians.

You are instructed to have the Modoc Indians removed, if practicable, to the reservation set apart for them under the treaty concluded with said Indians October 14, 1864, and, if removed, to see that they are properly protected from the Klamath Indians.

If they cannot be removed or be kept on their reservation, you will report your views as to the practicability of locating them at some other point, and if favorable to such location, you will give a description by natural boundaries, if no other can be given, of the reservation that should be set aside for them.

Very respectfully, your obedient servant,

F. A. WALKER,
Commissioner.

T. B. ODENEAL, Esq.,
Superintendent Indian Affairs, Salem, Oregon.

The execution of this order was referred by Superintendent Odeneal to L. S. Dyar, United States Indian agent at Klamath agency, and Ivon D. Applegate, commissary in charge of Camp Yainax, on Klamath reservation, who on 14th of May, 1872, met the chiefs and head-men of the Modocs, those on, as well as those off, of the reservation, at a military camp on Lost River, and there used every argument to induce Jack and his band to return peaceably to their reservation. Every guarantee of protection to all the rights and privileges enjoyed by the Klamaths were proffered them, but without avail. They sullenly and peremptorily refused to return or to be bound by their treaty stipulations. Messrs. Dyar and Applegate, in their report to Superintendent Odeneal, use this language:

The Modocs, as parties to the treaty of 1864, ceded to the United States the very country over which they are now roving. Their right being thus extinguished, the country was thrown open to settlement; much of it has been located as State land, and nearly every foot fit for cultivation has been taken up by settlers, whose thousands of horses, cattle, and sheep, are ranging over it. The country where these Modocs are is a pastoral region, not an agricultural country, and to undertake to maintain them on a small reservation there would probably cost more than to furnish them and the Klamaths on Klamath reservation, which is so well fitted by its various resources, as a home for them.

On the 17th of June, 1872, Superintendent Odeneal reported to Commissioner Walker, in these words:

OFFICE SUPERINTENDENT INDIAN AFFAIRS,
Salem, Oregon, June 17, 1872.

SIR: In answer to your letter of the 12th of April last, inclosing copies of papers from the honorable Secretary of War, in reference to the hostile attitude of, and apprehended trouble with, the Modoc Indians, I have the honor to report that, in pursuance of your instructions therein contained, I at once directed Agent Dyar, of Klamath agency, and Ivon D. Applegate, commissary in charge of Camp Yainax, to meet the chiefs and head-men of said tribe of Indians, and endeavor to persuade them to go upon the Klamath reservation, authorizing the assurance to be given that they should be fully protected.

A council was held with said Indians on the 14th ultimo, and the result thereof is contained in the report of Mr. Applegate, (approved by Mr. Dyar,) a copy of which is herewith inclosed. I referred the matter to the gentleman named, for the reason that Mr. Applegate has for many years been intimately acquainted with these Indians, speaks their language, and possesses their confidence to an extent equal to any one else. (See indorsement of Mr. Applegate by the settlers in that country, in the petition herewith published.)

The leaders of these Indians are desperadoes—brave, daring, and reckless—and their superior sagacity enables them to exercise full and complete control over the rest of the tribe. They have for so long a time been permitted to do as they please that they imagine they are too powerful to be controlled by the Government, and that they can, with impunity, defy its authority. This, in my opinion, is the whole secret of their insubordination. They must, in some way, be convinced of their error in this respect, by such firm, decided action as will leave no doubt in their minds in regard to the fact that we intend that they must be obedient to law and faithful to their treaty obligations. This need not, and with proper management will not, I think, require the use of force. When they shall have been thus convinced, we can, with reasonable hope of success, commence the work of civilizing and transforming them from their present savage state into peaceable, self-controlling, and self-supporting men and women.

Unless the leaders shall in some way be restrained from pursuing the reckless, defiant course they have heretofore been permitted to pursue, all theories in regard to their advancement in civilization must fail. As well might we expect our own youth to practice Christian virtues under the tutelage of the "bandits of the Osage," or the "road agents" of Montana, as to think of instilling any good into the minds of the Modocs while under the exclusive control of their present leaders.

I think the most effectual way to bring about a peaceful solution of the troubles is to take the head-men into custody and hold them at some point remote from their tribe until they shall agree to behave themselves. We deprive white men of their liberty as a reformatory measure, and it could not be less humane to pursue the same course toward these chiefs.

Not long since I had a conversation with Major Elmer Otis, who was in command of the troops in the district including these Indians, in which he expressed the opinion that all trouble with them could be settled by arresting the leaders, and compelling the others to go upon Klamath reservation; but it was his opinion that positive orders should not be given to this effect until about the last of September, so that in case of refusal the military could compel obedience. His opinion, as well as that of Messrs. Applegate and Dyar, and all others from whom I have obtained any information, is that Camp Yainax, on Klamath reservation, is the best place in that whole country for the Modocs; that they will be as well contented and as easily kept there as at any other place that could be selected, and I agree with them; and therefore respectfully report against the propriety of locating them elsewhere.

Very respectfully, your obedient servant,

T. B. ODENEAL,
Superintendent Indian Affairs, Oregon.

Hon. F. A. WALKER,
Commissioner, &c., Washington, D. C.

It will be observed from this communication that while Superintendent Odeneal recommended, in the strongest terms, the removal of the Modocs to the Klamath reservation, he at the same time expressed an opinion that in effecting this removal it "need not, and with proper management would not, require the use of force."

In reply to this, Commissioner Walker wrote to Mr. Odeneal, July 6, 1872, in these words:

Your recommendations, so far as the Modoc Indians are concerned, are approved, and you are directed to remove them to Klamath reservation, peaceably if you can, but forcibly if you must, at the time suggested in your report.

In pursuance of this peremptory order Superintendent Odeneal proceeded immediately to Klamath agency, where, learning that Captain Jack and his band were then camped on Lost River, he dispatched Messenger James Brown and Commissary I. D. Applegate to the camp of the rebel Indians with this message:

Say to them that I wish to meet the head-men at Link River, on the 27th instant, and to talk with them. Impress upon them the importance of meeting me. Tell them that I entertain none but the most friendly feelings for them, and that the object of the interview sought is to advance their interests and promote their welfare; that I have made ample provisions for their comfortable subsistence at Camp Yainax, on Klamath reservation, and desire to have them go there and receive their proportion of the annuities; that if they will go with you to the reservation within a reasonable time—as soon as they can get ready—they shall be fairly and justly dealt with, and fully protected in all their rights against any injustice which other tribes might be disposed to do them. If they agree to go with you, say to them that they need not meet me as requested, and that I will see them at Yainax. In the event they decline to go to the reservation, you will say they must meet me at Link River, as I desire to, and must, come to a positive understanding with them.

To this last appeal the Modocs turned an insolent and deaf ear, and peremptorily refused to go. Captain Jack made a speech, in which he said:

Say to the superintendent that we do not wish to see him or to talk with him. We do not want any white man to tell us what to do. I am tired of being talked to, and am done with talking.

Here, then, was the ultimatum. Jack and his rebel Modoc band, after baffling and trifling with the Government and its agents for over eight years, during all which time the olive branch of peace was held out to them, a home provided them in pursuance of their own treaty stipulations, protection guaranteed them in all their rights of person and property, assistance supplied them in the form of annuities, at last, with all the self-importance of a foreign state, defied the whole civil and military power of the Republic, and signalized their intention to wage a most fiendish and indiscriminate warfare by murdering in their homes some eighteen or twenty peaceable settlers, and destroying and carrying off their property, and that of other citizens and settlers.

Notwithstanding the repeated efforts made to induce them to return to their reservation, and their persistent refusal so to do, when the military were directed to proceed against them still another effort was made to effect conciliation. Superintendent Odeneal, at one o'clock on the morning of the 29th of November, 1872, gave to Captain Jackson, who, with thirty men, was directed by Major Green, First Cavalry, commanding the post, to proceed to the Modoc camp, these instructions:

When you arrive at the camp of the Modocs request an interview with the head-men, and say to them that you did not come to fight or to harm them, but to have them go peacefully to Camp Yainax, on Klamath reservation, where ample provision has been made for their comfortable subsistence, and where by their treaty they agreed to live. Talk kindly but firmly with them, and whatever else you may do I desire to urge that if there is any fighting let the Indians be the aggressors; fire not a gun, except in self-defense, after they have first fired upon you.

On the arrival there of Captain Jackson and his men he repeated to the leaders of the band Mr. Odeneal's instructions, and resorted to every argument at his command to induce them to obey, and thus avoid a collision, but, all such efforts proving unavailing, Captain Jackson demanded that they lay down their arms. Then Scar-Faced Charley, one of the leaders of the desperadoes, with a terrible oath and Indian yell, declared that he would shoot one officer, and at once fired at Lieutenant Boutelle, he meanwhile having repaired to his tent, painted his face, and returned clad in war costume. Thus commenced the famous Modoc war, that has cost our Government so much money and so many valuable lives.

As I have said already, an indiscriminate slaughter then began, not of the soldiers, but of the peaceable settlers of Southern Oregon, re-enacting another one of those massacres of defenseless citizens of our

State that have so often, and at no lengthy intervals, since 1834 to the present time, drenched our territory with the blood of our pioneers.

The peace commissioners assert in their report of April, 1873, in referring to the special board of peace commissioners appointed to treat with the Modocs, that—

Meanwhile the local authorities indicted the Indians for murder, the effort to stop the profitable war was violently opposed, and every possible obstacle was thrown in the way of the special commissioners.

The very reverse of this is true; for had not the peace commissioners been appointed, the war would have soon ended by the defeat of the Modocs. The only effect of the appointment of this commission was to give the Indians time in which to intrench themselves in the strongholds of the lava beds. It was winter; the commissioners supplied them with food; they accepted it until spring came, when they could supply themselves, and then they smote the very hand that fed them, and, with the mockery of a flag of truce, waged wicked and indiscriminate war.

This report further asserts that the commissioners first appointed seem to have been intimidated by the pressure of opponents of the peace policy, and so Messrs. Stelle and Applegate resigned. This refers to Hon. Jesse Applegate; and I now beg to quote from a letter of that gentleman to Superintendent Meacham, February 1, 1872, so as to show what he thought of these Modocs at that time. He said:

That they are not obedient, quiet, and orderly, is proven by their absence from the reservation assigned them, and having broken away from it in defiance of the agent and the military, and all those conciliatory means used to induce them to return. They misunderstood your forbearance and humanity, and thought your policy dictated by weakness and fear; and the audacity with which they commit aggressions and levy black-mail upon the settlers encourages and confirms that belief. From advices from that quarter, their arrogance and impudence have been greater than ever before, and the patience of settlers is well-nigh exhausted. The Modocs help themselves to whatever they want when, by intimidation, they fail to obtain permission. This state of things discourages new settlers, and keeps those in the country in a feverish state of uneasiness and alarm, and instead of their increased numbers driving the Indians into a better behavior, the Indian number, in the meanwhile, is recruited by the bad and discontented flying to them from the neighboring reservations, and being concentrated in a body they actually hold the settlements on Lost and Link Rivers at their mercy. Perfectly aware of this fact, they use it to their own advantage. These Indians sold their country which they now forcibly occupy, and years ago received their part of the payment.

Mr. Applegate, speaking further in this same letter, says:

If the commissioners who now control Indian affairs have no regard for the lives of white men, women, and children, there are other reasons for the removal of these Indians to their reservation, which may be in accordance with their tender sympathy for the welfare of the Indians themselves. While a body of independent and defiant Indians makes a city of refuge within a day's travel of two reservations it will scarcely be possible to introduce or enforce the discipline so necessary and proper a preliminary to the pious and innocent life the Indians are to live under their auspices. Moral suasion may not be a sufficient restraint upon the vicious red man any more than upon the vicious white man. Some kind of physical punishment must be the penalty of crime. Such impious characters, until they learn to be "meek under chastening," will fly to the "city of refuge" rather than quietly submit to be hanged, whipped, or otherwise punished for their crimes. Hence those most in need of the lessons of the moral teacher will be out of his reach.

Poets and moralists argue that the "untutored savage" is also a "wild man;" and that like other wild animals they chafe and fret under any kind of restraint, preferring the liberty and license of the "city of refuge" to even the mild restraints of a pious life on the reservation. The consequence will be that the "city of refuge" will overflow with inhabitants and the reservations be left desolate. The people of the "city of refuge," like those of other cities, must be fed and clothed. The white settlers in its vicinity having by their stock and farming operations diminished the spontaneous productions of the land will have to pay tribute to the city. The collectors of the tax may be rude, rough men, (red though they be,) who are not likely to observe those formalities which reconcile tame people to be robbed in the name of law.

The truth is, Mr. President, the career of the Modocs, the Snakes, the Pi-Utes, and some other tribes of Indians in Oregon, is one of blood. The evidence of this are the bleaching bones of hundreds of emigrants and settlers that to-day whiten our territory with their decaying dust. The assertion, so often made, that the Indian wars of Oregon have been the result of the unjust oppressions of the whites is false in fact and libelous in intention and character. For years Congress labored with commendable zeal to enact such legislation as would induce the settlement of Oregon by the whites, and thus wrest it from the grasp of the British Crown; but from the first of these settlements almost to the present hour they have suffered severely for that protection properly due them from the Government.

The Indian massacres of American citizens in Oregon commenced in 1834, on the Umpqua, where a party of about thirty were slaughtered by the most infamous treachery. It was known as Smith's party, and but two out of the whole number escaped alive, while some fifty more were scattered among the Indians, many of them captured and carried into captivity.

In 1847 Dr. Marcus Whitman, a Christian man and a true philanthropist, and whose life labors had been given to the elevation of these same Indians, together with his wife and eleven of his companions, was massacred by the Cayuses and Walla Wallas without the slightest shadow of provocation. Painted Shirt, one of the chiefs of the Cayuses, who engaged in this massacre, immediately afterward took a wife from the female captives, a young and beautiful girl of fourteen. In order to gain her quiet submission to his wishes he threatened to take the life of her mother and younger sister. Thus in the power of savages, in a new and wild country, remote from civilization, cut off from all hope of restoration, she yielded herself to one whose hands were yet red with the blood of an elder brother.

In 1852 some of these same Modoc fiends and their ancestors stood as bloody sentinels of destruction along the line of the emigrant

road. A company of soldiers sent out to protect the settlers found and buried some forty bodies at one time. These soldiers were accompanied by volunteers, under Ben Wright, who met in open warfare a portion of the Indian murderers and slew them in battle; and this is all there is of the Ben Wright massacre, of which we have heard so much. The war in Southern Oregon in 1853 was commenced by the Indians by the brutal and unprovoked murders of our white settlers.

The Rogue River and Yakima wars, in 1855-'56, were instituted in a similar manner. Again in 1858-'59 all Eastern Oregon was terrorized by marauding Indians, principally the Snakes, resulting in the most sanguinary slaughter and fiendish murders of emigrants.

From 1855 to 1870, for three hundred miles along the emigrant and other roads, and also through the settlements in the eastern portion of Oregon, the Snakes held high carnival over the lives and property of our citizens.

In order that some faint comprehension may be had of the trials of early settlers in Oregon, I desire to invite attention to the report of a committee appointed by the Legislature of that then Territory, in February, 1858, showing the murders committed prior to that date in time of peace, by Indians supposed to be friendly. And I refer to this report as a fair illustration of what has taken place every year since then, ending with the recent slaughter of the Modocs within the last year:

Your committee, to whom were referred the governor's message, and resolution (No. —) relative to the protection of immigrants in 1854, with instructions to report, as far as practicable, the number, date, places, and names of persons killed by Oregon Indians and their allies in times of peace, and those killed in times of war by Indians supposed to be friendly, submit the following report:

The deadly hostility of the Indians inhabiting the extreme northern and southern portions of our Territory may be traced back to a very early period.

As far back as 1834, a party of about thirty persons, under the control of Captain Smith, were massacred near the mouth of the Umpqua River.

In June, 1835, George Gay, Daniel Miller, Edward Burnes, Dr. Dailey, Mr. Sanders, John Turner, John Woodworth, and an Irishman, called Tom, were attacked by Rogue River Indians near where Mr. Birdseye now lives, in Rogue River Valley, and Mr. Miller, Mr. Burns, Mr. Sanders, and Tom were killed. The other four were badly wounded, but made their escape.

In August, 1838, as a party of citizens of Oregon were driving the first cattle from California to this Territory, they were attacked near the same spot where the party was attacked in 1835 by the same Indians, and Mr. Gay, who was of the party of 1835, was again wounded.

In the fall of 1846, a sick immigrant was killed on the Southern Oregon emigrant road near Lost River, by Modoc Indians.

On the 29th November, 1847, Dr. Whitman, a Protestant missionary, his wife, two orphan children, a Frenchman, and about eleven emigrants, were massacred at and near the mission in Walla Walla Valley, by Cayuse Indians. This was the commencement of the Cayuse war.

In August, 1850, Mr. Spink and Mr. Cushing, of Maine, killed by Klamath Indians on Klamath River.

In January, 1851, James Sloan, Messrs. Janalshan, Bender, and Blackburn, of Ohio, killed by the Indians next above alluded to.

In the spring of 1851 two men were killed on Grave Creek, and one or two more on Rogue River by Rogue River Indians, for which they were chastised by Major Kearney, United States Army. It was in some of Major Kearney's engagements with these Indians that Captain Stewart, United States Army, was killed.

In 1851 an exploring party of eight or ten men were attacked near the mouth of Coquille River, in Southern Oregon, and six of their number killed: Cornelius Doherty, of Texas; Jeremiah Ryan, of Maryland; John Holland, of New Hampshire; John P. Pepper and Pat Murphy, of New York.

In May, 1851, William Mosier and Mr. Beaver, of Maine, killed by Rogue River and Shasta Indians, near Yreka, California.

In May, 1851, Mr. Dilley was killed near Camp Stewart, on Rogue River Valley, by Rogue River Indians.

In October, 1851, Mr. Moffitt was killed by the same Indians near the same place. In June, 1852, Calvin Woodman was killed in Scott's Valley, California, by Rogue River Indians.

In June, 1852, James L. Freavor, John Brando, "Cayuse" Jackson, and "Adohi" John, a Mexican, were killed by Pitt River Indians, in the valley of that name, while viewing a wagon-road from Sacramento Valley to the southern boundary line in Oregon.

In July, 1852, Mr. Warner, a member of Colonel Freavor's exploring party, killed with the balance of the party as before specified.

In August, 1852, Felix Martin and Mr. Wood killed by Modoc Indians on the Southern Oregon emigrant road.

In August, 1852, Mr. Coats, John Ornsby, James Long, and thirty-three immigrants were murdered by the Modoc Indians on the Southern Oregon emigrant road.

In December, 1852, William Grendage, Peter Hunter, James Bacon and brother Mr. Bruner, William Allen, and Mr. Palmer were massacred by Rogue River Indians on Rogue River, near the mouth of Galuse Creek.

In the summer of 1853 "California" Jack was killed on Smith's River by Klamath Indians, eight miles from Crescent City; and about the same time, at the same place, and by the same Indians, Mr. Bell and partner were killed.

In 1853, August 4, Edward Edwards was killed by Rogue River Indians in his own house on Stewart's Creek.

August 5, 1853, Thomas Willis was mortally wounded by Rogue River Indians within three hundred yards of the town of Jacksonville.

August 6, 1853, Richard Nolan was killed by Rogue River Indians, on Jackson Creek, one mile from the town of Jacksonville.

August 17, 1853, John Gibbs, William Hudgins, and three others, whose names are not known, were killed in Rogue River Valley by Rogue River Indians.

October 6, 1853, James C. Kyle was killed by Rogue River Indians two miles from Fort Lane and about six from Jacksonville. The actual murderer of Mr. Kyle and those who murdered Edwards and Willis were subsequently arrested, and were tried for their offenses before the Hon. O. B. McFadden, in the spring of 1854, and were convicted and hung. These three Indians, with those chastised by Major Kearney in 1851, are the only ones ever punished for crime by either the civil or military authorities in Southern Oregon.

In January, 1854, Hiram Hulen, John Clark, John Oldfield, and Wesley Mayden were killed, between Jacksonville and Yreka, by Rogue River, Shasta, and Modoc Indians.

April 15, 1854, Edward Phillips was killed on Applegate Creek, near Fort Lane, by Rogue River Indians.

June 15, 1854, Daniel Gage was killed while crossing the Siskiyou Mountains, between Jacksonville and Yreka.

June 24, 1854, Captain McAmy was killed at De Witt's Ferry, on Klamath River, by Shasta and Rogue River Indians.

In the summer of 1854 Thomas O'Neil was killed by Klamath Indians on Klamath

River; and in the fall of the same year A. French was killed by Klamath Indians near Crescent City.

August 20, 1854, Alexander Ward, his wife, and seven children; Mrs. White and child, Samuel Mulligan, Dr. Adams and brother, William Babcock, John Frederick and Rudolph Schultz, Mr. Ames, and a Frenchman, name unknown, were massacred by Snake Indians, on the Northern Oregon emigrant road, near Fort Boise.

In September, 1854, Mr. Stewart was killed by Indians on the middle route to Oregon via the plains.

May 8, 1855, Mr. Hill was killed on Indian Creek by Rogue River Indians.

June 1, 1855, Jerome Dyer and Daniel McKerr were killed by Rogue River Indians on the road between Jacksonville and Illinois Valley.

June 2, 1855, Mr. Philpot was killed in Deer Creek Valley by the same Indians next above mentioned.

July 27, 1855, Mr. Peters was killed on Humbug Creek by Klamath, Shasta, and Rogue River Indians.

July 28, 1855, William Hennessey, Edward Parrish, Thomas Grey, Peter Hienight, John Pollock, four Frenchmen, and two Mexicans, names unknown, were killed by the Indians, next before referred to, at Buckeye Bar, on Klamath River.

September 2, 1855, Mr. Keene was killed by Modoc Indians on the Southern Oregon emigrant road, near Rogue River Valley.

In September, 1855, Mrs. Clark and a young man were killed in Yam Hill County, by Coast Indians.

In September, 1855, Elisha Plummer and four others, names unknown, were killed at Grande Ronde, east of the Blue Mountains, by Cayuse and Walla Walla Indians.

In September, 1855, Indian Agent A. J. Bolen, ——— Matteece, and two others, names unknown, were killed by the Yakima Indians, east of the Cascade Mountains.

On September 24, 1855, Fields and Cunningham were killed by Rogue River Indians, on the Siskiyou Mountains, between Jacksonville and Yreka.

On September 25, 1855, Samuel Warren, killed by the same Indians next above referred to.

October 9, 1855, Mrs. J. B. Wagoner, Mary Wagoner, Mr. and Mrs. Jones, Mr. and Mrs. Haines and two children, George W. Harris, David W. Harris, F. A. Reed, William Guin, James W. Cartwright, Mr. Powell, Bunch, Fox, Hamilton, and White, were killed by Umpqua and Rogue River Indians near Evan's Ferry, on Rogue River. This is known as the "Wagoner massacre."

October 10, 1855, Messrs. Hudson and Wilson, killed by Rogue River and Klamath Indians on the road between Crescent City and Indian Creek.

October 16, 1855, Holland Bailey was killed by Umpqua and Cow Creek Indians, in Cow Creek Valley.

November 6, 1855, Charles Scott and Theodore Snow, killed on the road between Yreka and Scott's Bar by messengers from the Rogue River to the Klamath Indians.

February 25, 1856, Captain Ben Wright, Captain John Pollard, H. Braun, E. W. Howe, Mr. Wagoner, Barney Castle, George McClusky, Mr. Lard, W. R. Tullus, James Scroc and two sons, Mr. Smith, Mr. Warner, John Geissel and three children, S. Heidrick, Pat McCollough, and four others, whose names are unknown, were killed by Indians in charge of agent, Captain Ben Wright, near the mouth of Rogue River.

March 21, 1856, Whiting and Bell were killed by Rogue River Indians near Port Orford.

March 26, 1856, George Griswold, Norman Palmer, Mr. and Mrs. Brown, Mr. Watkins, James St. Clair, and eleven others, names unknown, were killed by Cascade Indians. This is known as the "Cascade massacre."

June, 1856, Charles Green and Thomas Stewart killed on McKinney's Creek, near Fort Jones, by Shasta Indians.

January or February, 1857, Harry Lockhart, Z. Rogers, Adam Boles, D. Bryant, and John, a German, killed in Pitt River Valley by Pitt River Indians.

It will be seen by the foregoing list that prior to 1851 upward of fifty citizens were murdered by Oregon Indians. Since 1851 upward of one hundred and fifty citizens have been murdered by the Indians of Southern Oregon and their immediate allies; and about fifty by the Indians of Northern Oregon and their allies since 1851. Many more names could be obtained from papers and living witnesses, but your committee have not time to investigate any further.

RECAPITULATION.

Killed in 1834, 30; in 1835, 4; in 1846, 1; in 1847, 16; in 1850, 8; in 1851, 12; in 1852, 50; in 1853, 11; in 1854, 29; in 1855, 51; in 1856, 45; in 1857, 5; total, 262.

Your committee report the resolution back without amendment, and recommend that it be adopted.

All of which is respectfully submitted.

NATHANIEL FORD,
Chairman Military Affairs.

FEBRUARY 3, 1858.

(Indorsed:) The report of the Committee on Military Affairs.

Adopted by the council February 3, 1858.

Joint resolution relative to the payment of the volunteers called into service for the protection of the emigrants in 1854.

Resolved by the Legislative Assembly of the Territory of Oregon, That the secretary of the Territory be, and he is hereby, requested to transmit copies of his excellency the governor's communication of the 18th of December last, and the accompanying documents, and copies of this resolution, to His Excellency James Buchanan, President of the United States, and to Hon. John B. Floyd, Secretary of War; also to send copies of the same to Hon. Joseph Lane, Delegate in Congress from Oregon, and that he be requested to present the same to Congress, and urge an appropriation to pay the Oregon volunteers who were called into service for the protection of the emigrants in 1854, and all just and necessary expenses.

Adopted in the council February 3, 1858.

H. D. O'BRYANT,
President of the Council.

Adopted in the House February 3, 1858.

IRA F. M. BUTLER,
Speaker of the House of Representatives.

February 18, 1863, General Alvord, in a report, says among other things:

I am also informed that General Wright has been authorized to establish a military post in the Klamath Lake country.

Again, February 26, 1863, in reply to a letter from department headquarters, asking his opinion, he says:

I am convinced that the step is a necessary one so as to protect the emigrant road and the frontier settlements. The Klamath and Modoc Indians, about twelve hundred souls, inhabit this country. The proposed new post would be upon the emigrant road from the Missouri, via South Pass and Humboldt River and Goose Lake, to Southern Oregon. Many emigrants at different dates have been murdered on that road.

And February 20, 1863, Major C. S. Drew, First Cavalry, Oregon Volunteers, writing from Camp Baker, Oregon, in reply to General Alvord, gives reasons why a military post should be established in the Klamath Basin, and reports in detail acts of Indian hostility committed

near there since 1846, and states positively that one hundred and fifty-one white persons had been murdered, and about three hundred others, more or less, seriously wounded.

The term "Snake" applies to several bands or tribes of Indians, and includes the Bannocks, Winnas, Shoshones, Klamaths, and Modocs. They number in all about five thousand, some fifteen hundred of whom probably live in Idaho.

Mr. Huntington, superintendent of Indian affairs in Oregon, in his report to the Commissioner of Indian Affairs, June 1, 1863, in referring to these bands, says:

Their intercourse with the whites has been limited and hostile. The recent discoveries of gold brought crowds of miners to the rich soils of the Snake, Boise, and Malheur Rivers. Their labors have been constantly interrupted by the attacks of these Indians, and by depredations upon their property.

March 20, 1866, General Steele, in his report to the Military Division of the Pacific, says:

Snakes and renegade Indians of Southeastern Oregon and Idaho have commenced depredations, with signs of continued hostilities to the whites.

And again, April 6, 1866, he says:

There are five roads diverging from Goose Lake Valley, which lead into other valleys, that are inhabited or frequented by hostile Indians.

November 11, 1866, Lindsay Applegate, United States Indian sub-agent to Captain Sprague, commanding Fort Klamath, wrote that the Snakes had made a raid into the Modoc country near Goose Lake.

September 30, 1866, Captain Sprague reports in camp, near his post at Fort Klamath, a large number of Snakes gathered from Summer and Silver Lakes, and says:

These Indians have certainly broken the treaty made with Mr. Huntington and now ratified, and Pau-ne-na, their chief, is now in open hostility.

General Crook, in his report of March 4, 1869, referring to the Indians who surrendered to him at Camp Harney, says:

Among these Indians are many very crafty men, who may become troublesome again.

And again, in his report of May 8, 1869, General Crook, than whom no man has a better knowledge of Oregon Indians or of the proper method of dealing with them, says:

There are large numbers of discontented and hostile Indians among the Eastern Oregon tribes.

I have thus referred with some degree of particularity, Mr. President, to these matters of history, for the purpose of giving some idea of the trials and sufferings through which our people have passed, and although the half has not been told, comment is unnecessary. It is a history of suffering and of pain, not upon the part of the Indians but of the whites, that carries within its crimson pages its own sad commentary. No power on earth can call to life the murdered Canby and Thomas. No legislative enactment can bring again to the family fire-side the murdered husbands of Mrs. Body, Mrs. Brotherton, and others, slain on their own premises by Modoc savages. No legislation can now be had perhaps with propriety to restore to the cheated judiciary of Oregon the right which, in my judgment, legitimately and justly belonged to it, of arresting, arraigning, trying, convicting, and executing these men, who in cold blood and all unprovoked murdered some twenty of our citizens during the past eighteen months, and robbed their wives and children of their substance. No civil enactment or military order can now be had that can, by relation, go back and give us protection against wrongs already committed. Therefore we seek that just compensation to our injured citizens which rightfully accrues to them by reason of a failure upon the part of the Government to give proper and necessary protection; a compensation which at best is indeed but a sorry recompense for sufferings endured and losses sustained. Can it be claimed with any degree of propriety that our Government would be less diligent in giving protection to the lives, liberties, and property of its own citizens than of those of a foreign country? Most certainly not.

In this connection I desire to attract the attention of the Senate to a part of the eleventh article of the treaty of February 2, 1848, between the United States and Mexico, known as the treaty of Guadalupe-Hidalgo. I will read it:

Considering that a great part of the territories which by the present treaty are to be comprehended for the future within the limits of the United States is now occupied by savage tribes, who will hereafter be under the exclusive control of the Government of the United States, and whose incursions within the territory of Mexico would be prejudicial in the extreme, it is solemnly agreed that all such incursions shall be forcibly restrained by the Government of the United States whenever this may be necessary; and that, when they cannot be prevented, they shall be punished by the said Government, and satisfaction for the same shall be exacted—all in the same way and with equal diligence and energy as if such incursion were meditated or committed within its own territory against its own citizens.

I do not believe, Mr. President, that our Government ever intended by this article to concede greater protection to the citizens of the United Mexican States against Indian depredations, or to pledge its faith in any stronger terms to those citizens to make satisfaction for and on account of such depredations, than it is willing to do or has done in reference to our own citizens. Upon the contrary, I cannot construe this solemn act of our Government to convey any other meaning or intention upon its part than simply this:

First. That all Indians, including all savage as well as all peaceable tribes within the territorial jurisdiction of the United States, are, in the language of this treaty, "under the exclusive control of the Government of the United States;"

Secondly. That, this being so, it is the duty of the Government to "forcibly restrain" all incursions by any of these tribes or bands made against our own citizens, and that, in the language of this treaty, "when they cannot be prevented," then they shall be punished and satisfaction made; and

Thirdly. That by virtue of this treaty the Government of the United States covenants with the republic of Mexico that it will give to her citizens the same protection against Indian incursions and make the same satisfaction as it does in reference to our own citizens, as the treaty declares, "all in the same way and with equal diligence and energy as if such incursion were meditated or committed within its own territory against its own citizens."

But precedents are neither wanting nor few in reference to this subject, and what this Government has done before as an act of simple justice to its citizens it will not, I take it, hesitate to do again under a similar state of facts. It is but a few years, as the venerable Senator from Minnesota [Mr. RAMSEY] will bear witness, since by a special enactment similar to that now claimed by the pending resolution claims to the extent of about \$1,000,000 were ascertained and finally paid by the General Government to citizens of the State of Minnesota on account of losses sustained by reason of Indian depredations. I would inquire of the Senator from Minnesota if this is not the fact.

Mr. RAMSEY. I do not now remember the amount; but it was a considerable sum.

Mr. MITCHELL. The duty of the Government to protect the citizens of the State of Minnesota at their homes and on their farms against the depredations of savages in their enjoyment of life and property was in that instance very fully and rightfully recognized. Because the Government had failed to give this protection it felt bound, by duty, precedent, and equity, to ascertain in a proper manner the losses sustained, and then to make reasonable and just compensation, which was done.

Mr. President, may not the citizens of the State of Oregon ask as much? Or must their appeals for justice, by reason of the great distance from which they come, be lost on the desert air of the intervening wastes and never reach the ear of the Republic?

As one of her representatives upon this floor, and I may say the entire delegation from Oregon are, as I believe, agreed in reference to this matter, I have felt it my duty to detain the Senate at this time with these remarks, not only in vindication of our people with reference to their treatment of the Indian, but also with reference to the justice of their claims against the Government on account of the Indian. I desire to say that the people of Oregon are not opposed to any policy that has for its purpose the elevation of the Indian, or which will have a tendency to civilize and christianize that race. Upon the contrary, such a policy in reference to any race is in full harmony with the advanced civilization and Christian spirit of the age in which we live, and must commend itself to the favorable consideration of the better judgment and enlightened conscience of every intelligent, patriotic man. To this, therefore, they do not object; but when in the administration of this policy its agents and missionaries become so enthusiastic and fanatical as to be wholly unable to comprehend the fact that the Indian, yet enshrouded as he is amid the gloom of superstition and barbarism, is in the very nature of things prone to engage in acts of barbarism unless restrained by physical as well as moral power; when they deem it necessary to the success of a pet policy that the blame of every Indian depredation must be attributed to wrongful acts of the whites, and when, furthermore, without ever having resided in an Indian country, and therefore necessarily to a very great extent uninformed as to the real character, habits, and peculiarities of the Indian race, they persist in setting up their judgment in opposition to that of men who for over a quarter of a century have resided in the Indian country, and whose means of knowledge are necessarily of a superior nature, they do object to such an administration of a policy that might under a different régime be crowned with abundant success.

Give us honest, capable Indian agents, men whose qualifications are not to be determined by the fact that they are members of this church or that church. Let them be selected from the people, with reference to their knowledge of Indian affairs, and their experience in such matters—men who will do justice both to the Indian and the white man—and we will have a greater degree of prosperity both of the Indians and the whites.

I beg pardon for having detained the Senate so long, and now move a reference of the pending resolution to the Committee on Indian Affairs.

The motion was agreed to.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. MCPHERSON, its Clerk, announced that the House had passed the following bills; in which the concurrence of the Senate was requested:

A bill (H. R. No. 668) relative to private contracts or agreements made with Indians prior to May 21, 1872;

A bill (H. R. No. 1929) to secure a more efficient administration of Indian affairs;

A bill (H. R. No. 1930) to secure to the Episcopal Board of Missions the land in the White Earth Indian reservation, in Minnesota, on which are situated their church and other buildings;

A bill (H. R. No. 1009) making appropriations for the support of the Army for the fiscal year ending June 30, 1875, and for other purposes;

A bill (H. R. No. 912) to provide for the inspection of the disbursements of appropriations made by officers of the Army; and

A bill (H. R. No. 1931) to authorize the sale of the military reservation of Fort Reynolds, in Colorado Territory, and the Government buildings thereon.

The message also announced that the House had passed the bill (S. No. 367) authorizing the Secretary of War to deliver to the State authorities of Rhode Island a certain gun, with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILL SIGNED.

The message further announced that the Speaker of the House had signed the enrolled joint resolution (H. R. No. 43) authorizing a special court of inquiry concerning General O. O. Howard; and it was thereupon signed by the President *pro tempore*.

REMOVAL OF POLITICAL DISABILITIES.

Mr. GORDON. I move that the motion to reconsider the bill (S. No. 133) to relieve Thomas Hardeman, jr., of Georgia, and William L. Cabell, of Texas, of their political disabilities, entered by the Senator from Vermont, [Mr. EDMUNDS,] be referred to the Committee on the Judiciary, with an accompanying paper, which I now ask leave to present.

Mr. EDMUNDS. There is no objection to that being referred to the committee.

The PRESIDENT *pro tempore*. The Chair would suggest that the only way to accomplish the purpose would be to agree to the motion to reconsider and then refer the bill. The motion to reconsider cannot be referred to a committee.

Mr. EDMUNDS. Then let the bill be reconsidered for the time being.

The PRESIDENT *pro tempore*. The Chair will submit the question on reconsidering the vote on the passage of the bill; and that being agreed to, then the bill can be referred.

Mr. CONKLING. I suggest that some reason should be given for the reconsideration, in order that we may vote intelligently upon it.

Mr. EDMUNDS. The only point was that the question about relieving one or both of these gentlemen was referred to the Judiciary Committee, and without any report of the committee the bill was put on its passage one day in some way, and I entered a motion to reconsider, in order that we could inquire into the propriety of it. Since then, Senators having the matter in charge have furnished some documents which they desire should go back to the Committee on the Judiciary with the bill for consideration.

The motion to reconsider was agreed to.

The PRESIDENT *pro tempore*. The Senator from Georgia now moves to recommit the bill to the Committee on the Judiciary.

The motion was agreed to.

SENATOR FROM MISSISSIPPI.

Mr. ALCORN presented the credentials of Hon. H. R. PEASE, chosen by the Legislature of Mississippi Senator from that State to fill the vacancy occasioned by the resignation of Hon. Adelbert Ames.

The credentials were read; and the oaths prescribed by law having been administered to Mr. PEASE, he took his seat in the Senate.

HOUSE BILLS REFERRED.

The following bills from the House of Representatives were severally read twice by their titles, and referred as indicated below:

The bill (H. R. No. 668) relative to private contracts or agreements made with the Indians prior to May 21, 1872—to the Committee on Indian Affairs.

The bill (H. R. No. 1929) to secure a more efficient administration of Indian affairs—to the Committee on Indian Affairs.

The bill (H. R. No. 1930) to secure to the Episcopal Board of Missions the land in the White Earth Indian reservation, in Minnesota, on which are situated their church and other buildings—to the Committee on Indian Affairs.

The bill (H. R. No. 1009) making appropriations for the support of the Army for the fiscal year ending June 30, 1875, and for other purposes—to the Committee on Appropriations.

The bill (H. R. No. 912) to provide for the inspection of the disbursements of appropriations made by officers of the Army—to the Committee on Military Affairs.

The bill (H. R. No. 1931) to authorize the sale of the military reservation of Fort Reynolds, in Colorado Territory, and the Government buildings thereon—to the Committee on Military Affairs.

RHODE ISLAND BATTERY GUN.

The PRESIDENT *pro tempore* laid before the Senate the amendment of the House of Representatives to the bill (S. No. 367) authorizing the Secretary of War to deliver to the State authorities of Rhode Island a certain gun, which was, in line 7, after the word "light," to strike out the word "infantry," and insert in lieu thereof the word "artillery."

Mr. ANTHONY. That is merely a verbal correction, and I move that the Senate concur in the amendment of the House.

The motion was agreed to.

NATIONAL-BANK CIRCULATION.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. No. 432) to amend the act entitled "An act to provide for the redemption of the 3 per cent. temporary-loan certificates," and for an increase of national-bank notes," approved July 12, 1870; the pending question being on the amendment of Mr. MERRIMON, to amend the bill in section 3, line 12, by striking out "25" and inserting "75;" so as to read:

Provided, That the whole amount of circulation issued to such banking associations, and withdrawn and redeemed from banking associations under the provisions of this act, shall not exceed \$75,000,000.

Mr. BUCKINGHAM. I understand that the amendment now before the Senate is the one proposed by the Senator from North Carolina [Mr. MERRIMON] allowing a withdrawal of circulation from the States having a larger amount than their proportion up to the sum of \$75,000,000. I will not go extensively into the questions of finance, for I am sure they have been fully debated by this body since the subject has been under consideration; but I will endeavor to confine myself as closely as possible to the merits, if it has merits, of the pending amendment.

I fully agree with some suggestions which have been made by the honorable Senator from Wisconsin [Mr. HOWE] and also by the honorable Senator from Indiana [Mr. MORTON] that there is an apparent, and perhaps a real, injustice done some of the Western and Southern States, because they do not have their proper proportion, as it is called, of bank-note circulation. I do not know that I should agree to the term "injustice;" but let us call it "injustice" for the present. I submit that if these States are now suffering unjustly, it is not just to relieve that injustice by inflicting injustice upon another section of the country. It is not necessary. Relief can be secured in some other way.

The injustice arises from an attempt to make a distribution of currency by law, when it can be equitably distributed only by the demands of internal commerce. The fault is not in New England, not in States that have a circulation larger than what is called their proportion, but in the law which defines the apportionment.

What we need is freedom, deliverance from unnecessary restriction imposed by statute law. This can be secured by free banking. Free banking, under wise and just laws, will give to the West and South all the banking facilities which they will require or can profitably use. This bill proposes no such remedy; but, on the contrary, demands a new distribution of bank capital and bank-note circulation to-day, to be repeated to-morrow for the same reason which demands it to-day.

The honorable Senator from Michigan now in the chair, [Mr. FERRY,] expressed a wish that as New England had availed herself of benefits derived from a surplus of capital, she would be considerate and remember that the West had furnished more than her quota of men to suppress the rebellion. I would not pluck a laurel from the brow of any western man or from any State; but I am not willing to allow that New England was dilatory or deficient in furnishing men to sustain the Government. Every one knows that "Connecticut is a good State to emigrate from," and that the Western States have made heavy drafts upon our young arms-bearing men, and left us with an undue proportion of women and of men too old for military service; and yet I would say that Connecticut sent the first regiments to the front which were armed, equipped, uniformed, and furnished with a baggage-train complete for field service. Besides, Connecticut furnished during the rebellion 12½ per cent. of able-bodied men more than the quota assigned her by the War Department; and there was but one brief period when the State was deficient in her quota.

These are not reasons why the West, proud of her strength, should do an act of injustice to New England. These facts also show that the argument upon which the Senator from Michigan asks consideration is not properly based. There are reasons why New England should regard the interests of the West, but they were not named in this part of the speech of the honorable Senator.

But Connecticut not only furnished more than her quota of men, but her banks, organized under State laws, at the first news of the attack on Sumter, on the first day tendered to the Executive nearly \$1,000,000 to be used at his discretion to maintain national authority. And soon after this, at the mere suggestion of the Executive, the State banks took \$2,000,000 of State bonds at par, every dollar of which was expended in arming and equipping her volunteers, when they could have taken national bonds at ninety cents on the dollar.

It was after this that they were induced by the "pitchfork argument" to abandon State protection and all the rights and privileges that they had enjoyed under State laws, and organize under the national banking law. In doing this they had confidence that if they should thus render such aid as the Government required they would be protected in the enjoyment of such benefits as the law then offered. The great and distinguishing benefit proffered was the benefit which might arise from circulation. And now, because some sections of the country have not equal benefits, you propose to take from banks in the East the very privileges which you offered as an inducement for them to furnish the Government with the sinews of war.

If some sections of the country are suffering unjustly, you propose to remedy the evil by inflicting like injury upon another section. This is to be done by a redistribution of your currency. But let me

assure you that this is injustice and will be no remedy; because you cannot make an equitable distribution, unless you can make a correct estimate of the business of the country, and of its local business in every part.

But suppose you could do exact justice by such a distribution to-day, it would not be equitable to-morrow. There will be a clamor for a new distribution, and that will be renewed at every change in the current of business which sweeps rapidly over every section of the country. There will be continually an interference with that adjustment and with that crystallization of capital and labor which stimulates the greatest variety of business pursuits, and by which the products of our industry reach their maximum value. An interference with this adjustment will not only be injurious to local interests, but to national prosperity.

Should we not then try some other remedy for the evils under which the West and South are suffering? Rather than violate plighted faith or clearly implied obligations, will it not be more satisfactory to every section of the country to open the present banking law so as to allow every association of men to organize a bank at such place and with such capital as they shall elect, restrained only by requiring positive redemption.

But if you must take from the East in order to conciliate the West, or in order to do justice to that section of the country, do not strike too heavy a blow at first. If we must bleed, open a vein, and not an artery; take not the \$75,000,000, as proposed by the amendment offered by the honorable Senator from North Carolina, but be content with the \$25,000,000 proposed by the bill.

Mr. SCOTT. Mr. President, I do not rise for the purpose of making any extended remarks, either upon this bill or upon the general subject of finance; but I do desire to say a few words upon the amendment now pending, that my position may not be misunderstood as a member of the Committee on Finance, either with regard to this bill or upon the general subject, on which, perhaps, I may have somewhat more to say when it shall again be before us.

The bill, as reported from the Committee on Finance, is intended simply to make effective the provisions of the act of 1870 for the redistribution of what was then determined to be a proper amount to be withdrawn from the States which had an excess of national-bank circulation, and to be given to those in which there was a deficiency. It will be remembered that when the Comptroller of the Currency approached the period when he was expected to carry the act of 1870 into effect, he incorporated into his annual report the opinion that it was impracticable, and for that reason recommended the repeal of the sixth section of the act of 1870. If that recommendation had been acted upon by the Finance Committee before the panic of 1873, then I have no doubt the States for whose benefit the sixth section was intended would have resisted its repeal and demanded that which they now hesitate to receive. We come now, however, in the light of the experience which this financial revulsion has given us, to consider the question of justice and expediency in carrying out the provisions of that law, and the Finance Committee is endeavoring simply to remove what seems to be a technical obstacle in the mind of the Comptroller to giving it practical effect. That is done by declaring—for this is the effect of the bill—that the words "taken up," in the act of 1870, do not mean that the bank circulation down to the last dollar authorized to be redistributed shall actually be issued, but that, because there are applications pending which will take up the whole of it, he shall now proceed to carry the law into effect. That bill I will vote for.

But the Senator from North Carolina has offered an amendment which proposes to increase the amount of currency to be distributed by the Comptroller from twenty-five millions to seventy-five millions; and the plain English of that proposition is an increase of national-bank circulation by the amount of \$50,000,000. That I will not vote for; not because I am not favorable to giving banking facilities to all parts of the country. I desire that they shall have them. I vote for this bill, not because I am a believer in the theory of fixing a *per capita* circulation, not because I believe that money taken by a bank and put in circulation in a neighborhood will remain there without regard to its business, for I think our western friends have almost themselves answered that allegation when they make a complaint on this floor that they have too little money in the West, and that they cannot keep even the little that they have from flowing to the East. I vote for it because these localities, which would establish national banks, are entitled to their banking facilities; but I shall vote against the pending amendment because, with my present views, I am opposed altogether to increasing the national-bank circulation.

I may have some figures hereafter to present on that question; but I do not wish to take up time unnecessarily on a subject which is not legitimately before us. I think it is time that some of the delusions connected with the national-bank system should be swept away, and that it should be presented to the people exactly in the form in which it practically operates. The idea that the stockholders are receiving as clear profit 5 and 6 per cent. annually on their bonds, when the State and national governments get as taxes annually 4½ per cent. out of the 5 or 6, should be swept away at once; and I think when we come to consider that subject it can be demonstrated that every dollar of national-bank currency could be withdrawn and the whole volume of that and of the legal-tender currency now issued could be based upon United States bonds bearing 2 per cent. interest, with less expense to

the Government in the shape of interest than is now paid on the \$354,000,000 of national-bank circulation.

I desire to see not only the national-bank currency withdrawn; I desire not only to see the Government relieved from the business of banking which it is proposed it shall embark in by some propositions; but I desire also to see abolished distinctions existing in appearance between national-bank circulation founded upon the faith of the Government and legal-tender notes founded upon the same faith. I wish to see every dollar that is in circulation, with the impress of the Government upon it, declare upon its face that it is a dollar founded on the faith of the Government, issued through the banks, redeemable primarily in gold or bonds by the banks, who can regulate that business, and, upon their default, ultimately by the Government. Of the details for accomplishing this I do not propose now to speak. But, sir, while I am making this declaration, I do not wish it to be understood that I shall advocate an unlimited issue of irredeemable paper money. While I agree that the people ought to be furnished by the Government with currency enough to meet the current needs of business, I also, if I have learned anything in my reading of history, have learned that an irredeemable paper currency, unlimited in quantity by proper provisions for redemption, is the parent of wild and reckless speculation, of defalcations, of demoralization, and ultimate losses to all classes in the business affairs of any country, in which such a currency is permitted to circulate.

Because then, Mr. President, I am unwilling at the present time to increase the volume of national-bank circulation, not because I am not willing to give banking facilities to the regions of country which are now deprived of them, I shall vote against the amendment offered by the Senator from North Carolina, and shall await the time when we shall have some practical measure before us reported by the Finance Committee, intended, in the language of the resolution which they have reported, to enable us to redeem our faith plighted by the act of 1869, and to furnish a currency uniform and permanent in its value, and so adjusted as to meet the recurring wants of business. Reserving what I shall have to say until that time, I have risen more for the purpose of giving my reason for voting against this amendment, that I may not be misunderstood, than for the purpose of entering into any general discussion upon the financial question.

I do not think that the distribution of the twenty-five million to the West and to the South will effect the purpose which some of its advocates several years ago contended it would. I do not believe that you can fix any *per capita* circulation which will furnish the necessary currency to do the business of any one country by citing and examining the *per capita* circulation which is given in another. The amount of business, its nature, the amount of money which is needed in supplying the daily wants of men, the question of whether they are engaged in agricultural pursuits, mining pursuits, manufacturing pursuits, all requiring different amounts of circulation; the habits of the people, their use or distrust of banking facilities, all have to be considered in determining the amount of *per capita* circulation that is necessary. Looking at the tables which are incorporated in the reports of the Comptroller of the Currency, we find that when bank circulation was unlimited, when the State banks were permitted to issue bank-notes *ad libitum* almost, the *per capita* circulation in the States which now have very little, had very little then, and that the States which have a large *per capita* circulation now had the largest *per capita* circulation then. This is true of Rhode Island, true of Connecticut, true of Massachusetts. Why, sir, in looking at the figures for the State represented by the present occupant of the chair, (Mr. FERRY, of Michigan,) I remember that in the tables given as to the circulation in 1862 they had not twenty cents *per capita*, and now they have many times that, even under the faulty distribution of national-bank circulation. The same was true in reference to the State of Illinois. With \$619,000 circulation, I think, in the year 1862, they had not more, perhaps, than thirty-six cents *per capita*, whereas now, if I recollect aright, they have over seven dollars *per capita*.

The *per capita* circulation, as among the States which have large earnings laid by—capital in its true sense—and those States which are young, whose populations have yet in a large measure their money to make, their farms to pay for, their debts to wipe out, these proportions of *per capita* circulation have kept pace with the development of the States from 1862, when these tables were published, down to the present time.

I vote for this bill not because I believe in this theory of fixing a *per capita* circulation, or that you can fasten and keep money in Illinois by putting a bank there, but for the purpose of doing that justice which was intended by the law in giving the various sections of the country their banking facilities and carrying out that law enacted to remedy what was clamored against as an injustice at that time. When it, assumes any new features, which may interfere with the general adjustment to which I look forward, or prevent the preparatory steps for that uniformity in our circulation which I think desirable, I will not feel bound to support it.

Mr. ALLISON. Mr. President, I desire to say a word or two on the amendment offered by the honorable Senator from North Carolina. I do not object to the spirit of his amendment, but I think the form of it may be objectionable. I am well satisfied that if we desire to do so we can withdraw every dollar of circulation from every national bank in the country. It is no act of bad faith, as indicated by the

Senator from Vermont yesterday, to withdraw the circulation from these banks. In every law that we have passed on this subject we have reserved the right to alter, amend, or repeal it. I think there is a want of equity, however, in taking seventy-five millions of the circulation from one section of the country and placing it in another section. If we withdraw bank circulation from existing banks, it seems to me that we ought to do so from all the existing banks, especially for any amount of withdrawal over and above the twenty-five millions involved in this bill as reported, this latter sum being fixed as the probable excess of circulation taken up by the eastern banks.

The objection to-day in every portion of this country to the national banking law is to the monopoly feature of it; that a certain set of gentlemen in every State, having organized under the banking law, have a monopoly of the national-bank circulation. If we wish to equalize this circulation, and if it is a benefit to any bank to have it, we have a perfect right to withdraw from any one of these banks, and from all of them, 5, 10, or 15 per cent., and give it to new banks that may desire to organize under the banking act.

But I concede that there are some equities in favor of the New England banks, even against the bill proposed by the Committee on Finance. They were virtually forced into our national banking system by the laws that we made here. Under the original act, in 1863, provision was made for a distribution of the circulation among the States, one-half on the basis of population and one-half on the basis of wealth, industry, and existing bank capital.

In 1864 that mode of distribution of circulation was entirely removed, and was removed with a view to induce the State banks all over the country to embrace this national system; and soon after the passage of that amendatory act of 1864 we taxed the State banks out of existence; we said to them, "You must go into this national system or lose circulation entirely." We taxed State banks by the act of March 3, 1865, 10 per cent. upon their circulation. For what purpose?

Mr. SHERMAN. Will my friend allow me to suggest that on that same day, March 3, 1865, we restored the old law of distribution?

Mr. ALLISON. I remember that very well. It is true the old provision for a distribution according to population and wealth was restored by the act passed on the same day; but we invited the then existing State banks to organize under our national system by saying to them, "If you do not do so, if you do not invest your capital in United States bonds, we will tax you 10 per cent. on your State circulation." Therefore we forced by our laws every State bank out of existence or into the national system; and now we say to the capital of the country that seeks investment in banking, "You shall not invest in national banks, because the limit of circulation is \$354,000,000." That is, we make an arbitrary limit. Who is there that can say that \$354,000,000 is just the amount of national-bank circulation that we ought to have, no more and no less?

When the bill of 1870, which provided for an additional issue of \$54,000,000 to take up the 3 per cent. certificates and for a redistribution of \$25,000,000 of existing circulation, was reported from the Banking and Currency Committee in the House, it provided for \$95,000,000 additional circulation; and being under discussion in the House, some one inquired why the limit of \$95,000,000 was fixed. No very satisfactory answer could be given. But a facetious member then in the House from Kentucky undertook to give a satisfactory answer by stating that it was ninety-five million miles to the sun, and the committee proposed a dollar a mile. [Laughter.] I submit no better reason can be given for limiting the present circulation to \$354,000,000, and no more, than was given by the member then from Kentucky for the bill providing for \$95,000,000. Twenty millions more added to the bank circulation of the country and to the banking capital of the country would make no appreciable change in existing values one way or the other.

The chairman of the Committee on Finance tells us that if this bill, authorizing the taking away from the old States and placing in the new States this twenty-five millions of circulation, is passed it will be two years before the twenty-five millions will be taken up or wanted in the new States now without their quota. I believe he is substantially correct in that statement. I do not believe that this bank circulation would be taken up rapidly. No bank can organize under the existing banking law without substantially putting up \$1.30 in money for each ninety cents of circulation it receives. Every national bank that is organized must buy United States bonds at their present advanced price, and it receives only 90 per cent. in circulation of the face of the bonds; and in addition to that it must keep as a reserve, in its vaults or elsewhere, 15 per cent. of that circulation, and must in addition pay heavy local taxes, municipal, county, and State, as well as the taxes now imposed by our revenue laws.

Now we are called upon to take away from the Eastern States only this \$75,000,000 of circulation. I submit that it is hardly fair to the banks which have been organized under the inducement of our laws to do that. I do not favor any inflation of the currency, but I believe it would be better to authorize still further bank circulation to the extent of the twenty-five millions now proposed to be redistributed, or even more, than to disturb bank capital and circulation in the older States. We have reached a period in the session, I think, when it is fair and proper that we should discuss every question con-

nected with the national banks. I believe we should at the earliest moment provide for all the changes we propose to make at this session in our laws respecting the currency, so that all classes and sections of our country may know what the policy of Congress is to be, in order that they may arrange their affairs in harmony with that policy.

If it should take two years to redistribute this \$25,000,000 it would also take two years to issue \$25,000,000 of new bank circulation. Such moderate increase of bank paper, properly distributed, the distribution requiring two years, can in no sense be called inflation. Why, we have increased the volume of greenbacks more than this sum in three months. But if that increase is impossible, then I am for the spirit of the amendment proposed by the Senator from North Carolina, which, as I understand it, is that the existing national banks, whether they be East or West, whether the particular section where they are has its full quota or not, shall return to the Comptroller of the Currency a percentage of their present bank circulation, and that that percentage shall be given to any new bank in any portion of the country that seeks to organize itself, giving preference to the West and South, where there is now a deficiency. It seems to me that we ought to remove, if we can, this restrictive clause in this matter of the circulation of the national banks. If we cannot do it by enlarging the circulation, let us do it by diffusing it. Mr. President, I hope that the amendment of the Senator from North Carolina will be so modified as to take the additional \$50,000,000, if so much be required, from all the existing national banks, and not from that portion of the country only which now has an excess of circulation, amounting, as stated, in the aggregate to twenty-five millions.

Mr. MERRIMON. Mr. President, in offering the amendment to the pending bill to strike out "twenty-five millions," and insert "seventy-five millions" instead thereof, I was not moved by any hostility toward the Eastern States. If they have wealth and industry and enterprise, I rejoice at the fact; and when they prosper I believe the whole country prospers in some measure. But, while I rejoice at their prosperity and their advantages, especially in monetary matters, I desire to see such advantages extended to the whole country, and especially to that section of it which I have the honor in part to represent. So that I beg the Senate to understand that nothing is further from my purpose than to do any act necessarily hostile to the Eastern States.

Now, I propose to examine very briefly the circumstances underlying the amendment which I offered and see whether there is in it in any sense injustice. If I could be convinced of any such wrong, I am very sure I should be the first to recede from the position which I occupy. The amendment is predicated upon the notion that the country by statutory limitations is to have a volume of bank circulation equal to three hundred and fifty-four millions, and no more. Other gentlemen and myself have had occasion to say during the discussion in the Senate in reference to the finances of the country that we believe there is not sufficient currency in the country to effectuate the exchanges according to the due and ordinary course of business. Those gentlemen who are opposed to what they style "inflation" say that the volume is sufficient, and they tell the Senate and they tell the country in plain and peremptory terms that the volume of currency is quite sufficient and it shall not be increased, but that, on the contrary, they propose to contract it and to hurry the country into specie payments. While I am in favor of returning to specie payments, and as strongly so as any Senator present, I take into consideration the circumstances and condition of the country; and my judgment is that we cannot promptly return to such payments, that it requires time to do it, and I am as well satisfied that in the mean time the country ought to have relief by some measure of expansion. But, as I said, this amendment is offered in view of the limited bank circulation authorized by the statute, and only in that view.

If banking were free, or if Congress would allow the volume of currency to be increased to such sum as, in my judgment, would subserve the interests of the country, I should be willing to yield the point that I contend for now, but under no other circumstances whatsoever; and even then I believe that this concentration of monetary capital in the Eastern States, for reasons that I may advert to on some future occasion, tends to the general injury of the whole country.

Now let us see how much injustice there is in the proposition embodied in my amendment. By the law as it now stands the volume of bank circulation is limited to \$354,000,000. By the law as it has stood from 1865 down to this moment, that bank circulation thus limited was to be distributed over the Union according to population and wealth. The statute so provided in express and peremptory terms. Yet what do we see? We see that instead of the distribution provided by the statute, commanded by the statute, the Eastern States, mainly the New England States, have in excess of the distribution allowed to them by law over \$80,000,000 of the \$354,000,000 composing the whole volume.

What is the result of that tremendous excess? The result is that the monetary capital of the country, and all the influences and advantages growing out of it, are concentrated in that section of the Union, comparatively a small section, while the vast West, while the slowly reviving South, are deprived of those monetary conveniences, of that volume of circulation, of those advantages that grow out of a sufficient money circulation, and all this because it is thus concentrated in the East. It seems to me that the

naked statement of the facts is sufficient to show that it is not just. Surely no one can seriously contend that it is right, just, proper, and wise that this excess of \$80,000,000 should be concentrated in that little locality at the expense or those vast sections of the country which are not supplied because of such concentration.

Now, why do they say that it is unjust? Some gentleman suggests that New England rendered valuable service during the late civil war, and that they were active in putting this new banking, which was forced upon them, into practical operation. Well, sir, they are entitled to due credit for that. But let us see what were the terms upon which they did so, and what they got for what they did. In the first place, the law prescribed in terms that if they took this excess they took it with the express understanding that when the necessities and convenience of other sections of the country demanded it they should return it to be redistributed. That was the contract that they made understandingly with the Government at the time they took this excess in violation of law.

Mr. EDMUNDS. Will the Senator please point out to us where the violation of law is?

Mr. MERRIMON. I will do it with a great deal of pleasure. The honorable Senator from Ohio [Mr. SHERMAN] yesterday evening, in responding to a similar question propounded to him by my honorable friend from Vermont, answered it.

Mr. EDMUNDS. The honorable Senator from Ohio, I am sorry to say, only quoted one half the statute. There happened to be two statutes of the 3d of March, 1865, instead of one, and the honorable Senator from Ohio quoted one and accidentally omitted the other, which provides for quite a different thing.

Mr. SHERMAN. The Senator makes a great mistake.

Mr. EDMUNDS. I do not mean to say that my friend intended to do it.

Mr. SHERMAN. I stated distinctly that there were two laws, and that the difficulty arose out of different constructions of those laws. I do not like to have my motives aspersed.

Mr. EDMUNDS. I do not asperse the Senator's motives; far from it; I do not know that he has any motive. I only appeal to the RECORD and read what the Senator said:

Mr. SHERMAN. My friend from Vermont seems to leave the impression on the Senate that by the act of June 3, 1864, the limitation of law requiring an apportionment of this currency was repealed; but he forgot to read the act of March 3, 1865, which restored it.

That, I hope, was not an imputation on my motives; and certainly I do not impugn my friend's motives.

At the time of the passage of the act of March 3, 1865, the whole amount of national banks organized in the United States was about \$100,000,000. From the act of March 3, 1865, I will read the clause providing for apportionment:

"And that \$150,000,000 of the entire amount of circulating notes authorized to be issued shall be apportioned to associations in the States, in the District of Columbia, and in the Territories, according to representative population, and the remainder shall be apportioned by the Secretary of the Treasury among associations formed in the several States, in the District of Columbia, and in the Territories, having due regard to the existing banking capital, resources, and business of such State, District, and Territory."

Every one of the banks organized in States in excess of their proportion was organized after this act was passed and in defiance of the act.

Now let me read further to the Senator from Ohio and to the Senate another act reported, I believe, by himself from the Committee on Finance.

Mr. SHERMAN. I beg pardon. The act was reported by the committee; not that particular clause, which was moved by the Senator from Rhode Island [Mr. ANTHONY] as an amendment.

Mr. EDMUNDS. The act was reported. I certainly agree with the Senator from Ohio in his main sentiment, and have no disposition to misrepresent him. I beg him to understand that.

Mr. SHERMAN. I wish the Senator would state the facts in this matter. That is all I ask.

Mr. EDMUNDS. Certainly. I do not desire to misstate any facts. It was exactly for the purpose of preventing a misstatement of facts that I rose. I concur entirely therefore with the Senator from Ohio in the propriety of my going on.

Section 7 of the act of March 3, 1865, being entitled "An act to amend 'An act to provide internal revenue to support the Government, to pay interest on the public debt, and for other purposes,' approved June 30, 1864," is as follows:

And be it further enacted, That any existing bank organized under the laws of any State, having a paid-up capital of not less than \$75,000, which shall apply before the 1st day of July next for authority to become a national bank under the act entitled "An act to provide a national currency, secured by a pledge of United States bonds, and to provide for the circulation and redemption thereof," approved June 3, 1864, and shall comply with all the requirements of said act, shall, if such bank be found by the Comptroller of the Currency to be in good standing and credit, receive such authority in preference to new associations applying for the same: *Provided,* That it shall be lawful for any bank or banking association organized under State laws, and having branches, the capital being joint and assigned to and used by the mother bank and branches in definite proportions, to become a national banking association in conformity with existing laws, and to retain and keep in operation its branches, or such one or more of them as it may elect to retain; the amount of the circulation redeemable at the mother bank and each branch to be regulated by the amount of capital assigned to and used by each.

I think that does not quite accord with the act which the Senator from Ohio read yesterday, and upon which he asserted, without referring to this statute which I have now read, that "every one of the banks organized in States in excess of their proportion was organized after this act was passed, and in defiance of the act."

Mr. SHERMAN. Mr. President—

Mr. EDMUNDS. I cannot yield at this moment. My friend must excuse me.

Mr. SHERMAN. I rise to a question of order.

The PRESIDING OFFICER. (Mr. FERRY, of Michigan, in the chair.) The Senator from Ohio will state his question of order.

Mr. SHERMAN. I have a right to insist that the Senator shall not misstate my position; and I say that when he says I did not refer to the act he has just read he misstates my position, because in response to the inquiry put to me directly I referred to the two acts in so many words. I do not desire to have my position misstated, especially as the Senator is so captious about inquiring as to my motives; and, if he will allow me, I will read what I said, to show that I am correct.

Mr. EDMUNDS. I only allow what the Chair regards as a point of order.

Mr. SHERMAN. I submit this to show to the Senate that the Senator misstates a point of fact. I will now read—

The PRESIDING OFFICER. The Senator from Vermont makes the point that the Chair must rule on the point of order. The Senator from Ohio will state his point of order.

Mr. SHERMAN. I state that I have the right to correct a misstatement of my position by the Senator from Vermont.

The PRESIDING OFFICER. The Chair understands that to depend on the courtesy of the Senate.

Mr. EDMUNDS. "The courtesy of the Senate!" We are standing on our rules now.

Mr. SHERMAN. I will waive it for the present.

The PRESIDING OFFICER. The Chair overrules the point of order, and recognizes the Senator from Vermont.

Mr. EDMUNDS. Now, Mr. President, I yield with the greatest pleasure to my friend from Ohio to make his statement, for I certainly do not design to do him injustice.

Mr. SHERMAN. I stand on my rights, and will make the correction after awhile.

Mr. EDMUNDS. That is perfectly correct. We both have our rights now. [Laughter.] I shall have the pleasure of reading (which is almost the best reading I know of) the statement of the honorable Senator from Ohio, even three or four times, because I wish the Senator to drink it in to the very bottom. I repeat, Mr. President, with all deference to the honorable Senator from Ohio, who seems to have got himself, I will not say into a passion, because that is not a senatorial thing—no Senator can be in a passion—but to have got himself into one of those states that frequently befall men who are mixed up on finance, feeling a little restive about having a part of his own speech read to him. Well, Mr. President, I confess I have a profound sympathy with that. If anybody were to read any of my speeches on finance in my presence, I am sure that I should feel restive enough to leave at once. I admit that. All that I have done to the honorable Senator so far is to read what he said himself. Now, the honorable Senator intimates that that is not fair and that it misstates his position. It is true, as I would have stated if the honorable Senator had given me leave to proceed, and had not—I will not say under pretense of a point of order, because that would not be just to him—but under the cover of a point of order, undertaken to say something that he did state a day or two ago in another part or his remarks, in reply to another question, put by somebody else, that there were two acts of 1865. So there were. The honorable Senator said that; but he did not then say, if he will pardon me for calling his attention to the fact, to the best of my recollection, though I have not read his remarks on that point, that these two acts taken together made the issue of this money to the State banks transformed into national banks a perfectly lawful and regular one, and that the Secretary of the Treasury was not liable to impeachment in this body or anywhere else because in obedience to this provision of the act of March 3, 1865, he gave to the State banks that chose to turn over into national ones the amount of currency to which, by the law, they were entitled. It is perfectly useless to disguise this matter, if anybody desires to disguise it. The truth is that the provisions of the act of March 3, 1865, in one statute and those in the other must be read together, as every lawyer knows. The Senator from Ohio knows it. Reading them together you find that while there is to be this distribution according to population and according to business, as existed in the original act, I believe, and which was repealed by the act of 1864—

I must beg pardon of my friend from North Carolina for one minute more; I see he is uneasy.

Mr. MERRIMON. I am waiting for you to make your correction.

Mr. EDMUNDS. Yes, sir.

Taking the two together, you then have the special provision that any State bank, of which there were hundreds over the country—thousands for aught I know—might change itself into a national bank independently of this limitation of population and business, and so on, and give up its own notes and take national notes for them. The Senator from Iowa [Mr. ALLISON] has stated that this morning as well as it could be stated. Therefore I say—and that is all that I rose to say, and regretting that I have taken so much of the time of my friend from North Carolina, and apologizing to my friend from Ohio if I have unintentionally done him injustice, for I did not intend to do so—I say there is no good ground for asserting that this issue of circulation to the State banks that have transformed themselves into national banks was contrary to or in defiance of law.

Mr. SHERMAN. I hope my friend from North Carolina will allow me to say a word in reply.

Mr. MERRIMON. With pleasure.

Mr. SHERMAN. The only reason that I showed any feeling about the matter was because I thought the sharp, incisive tone of the honorable Senator from Vermont was not exactly the thing here. In the first place, he rather impugned my motives I thought. When I corrected him in that, he said, "I did not do that; I did not know you had any motive." That was a sharp way of saying that I had no motive. I do not suppose the Senator means anything unkind, but it rasps a little to have these sharp, pungent remarks made. We all admit that he is very ingenious and quite incisive in his mode and manner; and sometimes we feel sensitive about it.

Now, I wish simply to say that I think I did the Senator exact justice, and I answered him with the most explicit bearing on this very point. It is true that under the act of 1863 the first national banking act, there was a limitation and a mode of distributing the national-bank circulation. The amount was limited to \$300,000,000, of which \$150,000,000 were to be divided according to population, and the other \$150,000,000 according to wealth, production, &c. This clause was not in the law of 1865, and why? Because up to 1864 the amount of banks organized under the banking act had been very small indeed; I think only about \$150,000,000. Only \$60,000,000 of circulation had been issued up to November, 1864. I have the document before me showing it. Very little progress had been made in the organization of national banks, and this limitation was omitted. It was found after the passage of the act of 1864 that banks were rapidly organizing under it, especially the old banks, and then Congress after debate, in the act of March 3, 1865, which I read to the honorable Senator, restored *in hac verba* the provision about distribution. But at the same session an amendment was offered by my friend from Rhode Island [Mr. ANTHONY] which gave the existing State banks a preference over new banks. The construction of those two sections, when read together, in my judgment shows that it was the intention of Congress to restore the old limitation, the old rate of distribution; but that in the applications for the banking circulation under the act there was to be a preference given to the old banks rather than to new ones; and this apportionment would have given all the old banks in all the States I believe, perhaps with the exception of Rhode Island and Massachusetts, their share of bank circulation.

In order to show that when the Senator inquired of me about this matter I gave him the exact facts, I will read the inquiry he put to me:

Mr. EDMUNDS. Mr. President, the question which I wished to ask the honorable Senator from Ohio, the chairman of the Committee on Finance, was to be good enough to point out to the Senate where the law is which he says has been violated, or not obeyed, in the case of the banks of Rhode Island taking so much of the banking facilities of the country as they did at the time.

Now, here is my answer:

Mr. SHERMAN. I think it is the act of March 3, 1865. There were two laws passed on the same day. I do not desire to go into a long explanation, but I can do so. There were two laws passed on the same day, one re-establishing the old principle of distribution and the other giving banks in existence a priority. The construction I have always put on these two acts, when taken together, was that the old banks should have a priority in the distribution of the part assigned to the State. It was the construction of those two laws that led to this unequal distribution.

And I have the laws before me. Now I ask the honorable Senator if that was not a frank answer to a frank question; whether he thought that in reading only one of the laws, I accidentally omitted reading the other?

Mr. EDMUNDS. If the Senator really wishes me to answer now, I certainly answer with entire frankness that neither then nor now do I intend to impute to the Senator any desire to conceal anything, because I know he has not any such desire. As to anything that I said that was "incisive," as he calls it, whatever that is, I wish to take it all back; but the Senator did say, and that was what my friend from North Carolina grounded his declaration upon to which I arose, that this proceeding under the act of March 3, 1865, had resulted in an illegal appropriation by these banks of money which did not belong to them, which would follow of course from an illegal act of the Secretary of the Treasury in letting them take it. I never heard it questioned at the time that, taking the two laws together, the action was legal. I do not say this in order to show that my friend's bill is not right, because certainly Congress has always reserved the power to readjust the currency whenever it pleases. I was only trying to defend the Secretary of the Treasury, and the banks which got more than it seems now to be thought they ought to have got, from the charge of having acted illegally or having violated the law.

Mr. SHERMAN. Now let me go a step further. After I had made this statement to the honorable Senator—there is only one page between them—he then proceeded to argue upon the omission of the apportionment clause from the act of 1864. He said that by the act of 1864 the previous apportionment was repealed, and there was no restoration of it; but he did not himself refer at all to the act of 1865. Then, at the conclusion of his remarks, when he had made no reference to either act of 1865, I reminded him that the rule of apportionment was restored by an act of March 3, 1865, having previously informed him that there were two acts passed on the same day upon which the difficulty about construction arose.

I will here state, for the information of my friend from North Carolina, who probably has not looked into the matter in detail so

much, that up to March 3, 1865, there had been no violation of the rule of apportionment. Nearly all this rush of existing banks occurred after the war was over. There was no patriotism in the North or anywhere else in that regard until, I think, April or May, 1865, when the war closed. Up to that time no State had reached its just share of circulation under the apportionment. But the then Comptroller of the Currency, taking these two laws together, held that the one repealed the other. I believe subsequent Comptrollers have always taken a different view, have always acted upon the idea that they would give no bank a priority unless there was a balance due in the State not taken, and then the priority should apply to the bank.

I thank my friend from North Carolina for allowing me to make this explanation.

Mr. MORTON. With the permission of the Senator from North Carolina, I desire to call the attention of the Senate to the fact that the provision in the act of 1865, relied upon by my friend from Vermont, does not cover this case at all, except to a very limited extent. That was in the nature of a special provision providing that banks with branches, which several States had, might come into the national banking system.

Mr. EDMUNDS. What section is my friend referring to?

Mr. MORTON. Section 7 of the act of 1865. That simply referred to States having banks with branches. We had a bank of that kind in Indiana; they had one in Ohio; and perhaps several other States had them; but it did not extend to the general banking system of the States.

Mr. EDMUNDS. You have not read the first part of the section.

Mr. MORTON. No; but that was only giving a preference; that was not making it absolute. The only absolute part is included in the proviso:

Provided, That it shall be lawful for any bank or banking association organized under State laws, and having branches, the capital being joint and assigned to and used by the mother-bank and branches in definite proportions, to become a national banking association in conformity with existing laws, and to retain and keep in operation its branches, or such one or more of them as it may elect to retain; the amount of the circulation redeemable at the mother-bank and each branch to be regulated by the amount of capital assigned to and used by each.

I remember the circumstances of the passage of that provision. It was intended more particularly, I think, to apply to two States, Ohio and Indiana; but it did not authorize or give any additional rights to joint-stock banks, independent banks, or free banks, as they were called, in the different States, but was intended to apply to banks with branches. I do not know how many States had banks of that kind, but I think only four or five.

Mr. EDMUNDS. If I can appeal to the indulgence of the Senator from North Carolina for one moment more, I wish to do it.

Mr. MERRIMON. Certainly.

Mr. EDMUNDS. The Senator from Indiana says that the only strength in the seventh section of the finance act of 1865, if it might be so called, the internal-revenue act, is in its proviso; that the chief part of the section has no application to the subject, and it is only the proviso that has any force at all. Now I wish to read again that part which is not the proviso, but which is the enacting part of the statute itself, for it would be rather a singular section which contained nothing in it but the proviso to what had gone before. Now hear what it declares, and I appeal to my friend from Indiana to hear it:

That any existing bank organized under the laws of any State, having a paid-up capital of not less than \$75,000, which shall apply before the 1st day of July next for authority to become a national bank under the act entitled "An act to provide a national currency secured by a pledge of United States bonds, and to provide for the circulation and redemption thereof," approved June 3, 1864, and shall comply with all the requirements of said act—

That is the act of 1864, which had no limitation of this kind in it—shall, if such bank be found by the Comptroller of the Currency to be in good standing and credit, receive such authority in preference to new associations applying for the same.

That is not limited to any State lines; it is not limited to any question of branches; but it is limited to the fact that here is a corporation anywhere in the United States with a capital of \$75,000, in good standing, which is invited to turn itself into a national bank by taking up its State circulation, buying United States bonds, and receiving United States notes. That is what it says in explicit terms. It is not open to interpretation; it speaks for itself. Then the act goes on to provide for the case where one bank might have several branches, and it might be doubtful under the chief part of the section whether those branches would also be entitled to this privilege and pre-emption, so to speak, that is given to the regular State banks. Then it went on to provide that those banks having branches also might come in under precisely the same terms, each one of those branches as well as the parent bank. So that I think an argument cannot be founded upon any part of this section 7 to show that banks that turned from State banks into national ones, as hundreds did, if the Senator will look at the reports at that time, were receiving money or circulation contrary to law.

Mr. MORTON. One word more, if my friend from North Carolina [Mr. MERRIMON] will indulge me. My friend from Vermont was very much amused when he got up to reply to me, and I think he was under the impression that I had misapprehended the effect of the first part of that section. I have no doubt he was sincere in that impression. I will simply read the concluding part of what he read, to show his mistake:

— Shall, if such bank be found by the Comptroller of the Currency to be in good

standing and credit, receive such authority in preference to new associations applying for the same.

In other words, the old bank shall have the preference to the currency over the new association, in a case where otherwise the new association would have a right to the currency. That is the whole of it. There is nothing positive about it; but in a case where the new association under the law would have a right to the currency, an old bank coming in shall have the preference. It does not give the old bank the positive right to have the currency anyhow; but that right is given positively in the proviso to State banks having branches. They positively had the right under that act to come in and organize as national banks. The Senator from Ohio [Mr. SHERMAN] suggests, what is very obvious, that if in a particular place the new bank has no right to circulation in a particular State that has no right to it, where the limit has been exhausted, there the old bank has no right to it; but where there are two associations applying, one of which is entitled, the old bank shall have it in preference to the new. That was a rightful provision. The only positive provision in favor of the old banks was in favor of banks having branches, of which I think there were but four or five in the United States.

Mr. MERRIMON. Mr. President, I do not know that I have lost anything by stirring up this friendly little controversy between my friends. They have thrown some light on the point that I was endeavoring to make clear, and which was material for my purpose. I will now state, in view of the debate which has just transpired, that I think my honorable friend from Vermont is in error in his construction of the act which he says repealed the act that provided for the redistribution that I contend for. I maintain that no fair construction of the statute that he has brought to the attention of the Senate, in any sense repeals the provision of law under which I insist the redistribution of the currency capital was to be made.

But I will not stop to debate the legal view of it. I simply call the attention of the Senate to the fact that the present Secretary of the Treasury, in a work which he has prepared with great care—and a very useful book it is—holds the very same view contended for by the Senator from Ohio, [Mr. SHERMAN,] and myself, and other gentlemen, and the Comptroller of Currency, whose very business it is to understand these statutes, to construe them according to his own judgment, and if he has doubt, to avail himself of the opinions of legal counsel, entertains the like view, and gives the same construction to the act; so that I say the position which I assumed a moment ago, that these banks in the Eastern States which received more than their proportionate apportionment, did so with their eyes open, and with a distinct understanding that at the time they should be required to return the excess they would do it.

Why, Mr. President, does any one suppose that Congress ever would have passed a currency act which would have allowed the concentration of \$80,000,000 of currency capital in the New England States alone, in excess of what would be the fair and just proportion for other sections of the Union? The very statement of the proposition shows that it is absurd, that it never was so contemplated by Congress, and that such a construction ought not to be placed upon these States. Therefore, I say there is no "robbery," as contended by the Senator from Wisconsin [Mr. HOWE] and others. He objected to the amendment, although I believe he said he would vote for it, upon the ground that it was "robbing" the East. It is no robbery at all. There was a solemn compact entered into between those banks who received this excess and the Government, that they would return it when the Government should require it for the benefit of other sections of the country, as plainly appears by the terms of the statute.

But then it is said, in opposition to the amendment, that if it is adopted it will disturb the monetary convenience of the people of the Eastern States, and thus disturb, to some extent, the monetary convenience of the whole country. I do not concur in that view. The honorable Senator from Ohio, [Mr. SHERMAN,] who is familiar with this subject, having had the matter of currency under consideration for many years, has told us that in all probability \$25,000,000 of this capital will not be redistributed within the next two years. If that is so, this redistribution will take place very gradually. I apprehend that it will be redistributed very gradually; that the West will desire it and require it very slowly; that the South will desire it and require it still more slowly. If that is so, if \$25,000,000 only will be required within two years, it may be four or six or eight years before the whole \$75,000,000 are required; and the change from one section to another will be so gradual that the monetary and business interests of the country will not feel it.

My friend from Pennsylvania [Mr. SCOTT] has suggested that this is an increase of the circulation equal to \$50,000,000. Why, sir, there is no proposition to increase the circulation a dollar by virtue of this amendment. It is to redistribute \$80,000,000 of currency already in circulation by the banks in the Eastern States, to have it circulated by other banks located in the West and South. It is not proposed by this amendment to increase the circulation a dollar, and, on the other hand, it is not proposed to decrease it a dollar. We are compelled to keep within the present statutory limit; so that that objection amounts to nothing.

But then it is said that it is inexpedient, that it will not only derange the business interests of the country, but that the South and West do not need it; that if they need to effectuate exchanges, if there is anything to sell in the one section or the other, the money from the East

will go there to make those exchanges, and therefore there is no occasion for such redistribution. I do not so believe. If more banks were established in the South and West, the result would be that the capital would be localized; business, enterprise, industry, agriculture, all sorts of industries and enterprises would be stimulated in their immediate locality; the money would be loaned out in the neighborhood of the bank, and every thirty, sixty, or ninety days it would have to be returned in order that it might be loaned out again. It would localize the industrial interests of the country, and it amounts to a local protection when it shall be redistributed.

But, sir, if it be true that the money will certainly return to the Eastern States after it is distributed in the West and South to make exchanges there, why, I ask, in the name of common sense, do these gentlemen in the East protest against it? If it will go there anyhow, if what they have contended for all through this discussion is true, that when the money is disbursed in the South and West, and goes into circulation there, it will flow back into the East because the South and West owe the East, why does the East object to locating the banks wherever they are wanted? Sir, their argument proves too much. Their sensitiveness about redistribution shows the truth, by indirection, of what myself and other gentlemen contend for—that it is necessary for the industry of the country, and the best interests of the whole country, that this redistribution should take place.

Let me add a word to what I have already said about the necessity for this measure; and I think I can make it about as forcible by a reference to my own State as in any other way. In the State of North Carolina the exchanges to be effected and the necessities for money are greater than they were before the late war. I do not state the fact too strongly when I say that the annual productions of North Carolina last year and the year before were equal in the gross to \$70,000,000. The single item of cotton was equal to thirteen and a half millions; naval stores were between eight and ten millions; the tobacco crop was equal to three and a half millions; the wheat crop was worth two and a half millions; the oat crop, one million and a half; the rye crop, half a million. The production of these articles that I have mentioned in North Carolina was equal to \$30,000,000. Then our interchanges have become greatly increased since the war. We have, in some measure, a new population; we have a new system of labor and one that requires greatly more exchanges. While our State is, comparatively, sparsely populated, and not so commercial in its character, exchanges are not effected as rapidly there as they are in New England, where the population is dense, and where they are highly commercial, and it takes more money in that section to make the exchanges.

Now let us see what condition those people are in. Anterior to the war North Carolina had a bank circulation of \$5,218,598. Now our bank circulation is \$1,819,300. In 1850 the *per capita* circulation was \$5.26; now, with our increased wants in that respect, it is \$1.70. Then three hundred thousand of our population were slaves; now that population are freemen, with the wants of freemen. We have a changed system of industry. I venture to say that the exchanges necessary to be made there this day are 33 per cent. greater than they were in 1850; and yet we have but the bank circulation I have mentioned, as appears by the report of the Comptroller that I have just found. Every Southern State is in a like condition; and yet there is a concentrated currency capital of over \$80,000,000 in excess of the distribution allowed by law in half a dozen Eastern States, while the whole South is suffering in the manner and by and for the causes I have stated.

What is the result? The result is that industry languishes; that the farmer, the artisan, every one who is compelled to borrow money there, pays from 1 to 1½ and 2 per cent. a month for money. Is it not manifest that agriculture cannot prosper, that industry of all sorts cannot prosper, while the laborer pays that rate of interest? We are told that in the Eastern States interest is cheap; that they can get money there upon reasonable terms. So they can, if they have the proper sort of securities; but, sir, the very reason that money is so cheap there is, that it is concentrated there and seeks investment rapidly at the expense of the South and the West, where it is exceedingly scarce, and therefore the rate of interest very high. The ground of complaint is that they cannot get rid of this evil; the only money, the only volume of it allowed by law, is concentrated in the Eastern States, and there is no means of diverting it South and West unless the proposed amendment or one like it shall prevail.

I say, therefore, Mr. President, there is no objection to this amendment.

In the first place it is just, because those who receive this excess in the Eastern States agreed by the law with the Government at the time they received it to return it for redistribution when called upon. And let me mention this fact further, that I did not mention a moment ago and that I ought to have mentioned, they have received the benefit of that circulation for eight years, and have reaped the benefits by the way of profits upon that amount during that whole time, so that they have received ample compensation; and in view of the benefits that they have derived there is no practical injustice in requiring them to return this circulation to the Government, in order that it may be sent to the other sections of the country.

In the next place, the amendment is absolutely required. Any one must see at once that the concentration of \$80,000,000 of currency capital in those States, when vast and most important sections of the

country are unsupplied with it, cannot but affect the industries of the country, and all the business interests of the whole country, most unfavorably. If I had time I might go on to show that this concentration of capital there has stimulated, and in a large measure given rise to, the speculations that have resulted in the monetary evils and panics that we have experienced for the last four or five months, and repeatedly within the last seven or eight years.

Then, sir, there is a special reason why this redistribution should be made in the South. The Southern States are just emerging slowly, and very slowly indeed, from the effects of a devastating war. That country is impoverished, and they need to be helped by the Government, instead of being deprived in this way of advantages such as I have insisted they ought to have.

But I said the other day in some remarks which I had occasion to submit, that I thought the volume of currency circulation, even if we had a gold basis, is not sufficiently great. Having heard all that has been said on this subject, my views have not changed. I believe that the circulation of the country ought to be increased one hundred millions, and that if we had gold to-day and a convertible paper circulation, in order to make the necessary exchanges easily and promote the best interests of the country, the volume of the currency ought to be increased by one hundred millions. I believe that the temper of the Senate, whatever may be the views of individual gentlemen, is in that direction; and in order to test the sentiment of the Senate upon that point, I ask leave now to withdraw the amendment that I have offered and to submit a substitute for this bill. I will read the substitute which I propose to offer before I send it to the desk; but before I read it I will repeat what I said the other day, that I am opposed to the present national banking system, and offer the present proposed substitute to meet the present wants of the country, and as the measure most likely to bring prompt relief. This is the substitute I propose:

That \$46,000,000 in notes for circulation shall be issued to national-banking associations now organized and which may hereafter be organized, in addition to such circulation, and under the same rules, regulations, and limitations as now authorized and prescribed by law.

I offer that as a substitute for the pending bill. It will be seen that in addition to the amount of bank circulation now allowed by law, which is three hundred and fifty-four millions, this proposed substitute will increase the volume of bank circulation to over four hundred millions. The operation of the substitute will be to have this increased banking capital distributed as the law now provides, according to population and wealth, having regard to and taking into calculation the present distribution of the currency capital of the country.

The PRESIDENT *pro tempore*. The question is on the amendment now offered by the Senator from North Carolina, to strike out the whole bill and insert the substitute which he has read.

Mr. EDMUNDS. Mr. President, I do not rise to carry on this debate, but only to correct an error into which the honorable Senator from Ohio fell when he last spoke, in saying that in what I observed yesterday upon these statutes I did not refer to the act of 1865, of which he specially spoke. It will be found on the seventeenth page of today's RECORD that I did say, in replying to him when he had asked me if I had referred to the act of the 3d of March, 1865, thus:

Now, I shall be glad to know upon what system of ethics it is that any Senator turns around and says to the people of my State, or the people of Massachusetts, or Rhode Island, or of Ohio, or of anywhere, that we were in that violating any law or acting outside of the authority of law. They were accepting, as people who were to lend money to the Government, the proposition that the representatives of the nation here advanced to them to take their money upon those terms.

That is, the terms of the act of 1864.

Now you undertake to turn around, in 1865 or 1866—

As I did not remember the precise date of the act—

and say, "Whatever may have been the truth about that, having now got your money and you having got our bonds, we choose to say to you that you shall surrender your money and take back our bonds."

So I think it will be manifest that I did not, either by accident or design, omit referring to the act of March 3, 1865, to which the honorable Senator says I did not refer, as he understood it. That is all I wish to say in order that we may be correct.

Mr. SHERMAN. But a word in reply; and I now have to say that my friend from Vermont put the cart before the horse in his inquiry last night, because this violation of the distribution did not occur until after the act of March 3, 1865, and consequently the people of Vermont and Rhode Island and Massachusetts did not organize banks in excess of their proportion until after the provisions of the act of March 3 had gone into operation, unless, indeed, in his construction of the other act of March 3, 1865, he is correct; but I believe that construction has been abandoned by both the gentlemen who have held the office of Comptroller since that construction was given.

Mr. EDMUNDS. Why, Mr. President, who were the people who abandoned my construction of the internal-revenue act of March 3, 1865, which contained this authority to State banks? There was a distinguished citizen from Indiana, now a resident, I am sorry to say, of a foreign country, the Hon. Mr. McCulloch, who was Secretary of the Treasury following Mr. Fessenden. Mr. McCulloch was the Comptroller of the Currency when the act was passed, and became Secretary of the Treasury. It was under his administration as Secretary of the Treasury after the 3d of March, 1865, and after the passage of

this act, that these things that the honorable Senator complains of were done. Mr. Hulburt was the successor of Mr. McCulloch, I believe, as Comptroller of the Currency. Now, I should be glad to know if it was understood at that time, during the years 1865 and 1866, that the Secretary of the Treasury and the Comptroller of the Currency, reporting to Congress, with the eye of the Committee on Finance upon them, and the eye of the House of Representatives upon them, were guilty of an act violating the statutes of the United States, in giving banking facilities to corporations that had no right to them? How did it happen that we did not hear of it then? Had not the House of Representatives got sufficiently intelligent to know whether an officer deserved impeachment, and that this was plainly violating a law? Had not the Committees on Finance of the two Houses sufficiently investigated the question to know whether or not this enormous outrage, as it is now called, of giving money to banks and to new associations in the Eastern States, which belonged elsewhere, was being perpetrated? The thing was not done under a bushel or in a corner. It was done in the face of the whole business community of all the States. It was published in the newspapers from day to day, and from week to week, everywhere, that such and such banks had changed from State to national, or such and such new associations had been formed. And it is a late invention—I use the word "invention" in no invidious sense, but in that true old sense of a finding out, and so I hope I shall offend nobody—it is a late invention which has discovered that the Secretary of the Treasury and the Comptroller of the Currency, under the eye of Congress, and reporting the facts to Congress year by year, were violating the laws of the United States in disposing of this currency as it was applied for.

The real fact of history, which may illustrate the meaning of these acts a little, is that there was not sufficient demand to take it up then, and that it was a drug in the Treasury and embarrassing the operations of the Government by the fact that the State banks would not turn over faster, and that new associations did not come forward faster; and if I am not wrong in my recollection, it was down even to the year 1868 before this sum was exhausted by the final applications of banks in the South. If I am wrong in that, the honorable Senator, who is familiar with these things, can correct me; but I take the hazard of saying that this fund was not exhausted until into or after the year 1868.

The honorable Senator says that I got the cart before the horse. By no means, Mr. President. We do not drive in that way in the East. What I said yesterday was in undertaking to defend the acts of the banks in receiving this money from the Treasury under the authority of the law of 1864 and down to March, 1865, when, as I undertook to point out and as it was agreed, there was no limitation, but anybody who applied and furnished the proper credentials of capital, ability, and honesty, was entitled to receive in the order that he applied the currency that he asked for. That was what I was defending; and then I went on to say that any construction of the two acts of 1865 which should hold that conduct of that character and in that time was unlawful, was, seeing that it was a violation of the public faith, to say to them, "You have done what you ought not to have done; you must give up everything that you have taken." That is what I was saying yesterday. So that, if my friend will pardon me, I must be excused from having the cart before the horse on that subject.

Thus when you come to that which took place after 1865, I repeat as a matter of history that millions remained in the Treasury until long after the time when under the seventh section of the internal-revenue act of March 3, 1865, the old State banks turning over had taken their proportions out of the general fund, just as the act said they might, the applications came from other States for funds, and there were funds enough to last them until 1868 or 1869; and the reports of the Comptroller of the Currency, I am sure, will bear me out in the statement. If that be so, now when before the eyes of Congress and of the people, and in view of the reports of the Secretary of the Treasury and the Comptroller of the Currency of facts which showed that they were acting upon my present construction of the law, these acts passed without question from anybody, it is a little too late to say that they or the people who received the circulation have been acting in violation of law.

I do not say this, Mr. President, in opposition to the Senator's bill. I only say that if it is to pass—and I do not know but that I shall vote for it myself—it should pass upon the true and honest ground that the supreme authority of the nation thinks it right now to change the existing relations of the currency to the national banks. That they have the power to do that I do not question.

Mr. ANTHONY. I do not intend to prolong this discussion by any remarks of mine; but I wish to refer to a single statement made by the Senator from Ohio so late last evening that I did not wish to take any more time then in replying to him. He stated the undoubted fact that under the State-bank system the circulation of Rhode Island was \$6,000,000, and that now it is \$13,000,000, and he argued that we had a much larger circulation under the national system than under our own State system, when we had all we wanted.

It is to be considered, Mr. President, that at the time when we had a circulation of \$6,000,000, the entire bank circulation of the country was \$238,000,000, and there was a gold circulation of I do not know how much, I suppose from \$150,000,000 to \$250,000,000; and now we

have a bank circulation in Rhode Island of \$13,000,000 when the total paper circulation of the country is not less than \$782,000,000, and may rise to \$800,000,000. When the State banks were forced into this national system the amount of currency issued was so great that it fell to 40 per cent. of its face at one time. There was one time when a greenback was worth only 40 per cent. of what it represented. Of course we required a great deal more currency to transact business on such a basis as that than we did when we really had a gold currency, for all before was practically a gold currency.

Mr. EDMUNDS. With the permission of the Senator from Rhode Island, I will state that I have now the report of the Comptroller of the Currency showing the state of things on the 30th of December, 1869, even later than I spoke of, at which time there were only \$317,992,516 of national bank circulation issued.

Mr. SHERMAN. Some of that must have been in place of what was withdrawn.

Mr. EDMUNDS. That depends on when the additional \$54,000,000 was authorized to be issued.

Mr. SHERMAN. The \$54,000,000 additional to the \$300,000,000 was authorized in 1870.

Mr. EDMUNDS. It says "circulation issued." When you go back to the next preceding year, 1868, they were three hundred and nine millions; if you go back to 1867 you will find that it was less than three hundred millions.

Mr. ALLISON. I will say to the Senator from Vermont that the whole original \$300,000,000 was taken up early in 1867.

Mr. ANTHONY. Mr. President, our circulation under the State system was thirty-six dollars *per capita*, and under the present system it is sixty-one dollars *per capita*. We have increased about 45 per cent. The total increase of the New England States has been about 50 per cent. The total increase of the Southwestern States has been nearly 300 per cent., and the increase of the State of Illinois has been more than 20 per cent. So that our increased circulation under the present system is in no greater proportion to the whole circulation of the country than it was before; and this proves that if we required the circulation which we then had to transact our business, we require the circulation which we now have; that in each case it is a normal condition of circulation.

The argument that bank capital is to be distributed *per capita* I think is little more sensible than that it should be distributed *per acre*. We might as well distribute coal *per capita* in a torrid climate as we would in a frigid climate. We cannot tell by any rule, by any formula, how much circulation is required in any State or in any particular portion of the country; but we can tell by this result: whenever banking is free, then the amount of circulation which a community can keep out and redeem is the amount which it requires; and that amount in Rhode Island is no more under the present system in proportion to the whole circulation of the country than it was under the old system.

Mr. SHERMAN. I have now a report of the Comptroller of the Currency before me, which I hope will settle one or two facts. It is the report dated October, 1865, a few months after the passage of the act of 3d March, 1865. It was the report sent in for the session of 1865-'66.

Mr. EDMUNDS. FREEMAN CLARKE'S report?

Mr. SHERMAN. FREEMAN CLARKE'S report. In this report the Comptroller says:

By the seventh section of the "act amending the act to provide internal revenue to support the Government," approved March 3, 1865, the privilege of conversion on the part of State banks was extended, so as to give a preference to those which should apply prior to the 1st day of July, 1865, over new associations applying for the privileges of the national-currency act.

The result has been that nearly all of the State banks have voluntarily changed into national associations, and it is a gratifying fact that this transformation has been accomplished without deranging the business of these institutions, or affecting essentially the volume of bank-note circulation.

Up to the beginning of the previous year the whole amount of circulation authorized was \$65,000,000, but in a single year by the operation of this section the full amount of banking capital was reached under the act. He says:

The national banks already organized embody a capital sufficient to entitle them to receive \$309,672,992 of circulation on the deposit of the requisite securities in Government bonds. It is not anticipated, however, that more than three hundred millions will be called for by banks now organized, as many of them, located in large cities of the Northern States, will not ask for the amount of circulation to which their capital entitles them. Bonds have been deposited to entitle the banks now organized to \$244,754,125 of circulation only.

Immediately after the passage of this act there was a rush into the national banking system, and at the next session of Congress the whole amount was practically exhausted, although I believe there were banks organized until the following year. The Senator from Iowa says there were banks organized up to the beginning of 1867.

Mr. ALLISON. Two hundred and ninety-two million dollars is stated in the annual report of 1866, and the balance was taken up early in 1867.

Mr. SHERMAN. The Senator from Vermont asks why complaint was not made about this at the time. Complaint was made about it at the next session of Congress. The Senator asks, why was it not proposed to impeach Mr. CLARKE? It was not an impeachable offense. It was manifest that these two acts did give a color of authority to allow a preference to State banks; but neither the Senate of the United States nor any court would impeach a man as a criminal for mistaking a construction of law. Though I think it was a great mis-

take, certainly it was not an impeachable offense. Men will differ in construing these acts. No doubt Mr. FREEMAN CLARKE did honestly decide, though he decided wrongly, in regard to the construction of these acts. But the mischief was done, and it has always been a source of complaint, and from that day to this has been a standing sore; and I did hope that by the passage of this bill we should forever get rid of it.

I heard one Senator from New England say that he would be willing to give up the whole bank circulation of his State rather than hold on to it by a misconception, or an error, or to the damage of other sections. That is the general feeling.

And now again, in closing this matter up, I beg a vote, and I appeal to Senators not to thrust upon this bill the great and difficult question that is now presented by the amendment of the Senator from North Carolina. If the Senate should adopt that amendment and thus kill this bill, which is intended to regulate an inequality in the distribution of bank circulation—if they should thrust that amendment on the bill in order to kill off this bill, because that will be the effect of it—then it opens the broad field, the question of whether we shall embark in the wide sea of paper money, whether we shall take national-bank paper or greenback money; and what limit shall be fixed upon it, opening all the whole range of subjects that we have been discussing so long.

I say that in the Senate of the United States we ought to approach this question deliberately and fairly. If this question of inflation or expansion, or the increase of bank currency, or the increase of greenbacks, is to be met, let us meet it, as it comes up in due order, deliberately, and let each man take his responsibility; because the question thus presented of inflating the currency and increasing our circulation is the great question of our day, which must determine the fate and fortunes of many, as well as the condition of our country, its prosperity, its happiness, and its glory.

Mr. EDMUNDS. If I do not interrupt the Senator I should like to ask him one question in regard to the remark he made. He spoke of killing this bill by bringing in this amendment. I hope he does not understand that those gentlemen who may think that this bill is a wrong to eastern banks are in favor of this proposition now offered as an amendment.

Mr. SHERMAN. Certainly not. I desire to say now that if this proposition is adopted it will be adopted against the wishes of a majority at least of the Senators who represent the States that are affected by its operation. It is not, therefore, an indisposition on the part of Senators representing those States to correct this inequality, but the presentation of this great question of the inflation of paper currency, increase of our paper currency, will have the effect to defeat this honest effort to satisfy a local demand.

Mr. President, Senators need not fear for a moment that when this bill is passed the other question will not be presented to them. It cannot be avoided; and I, for one, not only desire to bring it, but will bring it to the attention of the Senate at every opportune moment. Indeed, it was understood, so far as the Senator from Maine, who has charge of the appropriation bills, is concerned, that as soon as the naval appropriation bill is disposed of we will take up and decide once and for all whether we will increase the paper money of this country; whether it shall be in the form of greenbacks or bank-notes, and whether there shall be some plan for the redemption of the notes now outstanding. All these are great questions, and I appeal to Senators not to thrust them as an amendment to kill off this bill, which is an honest effort to remove a local difficulty and a local complaint. That is not the way in which we should conduct our business, to attempt to override a measure that all seem to be in favor of, by thrusting in a question of the greatest magnitude upon which men have honest differences of opinion.

I say for one, with my strong convictions against the impolicy now of issuing more paper money or adopting the proposition of the Senator from North Carolina, I would rather see the national banks of this country all go out of existence or be piled into the little State of Rhode Island. The question of the distribution of bank circulation is a matter of infinite importance compared with the importance of the question of the increase of paper money.

I hope Senators, therefore, will give us a fair vote on this bill, and not seek to avoid it by thrusting in this greater question. Let us have the question raised by the bill determined, and then we will meet them at Philippi.

Mr. WRIGHT. Mr. President, I understand the pending question is on the proposition of the Senator from North Carolina as a substitute for the entire bill.

The PRESIDENT *pro tempore*. It is.

Mr. WRIGHT. It will be in order, I suppose, to move to perfect the bill before the vote is taken on the substitute.

The PRESIDENT *pro tempore*. It will be.

Mr. WRIGHT. I move to amend the bill as reported from the committee, in the line that was proposed to be amended by the Senator from North Carolina, in the first place, by striking out "25" and inserting "75," by striking out \$25,000,000 as the sum to be redistributed and inserting \$50,000,000. And upon that question I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WRIGHT. Having offered this amendment, Mr. President, I wish to say a word on the substitute moved by the Senator from

North Carolina, and to state the reasons that influence me in voting for my amendment and against his substitute.

In the first place, I shall vote against the substitute for the reason that as it stands now it seems to me to be in a very imperfect shape. It is known that I have declared here that if there is to be an increase of circulation, my preference is for an increase of what are commonly known as greenbacks. If, however, this increase is to be an increase of bank circulation, then I am in favor of free banking. If there is to be an increase of circulation in any definite or limited sum, then I want that increase so distributed as that the destitute portions of the country shall have the benefit of such increase, and not have it, as is proposed by the substitute, that the banks now in existence and banks hereafter to be formed can alike take it up. I understand the substitute as it now stands to authorize an increase of forty-six millions of circulation to be taken up by the banks now organized or that may hereafter be organized; and it will occur, as it seems to me, if there be injustice or inequality in the present distribution of the currency, that that injustice or inequality will probably be kept up. I therefore am opposed to the substitute for the reason that it seems to me it does not reach the end that we in the West and South desire.

Now, I have proposed fifty instead of seventy-five millions, and I will give you my reason for it. It seems to be claimed here by our friends from the East, and also to be conceded to some extent by those from the West and South, that it is hardly just or fair to the banks in the older States that have their capital invested to take from them what it is conceded is their excess at present. While I am not prepared to concede that that is unjust to the extent insisted on by them, I think there is a fair degree of strength in the argument as suggested by them that it should not be taken from them. But when we come to this question, as in all questions, it seems to me we must remember that we have an entire country here, and we must seek to do justice to all portions of the country alike.

The legislation that we are now seeking to correct was based upon the idea that it was just and proper to distribute the circulation having reference to the wealth, the industry, and the population of the country. That was either right or wrong. If it was right at the time, and if nothing has occurred since to change it, then it seems to me to be but fair and right that we should have reference to the increase of wealth, the increase of industries, and the increase of population in the West and South; and that while we shall seek not to do injustice to the older portions of the country—the East—by taking from them all of their excess of circulation, as they claim that that would be unjust, nevertheless we should, in such increase, have some reference to our changed condition in the South and West. It has occurred to me that \$50,000,000 would be fair to the East, and perhaps reasonably fair to us; and when I come to consider this question, as I seek to do upon all others, my object is, as far as possible, to do exact justice to all portions of the country alike. It seems to me that if we seek to distribute \$50,000,000 more there can be no fair ground of complaint on the part of the East, especially as they say here themselves that while they think, in view of their investments, we ought not to distribute it, yet they prefer infinitely to do that rather than to increase the currency; and it is said here that they would rather do anything than to have the currency increased. Now I submit, as a compromise proposition, that we provide for a redistribution of \$50,000,000 of the bank currency.

I understand that the bill, as it has been amended since it was reported by the Committee on Finance, provides that we shall not wait until the circulation of the banks having an excess shall be brought in, but the Comptroller of the Currency is directed to proceed at once to issue this circulation to the destitute portions of the country where application has been made and to call in the circulation afterward. In my opinion it will not take the two years that have been spoken of here to get this circulation by the West and South. I know that there are more than half a dozen organizations in my own State who are ready to take this circulation if they can get it; and in my judgment it will not be three months until applications will be made from my State, and they will get circulation if they can have it in that time. I therefore submit now that instead of undertaking in this bill to increase the circulation, and especially in the direction indicated by the Senator from North Carolina in his amendment, we provide for the redistribution of the fifty millions, and therefore get that secured to the West and to the South.

I object to the substitute for another reason. I have said that if we have an increase of circulation of national-bank paper I believe in free banks. I do not believe in this policy of having close corporations without reference to this banking circulation. It is a complaint all over this land now, as we know full well, that these banks have been organized, and that the men having the capital hold on to that circulation, and that other men having capital ready to invest in these banks are not given the opportunity, and they say if it is right and proper that we should have this bank circulation, then have it free, and let any and all persons that have capital and propose to engage in this enterprise come in and have the benefit. If you say that you will limit it to four hundred millions, then the same complaint will continue precisely as it continues now with reference to bank circulation and the limitation of the amount of such circulation.

I say, therefore, that I think a fair compromise may be made here by providing that there shall be a redistribution of fifty millions. If

it can be taken in the South and in the West, I am sure that our friends in the East ought not to object to it. I think they will not object to a fair proposition upon this subject. I therefore propose, as already indicated, that we shall amend the present bill by striking out \$25,000,000 and inserting \$50,000,000. That is a fair compromise, as it seems to me, between what is claimed by us in the West and South as what we are entitled to in full, some seventy-five or eighty millions, and at the same time I think will not do such injustice to the East as they claim it will. Whether it be injustice I do not now undertake to determine, but certainly it will not work such injustice as that they can justly complain.

Mr. LOGAN. Mr. President, I rose a moment ago merely to reply to the appeal made by the Senator from Ohio to Senators having different views upon this proposition, those who desire not to relinquish a portion of the currency they now have and those in the West who desire to have a portion of this currency.

The proposition introduced by the Senator from North Carolina brings the question squarely before the Senate, and it is as fair a proposition as can be proposed. The argument made by the Senator from Ohio, the chairman of the Committee on Finance, is that we should wait until the proper time and then discuss the question, because he says that some persons want greenbacks and others national-bank currency. Why, sir, the Senator knows that the very argument that he makes is for the purpose of causing this difference of opinion, or at least it tends in that direction; because I believe from his statement—and I certainly have a right to say it—that he is opposed under any and all circumstances to an increase of the circulation either of United States notes or national-bank notes under any circumstances, except according to a proposition of free banking based on a redemption that he proposed in the bill which he introduced during the last Congress. Of course, then, his argument is against this proposition, and it is because this proposition is just the opposite of his theory on this subject of currency.

Those of us who believe that there ought to be a moderate increase of currency (for this is but a moderate increase) can well favor this proposition to equalize the national-bank currency and the United States currency. Four hundred million dollars of United States currency exists to-day as the means of redeeming the national-bank currency. Hence, there is no reason why the national-bank currency, to be redeemed by the United States currency, should not be equalized in amount to the latter.

If we are to have an increase of the currency at all, is not the fairest way of doing it to equalize these two different classes of currency? So far, then, as this proposition is concerned, it is, as I said, a fair one. It is proper in this very place, because, as has been argued by Senators, no person desires to disturb the relations of the banks to the Government or to their stockholders, if it can be avoided; and it is only in an extreme case, where the West and South are denied everything, that they would ask these banks to distribute a portion of their circulation. Now, if you will give \$46,000,000 increase of circulation, equalize the two classes of currency, one of which redeems the other, then I for one say I will vote to repeal *in toto* this law of distribution, and let the States keep the currency they now have.

It is a fair proposition, it is an honest proposition, and it is one that brings us squarely to the test. I make the same appeal to those men who believe there ought to be a moderate increase of currency to vote for this proposition that the Senator from Ohio makes to those who are opposed to it to vote it down. He wants it voted down so that this bill may be a wedge put in between the increase of the currency and specie payments; for this bill is nothing more nor less than a mere entering wedge to prevent the increase of currency in this country. That is the meaning of it; because the Senator himself says that he is opposed to an increase on the basis on which the national banks now stand; and therefore I believe the proposition to be correct as I stated it, that this bill for redistribution is to prevent the increase of any more circulation in this country; and if we get that, it is all that is to be had, and it must be accepted. Hence I appeal to-day to the friends of an increase to stand together, and let this vote be the test. If the Senate is opposed to any further increase of currency in this country, we had just as well say so on this proposition as to be discussing it for weeks and then saying so on some other proposition. Hence I appeal to the friends of an increase to make it the test here to-day, or whenever the vote is taken, for it is equalizing, as I said, the two kinds of currency. It is as fair a test as any we can have. Let it be made the test; and if the contractionists on this floor, the gentlemen who desire to contract the currency or those who desire to have no more currency in this country, have a majority, in God's name we acquiesce. That ends the fight; and the voice of the people, through their representatives here, decides the question. But if there is a majority in favor of an increase of forty-six millions of currency in this country, as the representatives of the people, on our part, we have as much right that our voice shall be heeded as you have that yours shall be.

Let no deception be practiced; let it be a square vote and decide this question. That ends it. Then you can report your bills according to the sentiment of the majority of the Senate. But let the Senators that are in favor of a moderate increase not be divided upon the question whether we shall have greenbacks or national currency. Let that not be a point of division. That gives the advantage against us. Let us stand by this proposition for an increase, and after that

is decided discuss the other question among ourselves as to which we will agree upon. There is as much in men's standing together in reference to a proposition that they nearly agree about as there is in anything else. Of course, distraction thrown into the chamber of any legislative body can disperse those that ought to vote for a proposition, and in that way they are always defeated; and if defeat comes in the Senate Chamber now to this proposition, it is merely by the strategy of those men who are opposed to any increase whatever and are determined to retain the status as it is and do as they have argued here should be done—provide some ways or means for contraction of the currency. When men talk about specie payments now they mean contraction, for there is no other mode to arrive at specie payments at present but that.

I say, then, that this amendment of the Senator from North Carolina is a fair one, and I say to my friend from Iowa, with whom I agreed in the first part of the session in the speech he made in reference to the wants of the people, that I supposed we were together on this proposition. I do not say that he said so in terms, but he spoke upon the two propositions that were up before, the one by the Senator from Michigan, [Mr. FERRY,] and the other reported by the Committee on Finance, in reference to a return to specie payments, while the proposition of the Senator from Michigan was for a moderate increase of the currency. Those were the two propositions that were before the Senate and under discussion at the time, and this is but a part of one of the propositions. This is but the same proposition as introduced by the Senator from Michigan, substantially, and the one upon which the discussion arose in the Senate Chamber and upon which we divided here in our opinions. If we are to be defeated by mere quibbles, let it be done now.

I do not desire to prolong this discussion, and do not desire to enter into the merits of the question as to whether we should have an increase or not. That has been fully discussed here on the floor before. I was heard fully on that question and do not desire to discuss it any further. I merely rose, as I said, to appeal to the friends of a moderate increase of the currency to stand by this proposition and let it be made a test, and then the committee can report according to the instructions of the Senate such a bill as conforms to the peculiar notions of the majority. It was only for that purpose, and not to discuss the question at any further length, that I rose.

Mr. FERRY, of Michigan. Mr. President, I can appreciate the appeal that has been made by the Senator from Illinois to the friends of a moderate increase of the currency. I think it is well known to the Senate that in the early part of the session I proposed an increase of the currency in the form of Government issues. I stand so to-day as my first choice, and I base that choice in measure upon economic considerations. The Government is now indirectly providing issues to the nation through the national banks, at a cost to the people of over eighteen millions annually of coin interest. To save that coin interest, I proposed that the nation should issue the whole volume of currency in the form of greenbacks or legal-tenders. Believing then, as I have stated since, that the question of an increase of currency to meet the adequate demands of the country was of greater importance than the mere form, and so stated when I modified my original substitute for the resolution of the Finance Committee into the simple proposition of a moderate increase of the currency, I added that, while I did not waive my first choice and judgment, I did, for the purpose of testing the Senate upon the question whether the country was to be relieved by an increase or not, modify my proposition, as the Senator from Illinois has stated, by putting it simply upon an increase without regard to the character of the currency. It was of far greater importance in affording immediate relief to commercial prostration to imply, by an affirmative vote of the Senate, that the remedy should be by an increase of currency than it was to decide which form of money was to be authorized. The one was primary and most vital and the other secondary and less essential in such a national exigency. The volume fixed, the character of it could subsequently be determined.

Now I regret very much that the Senator from Iowa, [Mr. WRIGHT,] a staunch supporter, who has stood with us in the struggle so far for an increase sufficient to meet the demands of the country and furnish a remedy for the panic and its evils, should have proposed the amendment which is now pending, and thus have tied up more or less Senators upon this primary question. I confess that I feel myself embarrassed now. I have no disposition to take from the States of the East the currency which they have, and that, too, in the face of the protest of the Senator from Rhode Island who, representing his constituents, as well, doubtless, as other constituents of New England States, has declared in a formal manner that they have no more currency than they need. I declared then, as I reiterate now, that that protest and his demand is the strongest argument the country can ask upon the question of an adequate currency. If Rhode Island, the smallest State, has not currency enough, and demands that her thirty-one dollars *per capita* of national-bank currency should be assured to her, for the same reason the West and South should demand an equal amount of currency also. The question thus turns simply upon an increase that will equalize the circulation in other States with that of New England. I say again that I have no hostility to New England, but I may be forced to vote, against my inclination, to reduce her currency, if left alone to the question of the amendment proposed by the Senator from Iowa. Why do I say it? If we are to be shut out from an

increase of the currency, then I assume that New England should not claim and retain an excessive proportion of bank currency. She has no right to it upon any principle of justice, and some of her Senators here declare that they are unwilling to act upon a principle of injustice, and yet I do not forget the protest, fortified by the able presentation of the Senator from Rhode Island, that his State has no more currency than she needs.

We are reminded, too, of the question of good faith, and told that when these States, in the midst of our struggle, met the demand of the country in supplying their means, we now, when the struggle is past, and triumph peacefully smiles upon the land, should not take back from them what they secured during the war. Upon that principle I am opposed to taking from New England any portion of her currency; but I do say once more that I regret that my friend from Iowa has, in my judgment, complicated the question by his amendment.

Moreover, I am not to be frightened out of my position on this point by intimidation. If I were to refer to the proceedings when the national issue was first authorized, and when it was proposed in the House of Representatives to allow the national-bank circulation to reach the limit of but three hundred millions, Senators now on this floor attempted then to cry it down by threats of national disaster. It was said then that "if we permit this inflation to go on we shall do our country a greater harm than the confederates can possibly do by defeating any one of our armies." And this was said when we had but three hundred millions of greenbacks and it was proposed to increase the volume of currency three hundred millions more through national currency. To-day we have substantially a repetition of that threat, and we are told that if this increase comes now disaster will result to the country. Why, sir, we have disaster now, curable by an increase of currency, and yet it is denied to intensify that disaster. Tell me not that the panic has ceased. Its blaze may have been extinguished, but it smoulders, ready to break out at any incidental disturbance; yet we are told that the panic has passed by with all its effects. We are pointed to New York. I see in his seat one of the Senators representing that city, who tells us that the vaults of her banks are swelling with greenbacks issued by the Government. It may be true; but at the same time not a dollar can be drawn from them except upon a loan at call, supported by the best collaterals. What benefit is that to the country? What benefit is it to New York merchants who want to borrow at two to four months? Many of them cannot get it to save them from insolvency.

If I were to indulge myself at this moment, reference to the reports of mercantile agencies would show that the failures in the country during the past year were far in excess of those of the year before. That fact, coming from an official source, tells the country to-day of the serious nature of the disturbance in our monetary affairs.

In view of these circumstances I call the attention of Senators to the gravity of the question, whether or not we shall increase and expand, not inflate, the currency in proportion simply to the expansive demands of the business of the nation—precisely that and nothing more. The Senator from Missouri [Mr. SCHURZ] the other day cast epithets on this effort to meet this national expansion. Sir, I regretted to hear them; for I always listen to that Senator with admiration for his rhetorical powers. When, however, he sought terms of ridicule, massed figures into hyperbole of derision to gainsay or overthrow what he failed to do by logic, admiration turned into disappointment. He, with others, persists in denying any increase of the currency, let the disaster be what it will.

Now it is proposed by the chairman of the Committee on Finance to postpone the test on an increase and let the bill pass as he reported it. This would be a waiver of the issue. I propose to stand by the contest shoulder to shoulder with the Senator from Illinois and our friends from the South.

Sir, I am not responsible for the form in which this question is now before the Senate; but inasmuch as it is here now, and the proposition is made to withdraw or postpone it, I cannot consent to it. The chairman of the Committee on Finance is opposed to expansion except based upon resumption, which he has as well stated is a practical impossibility. Having no direct agency in the form of the measure here, I am prepared to confront it as I find it, and am ready to meet it. Unwilling as I am to take away from New England what she needs, for she has wealth and capital, and employs her currency; with equal magnanimity and equal justice she ought to give as liberally with the left hand what is taken with the right. Bound to these States by a common interest, part of a common country, their success and prosperity are our success and our prosperity. In the language of the Senator from Illinois, the issue is right here now and forced upon us, shall we increase or shall we refuse to increase the currency? According to the amendment of the Senator from North Carolina, what he proposes is substantially a volume of \$800,000,000. It reaches, as I am reminded, precisely to the volume I suggested upon the fourth day of this session. I asked then that the \$44,000,000 reserve should be utilized and made a part of the permanent circulation; and that there should be sufficient increase to make up the whole volume to \$800,000,000. I am gratified that the apparent judgment now conforms to what was suggested so early in the session upon the maximum of circulation. The amendment proposed now by the Senator from North Carolina, with the \$44,000,000 reserve now nearly issued, will make a total of \$800,000,000. I suggest to the Senator from

Iowa that if that proposition does not provide for a proper distribution in his judgment, it is open to amendment. Let him propose to confine it to the West and South, leaving New England with the currency she now has, and give the whole \$46,000,000 to the West and South, thus establishing a fairer basis of equality among sister States. Adopt this proposition of the Senator from North Carolina, and I shall be in favor of repealing the law requiring the withdrawal from New England and the redistribution of \$25,000,000.

The friends of a moderate increase of the currency should stand now by the amendment of the Senator from North Carolina, whether the amendment of the Senator from Iowa is carried or not. Let us support the amendment proposed by the Senator from North Carolina. Modify it, if you please, in its distribution, but let us settle now the question whether the Senate will give an increase of currency, or declare by denial that the country must struggle on amid prostration and ruin to specie resumption.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. McPHERSON, its Clerk, announced that the House had passed the following bills, in which the concurrence of the Senate was requested:

A bill (H. R. No. 1064) to authorize the Secretary of War to lease not exceeding five acres of the tract of land known as the Old Lazaretto tract, for the purpose of erecting thereon a magazine or storehouse for the storage of gunpowder;

A bill (H. R. No. 1932) for the relief of Frank M. Kelly; and

A bill (H. R. No. 1933) to amend the thirty-first section of an act entitled "An act for enrolling and calling out the national militia, and for other purposes," approved March 3, 1863.

The message also announced that the House had passed the bill (S. No. 29) to authorize the Secretary of War to ascertain the amount of expense incurred by the territorial authorities of Dakota, for arms, equipments, military stores, supplies, and all other expenses of the volunteer forces of the Indian war of 1862.

EXECUTIVE SESSION.

Mr. CONOVER. I move that the Senate now proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After thirty-two minutes spent in executive session the doors were reopened, and (at four o'clock and thirty-four minutes p. m.) the Senate adjourned.

HOUSE OF REPRESENTATIVES.

THURSDAY, February 12, 1874.

The House met at twelve o'clock m. Prayer by the Chaplain, Rev. J. G. BUTLER, D. D.

The Journal of yesterday was read and approved.

BANKRUPT LAW.

On motion of Mr. BUTLER, of Massachusetts, by unanimous consent, the House took from the Speaker's table the amendments of the Senate to the bill (H. R. No. 792) to repeal an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved March 2, 1872, and all laws and parts of laws amendatory thereto; and the same were referred to the Committee on the Judiciary, and ordered to be printed.

IMPROVEMENT OF THE OHIO RIVER.

Mr. SAYLER, of Ohio, by unanimous consent, submitted the following resolution; which was read, considered, and agreed to:

Resolved, That the Secretary of War be instructed to communicate to this House the report of the board of engineers on the radical improvement of the Ohio River by hydraulic gates and movable dams.

VIOLATION OF THE REVENUE LAWS.

Mr. DAWES. Mr. Speaker, there are some executive documents upon the table which ought to go to the printer. I ask by unanimous consent that they be laid before the House at this time.

The SPEAKER, by unanimous consent, laid before the House a letter from the Secretary of the Treasury in answer to the resolution of the House of December 2, 1873, in relation to the amount of money paid since the 4th of March, 1869, to any person or persons in the settlement of suits, judgments, or claims by or in behalf of the United States, for the violation of the revenue laws at Boston and New York custom-houses, &c.; which was referred to the Committee on Ways and Means.

Mr. DAWES. I move that it be printed.

Mr. MAYNARD. Is it a matter of course to print that large mass of material?

Mr. BUTLER, of Massachusetts. I object to the printing.

Mr. MAYNARD. I submit it should go to the Committee on Ways and Means, and let that committee decide whether it ought to be printed or not.

Mr. DAWES. Some of the Committee on Ways and Means have already examined it, and they think it is an important document, and ought to be printed.

Mr. MAYNARD. I make no further objection. The document was ordered to be printed.

IMPROVEMENT OF THE OHIO RIVER.

The SPEAKER also, by unanimous consent, laid before the House a letter from the Secretary of War, in answer to a resolution of the House of February 9, 1874, in relation to the improvement of the navigation of the Ohio River; which was referred to the Committee on Commerce, and ordered to be printed.

BRIDGES OVER NAVIGABLE WATERS.

The SPEAKER also, by unanimous consent, laid before the House a letter from the Secretary of War, transmitting the draught of an act to regulate the construction of bridges over the navigable waters of the United States; which was referred to the Committee on Commerce, and ordered to be printed.

INDIAN COMMISSIONERS.

The SPEAKER also, by unanimous consent, laid before the House a letter from the Secretary of the Interior, transmitting a communication from the Secretary of the Board of Indian Commissioners, in relation to an unexpended balance of appropriation made by the act of May 29, 1872, to pay the expenses of said board; which was referred to the Committee on Appropriations, and ordered to be printed.

W. H. WARD.

The SPEAKER also, by unanimous consent, laid before the House a letter from the Secretary of War, in relation to the petition of W. H. Ward for compensation for use by the Government of his improved bullet-machine; which was referred to the Committee on Military Affairs, and ordered to be printed.

EMIGRANT VESSELS.

The SPEAKER also, by unanimous consent, laid before the House a letter from the Secretary of the Treasury, for an appropriation to provide for sending experts to England to supervise the construction of emigrant vessels; which was referred to the Committee on Commerce, and ordered to be printed.

COMMERCE.

Mr. E. H. ROBERTS, by unanimous consent, from the Committee on Ways and Means, reported back a bill (H. R. No. 867) to amend section 35 of the act entitled "An act to reduce internal taxes, and for other purposes;" and the same was referred to the Committee on Commerce.

IMPRISONMENT OF AMERICAN CITIZENS.

Mr. SMART, by unanimous consent, submitted the following resolution:

Resolved, That the Secretary of State be requested, if not incompatible with the interests of the public service, to lay before this House the correspondence between the commander of the United States steamer Richmond—Captain Thomas Patterson—and the governor of Santiago de Cuba in April, 1873, in reference to three American citizens who were on trial before a military court-martial at that place; and to accompany the correspondence with the protest made against said proceeding and the demand made on the said governor for their surrender, and other papers relating to the subject. And also that the Secretary inform this House whether the three American citizens were delivered to Captain Patterson.

Mr. WILLARD, of Vermont. I move it be referred to the Committee on Foreign Affairs.

The motion was agreed to.

MORNING HOUR.

The SPEAKER. The morning hour begins at twenty minutes past twelve o'clock, and reports are in order from the Committee on Military Affairs.

DAVID BRADEN.

Mr. COBURN, from the Committee on Military Affairs, reported back, with the recommendation that it do pass, the bill (S. No. 353) for the relief of David Braden; and the same was referred to the Committee of the Whole House on the Private Calendar.

SALE OF FORT REYNOLDS MILITARY RESERVATION.

Mr. GUNCKEL, from the Committee on Military Affairs, reported back the bill (H. R. No. 1161) to authorize the sale of the military reservation of Fort Reynolds, in Colorado Territory, and the Government buildings thereon, with an amendment in the nature of a substitute.

The substitute (H. R. No. 1931) was received, and read a first and second time.

The SPEAKER. If there be no objection, the substitute alone will be read.

The substitute was read as follows:

A bill to authorize the sale of the military reservation of Fort Reynolds in Colorado Territory, and the Government buildings thereon.

Be it enacted, &c., That the Secretary of War be, and he is hereby, authorized and empowered to transfer to the custody and control of the Secretary of the Interior, for disposition for cash, according to the existing laws of the United States, relating to the public lands after appraisement to the highest bidder, and at not less than the appraised value, nor at less than \$1.25 per acre, the United States military reservation of Fort Reynolds in Colorado Territory, containing about twenty-three square miles, as set apart and declared by the President, on June 22, 1868, including all the buildings heretofore erected by the United States, and now being thereon, (the said reservation and buildings being no longer needed for military purposes;) *Provided*, That the Secretary of the Interior shall cause the said land to be offered in tracts of not more than eighty acres each, and sold separately at public outcry to the highest bidder.

Mr. GUNCKEL. Mr. Speaker, I desire to submit a single word of explanation in reference to this bill.

Mr. G. F. HOAR. I desire to inquire of the Chair whether that bill is not liable to the point of order, as authorizing the sale of public property?

Mr. GUNCKEL. There is no appropriation of public money in it. It is a bill for the sale of land, and will bring money into the Treasury instead of paying it out.

Mr. COBURN. It is only a provision for the sale of a reservation. There can be no possible application to it of the rule as to appropriations.

The SPEAKER. The Chair thinks the bill would be liable to the point of order under a literal application of the rule; but as it is to sell the land to the highest bidder at public auction, provided the price is not less than the stipulated price of the public lands, the Chair presumed the bill might without objection be considered in the House.

Mr. GUNCKEL. The Secretary of War states that the property is not needed for military purposes, and at the last session of Congress recommended that it be sold. The Committee on Military Affairs report this bill, which simply directs that this property be turned over to the Secretary of the Interior and sold under the rules and regulations prescribed by law after appraisal, at public bidding, and to the highest bidder.

Mr. G. F. HOAR. I desire to suggest to the Chair that the bill is one which the rule lately adopted was intended expressly to reach. It provides for the disposition of public property. It provides certain conditions as to the size of the tracts in which it shall be offered, and puts it into the power of the proper public officer to superintend the sale. Now, it is perfectly true that what is proposed may be a fair disposition of the property; but it is perfectly true, also, that the order to sell the land at a particular time may be very much against the interests of the public. And the right to discuss that in Committee of the Whole is secured by the rule. I have no objection to this particular bill, but it seems to me very important that the rule should be enforced.

The SPEAKER. The Chair was about to observe that it would not, as a rule, do to say, because the United States was disposing of something for a consideration, that the bill did not fall within the rule. There might be very many cases in which, though a consideration was placed in a bill, it would be amenable to the rule, but in this particular case the Chair did not think that a stringent enforcement of the rule was called for.

Mr. G. F. HOAR. The bill provides not only for the sale of public lands, but of public buildings; and although this bill undoubtedly is a perfectly innocent one, as we may be satisfied from the character of the committee from which it comes, this class of bills may be a very dangerous one; and to secure a consideration for them in Committee of the Whole is the very thing the rule is intended to accomplish.

Mr. COBURN. I ask for the reading of the rule.

The SPEAKER. The point made by the gentleman from Massachusetts [Mr. G. F. HOAR] in its general application is a correct one. The fact that the sale is for a consideration would apply to the case of the bill, for instance, for the encouragement of the growth of trees on the public domain. There was a proposition to give certain parts of the public domain for that consideration, and the Chair ruled that it should go to the Committee of the Whole on the state of the Union. And, on a stringent ruling, this bill would also be so referred. The rule reads thus:

All bills making appropriations of money or property, or requiring such appropriation to be made, or authorizing payments out of appropriations already made, shall first be considered in Committee of the Whole.

This bill does make an appropriation of property, and not any the less because there is a consideration for it. If it were admitted that the substitution of a consideration could waive the rule, the rule could be waived in many cases. But this is a bill framed in perfect good faith, and about which there can be no doubt. And, therefore, the Chair did not rule to send it to the Committee of the Whole.

Mr. COBURN. The rule applies to bills making appropriations. Now, what can there be in the word "appropriation" that is applicable to the authority to sell land? There can be no signification of the word "appropriation" in the remotest degree whatever that would apply to the sale of land. You might as well call the general laws that apply to the sale of public lands appropriation bills, as say that a bill like this, or any bill giving a Department of the Government the authority to sell land, makes an appropriation.

The SPEAKER. If the gentleman is to argue the rule instead of the bill, the Chair will submit an illustration: If a bill should be brought in from the Committee on the Public Lands providing that in future the public lands might be disposed of at public auction at a price not less than ten cents an acre, would the gentleman from Indiana justify the Chair in having it considered in the House?

Mr. COBURN. I would not.

The SPEAKER. Precisely the same argument applies in this case.

Mr. COBURN. I intend to say I would not justify the Chair. The Chair would have no right to rule that it must be considered in Committee of the Whole, for it would be in no sense an appropriation.

The SPEAKER. The Chair differs widely from the gentleman from Indiana. The gentleman entirely misapprehends the scope of the rule. It would be a gross violation, in the judgment of the Chair,

of the letter and spirit of the rule, to allow a bill of that kind to be considered in the House; but this bill is evidently offered in good faith, and the Chair is willing to have it considered in the House. At the same time the Chair does not desire it to be understood that the rule could be construed as the gentleman from Indiana [Mr. COBURN] construes it.

Mr. G. F. HOAR. I am perfectly willing to withdraw the objection, but I desired to save the precedent.

The SPEAKER. The precedent will be saved as long as the present occupant is in the chair.

Mr. LOWE. As I understand it, this bill makes a disposition of a large tract of land. I would like to inquire whether there is any reason why this tract of land should not be disposed of under the pre-emption and homestead laws? I can readily understand that as to that portion of the tract which is occupied by public buildings it should possibly be sold at auction to the highest bidder; but most of the land is outside of the improvements, and why should it not be disposed of under the homestead and pre-emption laws?

Mr. GUNCKEL. I would say that there are thirteen square miles in this tract, with buildings upon a part of it, and the whole tract is supposed to be of special value. The committee, following what has heretofore been the action of Congress, provided that it shall be sold at public auction for not less than two-thirds of the appraised value. We were apprehensive that there might be some arrangement by which some one would get the land for less than what it is worth. The bill is in the line of the precedents of Congress.

Mr. LOWE. Allow me a single additional question, and it is this: Whether upon these thirteen square miles there are any settlers claiming any rights under the homestead or pre-emption laws, or otherwise?

Mr. GUNCKEL. I do not know. I say simply that the Secretary of War recommended last session that this property should be sold, and said nothing of any such complication. He renews the recommendation this session, and I presume there are no complications of the sort.

Mr. DONNAN. Let me say that this property lies in a section where it is undoubtedly worth a great deal more than the ordinary public domain. There is no reason in the world why the Government should not realize the worth of the property.

Then as to the other question of the gentleman from Kansas, I would say that if there are any settlers on this reservation they are there without any right whatever, and there is no reason why any right should be retained for them; they are simply squatters without any shadow of right.

Mr. GUNCKEL. I yield now to the gentleman from Colorado, [Mr. CHAFFEE,] who knows all about this matter, and can explain it to the House.

Mr. CHAFFEE. There are about twenty-three sections of land which have been reserved by the Government for the military reservation in Colorado called Fort Reynolds. Upon this land there have been erected some buildings which, although I have not myself seen them personally, are represented by the Secretary of War to be worth several thousand dollars. It is for that reason that he recommends a sale of the land and buildings. Otherwise I should have recommended, as I did in the case of Fort Collins, their restoration for pre-emption and homestead purposes; but, inasmuch as the Government has buildings and other improvements on the reservation, it is deemed proper by the Secretary of War to authorize its sale to the highest bidder. Hence this bill.

Mr. KASSON. I want to say a word upon this measure, as it touches the disposition of the public lands and the principle upon which we are to act. I think what has been said by the gentleman from Colorado indicates that the bill should, perhaps, make special provision for the sale of the tract immediately about and including the buildings. But I do think that, for the interest of the Territory and of the people of the country generally, much more than of the Treasury of the United States, these lands should be open to actual settlers in preference to all others. A very large tract of land in this military reservation would satisfy the wants of a very considerable colony of actual settlers. But the moment it is open for sale, without limitation, at a price not less than the appraised value, that very moment it is put into the power of capitalists to override the actual settlers in all cases. Owing to the generally great desirability of lands originally selected for military reservations the capitalists of the country would prefer it to any public lands in the neighborhood. These lands are usually the highest-priced lands in a new Territory.

I wish, therefore, very much that the committee would consider that point, and provide that only that part necessary to carry the public buildings shall be subject to this public sale, and allow the rest of the reservation to be disposed of under the homestead laws of the United States. I do not desire at all to interfere with what the committee may think proper; but I should be very glad if they would take this matter into further consideration before pressing this bill to a vote. So much on that point.

The other point to which I wish to call attention is, that in case of sale as proposed by this bill, if I understood it aright—and if I did not understand it correctly, the gentleman in charge of the bill will inform me—there is no provision requiring any length of notice to the public with a view of realizing the full value of the land, and giving notice to all who may wish to purchase. Therefore, if the committee conclude to go on with the bill at the present time, I ask the gentle-

man in charge of the bill [Mr. GUNCKEL] to accept as an amendment a provision to this effect: "After giving not less than three months' public notice of the time and place of sale, in not less than three public newspapers printed and published in said Territory." I suggest that provision in order that there may be no combination on the part of capitalists to get possession of this land at less than its real value.

I should be glad to hear the gentleman from Ohio [Mr. GUNCKEL] upon these two points. I hope the committee will consent to consider the point that subjects the whole of this large tract of land to the operation of speculators instead of to actual settlers, a class of inhabitants I know the Territories want.

Mr. GUNCKEL. I yield for a few minutes to the gentleman from Nebraska, [Mr. CROUNSE.]

Mr. CROUNSE. I think this land occupies a different attitude from other public lands which, from motives of policy, should be thrown open to homesteading and pre-emption. This land has a peculiar value, as I understand it, because of its having been occupied for military purposes. This being a military reservation, and having been such for some time, it has been subjected to improvement to quite an extent. And I am advised these improvements extend over the entire tract of twenty-three sections. Around this military reservation, as around military reservations generally, there are probably settlers, and if this reservation is thrown open to pre-emption and homesteading those settlers would immediately have advantage of the first opportunity to secure to themselves valuable tracts of land—an advantage which is not contemplated by the general pre-emption and homestead laws.

This being an exceptional case, having reference to a particular tract of land, the value of which is particularly enhanced by reason of its use as a military reservation, it seems to me that the Government would realize more by having it sold at public auction, and that such a course would not impair or infringe the general rights of settlers on the public lands.

Mr. TOWNSEND. I would like to ask the gentleman from Ohio [Mr. GUNCKEL] whether or not there is any report accompanying this bill, or any letter from the Secretary of War explaining the necessity for this sale, as proposed by the bill?

Mr. GUNCKEL. I will answer the gentleman by sending to the Clerk's desk to be read a communication from the Secretary of War on this subject.

The Clerk read as follows:

WAR DEPARTMENT, December 1, 1873.

The Secretary of War has the honor to invite the attention of the House of Representatives to the draught of an act to authorize the sale of the military reservation at Fort Reynolds, Colorado Territory, and the Government buildings thereon, which was submitted by him to the House on the 25th of February, 1873. No action having been taken at the last session of Congress with reference to this matter, he has the honor to renew his recommendation for the passage of an act to authorize the sale of this reservation.

WM. W. BELKNAP,
Secretary of War.

Mr. GUNCKEL. It will be observed that the first communication was sent in only a few days before the adjournment of Congress, and so late that it could not be acted upon. It now comes back; and I have been directed by the unanimous vote of the Committee on Military Affairs to report this bill. To avoid anything like favoritism or the opportunity of a job, we provided that, as this is a tract of bottom lands and particularly valuable, it should be sold in tracts of not more than eighty acres each, after notice, and to the highest bidder. The amendment suggested by the gentleman from Iowa [Mr. KASSON] looks to a longer notice. We do not object to that, because it is in the proper direction. And with the consent of the Committee on Military Affairs I will permit the amendment to be offered and voted upon.

Mr. KASSON. I will then move to amend the bill by adding after the words "to the highest bidder" the following:

After giving not less than three months' public notice of the time and place of sale, in not less than three public newspapers printed and published in said Territory.

The amendment was agreed to.

Mr. GUNCKEL. One word more. The pre-emption law and the homestead law apply to all the other lands in the United States. Here is a special tract, heretofore held for a special purpose, and of special value. We merely provide that the General Government shall do what any prudent individual would do in a like case, that is to sell it in small tracts and to the highest bidder. It is doing for the Government the best thing under the circumstances. I demand the previous question.

The SPEAKER. The Chair wishes to make a further remark in regard to the point of order, which by unanimous consent was not pressed on this bill so that it might be considered in the House, as the gentleman from Indiana, chairman of the Committee on Military Affairs, [Mr. COBURN,] does not seem to be satisfied with the ruling of the Chair. He takes the position the bill provides for perfect safety to the United States, in that it prescribes the land shall not be sold below \$1.25 an acre, and also shall be sold in lots of eighty acres each. Now the moment the bill is attempted to be considered in the House, the House may by germane amendments strike out from the bill those safeguards, and provide for selling the land at ten cents an acre and the whole of it in one lot. So the safeguards by which he claims this should be considered in the House may, by germane amendments, be taken away. Therefore it is not to be considered in the form in which the bill is reported whether it is amenable to the point of order or not, but whether any germane amendment thereto

will not put the bill in such a condition that, under the rule, it must go for its first consideration to the Committee of the Whole on the state of the Union.

The bill was ordered to be engrossed for a third reading; and being engrossed, it was accordingly read the third time, and passed.

Mr. GUNCKEL moved to reconsider the vote by which the bill was passed; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

JONATHAN D. HALE.

Mr. DONNAN, from the Committee on Military Affairs, reported back the petition of Jonathan D. Hale, for relief; and the same was referred to the Committee on War Claims.

INSPECTION OF ARMY APPROPRIATIONS.

Mr. DONNAN, from the same committee, also reported back a bill (H. R. No. 912) to provide for inspection of the disbursements of appropriations made by officers of the Army, with the recommendation that it do pass.

The bill, which was read, provides that it shall be the duty of the Secretary of War to cause frequent inquiries to be made as to the economy and propriety of all disbursements made by disbursing officers of the Army, and as to their strict conformity to the law appropriating the money; also to ascertain whether the disbursing officers of the Army comply with the law in keeping their accounts and making their deposits; such inquiries to be made by officers of the inspection department of the Army, or others detailed for that purpose; provided that no officer so detailed shall be in any way connected with the department or corps making the disbursement. The second section provides that the reports of such inspections shall be made out and forwarded to Congress with the annual report of the Secretary of War.

Mr. DONNAN. Mr. Speaker, there is nothing in existing laws to prevent this being ordered by the Secretary of War; but this bill proposes to make it a part of his duties to inquire into the economy and necessity of these disbursements. I demand the previous question.

The previous question was seconded and the main question ordered; and under the operation thereof the bill was ordered to be engrossed and read a third time; and being engrossed, it was accordingly read the third time, and passed.

Mr. DONNAN moved to reconsider the vote by which the bill was passed; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

FIRST RHODE ISLAND ARTILLERY.

Mr. DONNAN, from the same committee, also reported back a bill (S. No. 367) authorizing the Secretary of War to deliver to the State authorities of Rhode Island a certain gun, with the recommendation that it do pass.

The bill, which was read, authorizes the Secretary of War to deliver, if the same can be done without detriment to the Government, to the proper authorities of the State of Rhode Island a certain gun marked "Battery B, First Regiment Rhode Island Light Artillery, Battle of Gettysburgh," for the purpose of being placed among the archives of the State.

Mr. DONNAN. I presume a single objection will take this bill to the Committee of the Whole, but the House will, I hope, consider it now, as it will require but a moment.

I may say this comes to us on the petition of the veteran organization of Battery B, of the First Rhode Island Light Artillery, asking this gun may be placed in the archives of the State as a valued memento of their brave companions who gave their lives in performance of their duties.

The Secretary of War says the original cost of the gun was \$1,000; but now it is of no use except as a memento of the war. It is lying at the navy-yard, near Washington, and has in its muzzle a shot lodged there by the enemy at the battle of Gettysburgh.

I now yield to the gentleman from Rhode Island.

Mr. EAMES. I wish to put upon the record the memorial of Battery B, First Rhode Island Artillery.

The Clerk read as follows:

To the honorable Senate and House of Representatives in Congress assembled:

Believing that to perpetuate the memory of the brave men who fell in the cause of our common country will instill into the hearts of our children that ardent patriotism, and courage displayed by their fathers in the hour of need; and that the State of Rhode Island may have within its archives some valued memento of the bravery, not only of its own sons, but of all those engaged in the terrible battle of Gettysburgh:

We, the undersigned, in behalf of the members of the veteran association of Battery B, First Rhode Island Light Artillery, respectfully petition that you will cause to be delivered to them for preservation a certain piece of ordnance, namely, a gun used by them at the battle of Gettysburgh, and now understood to be on exhibition at Washington, District of Columbia, that your petitioners may be the possessors and the State of Rhode Island the custodian of, to us, a valued memento of the bravery of our companions who gave up their lives in the performance of their duty.

DANIEL C. TAYLOR,
President.
JOHN F. HANSON,
Vice-President.
CALVIN W. RATHBONE,
Secretary.
S. G. TUCKER,
J. E. CHACE,
J. BORDON LEWIS,
Executive Committee.

Mr. DONNAN. I ask unanimous consent to make a verbal correction in the bill. I see that the word "infantry" occurs where the word "artillery" should be used.

The SPEAKER. There being no objection, that amendment will be made.

Mr. EAMES. I also ask to have put upon record the following letter of the Secretary of War on this subject:

WAR DEPARTMENT,
Washington, January 15, 1874.

SIR: Returning, as requested, the petition of members of Battery B, First Rhode Island Light Artillery, I have the honor to inform you that the gun desired by them is on hand at the Washington arsenal, and is marked "Battery B, First Regiment Rhode Island Light Artillery, Battle of Gettysburgh."

This gun has a 12-pounder shot wedged in the muzzle; and the muzzle itself has been battered by a shot, which tends to hold the shot in the muzzle, and it is of no use to the United States except as a memento of the war.

Its original cost to the United States was about \$1,000, and it is for Congress to decide whether or not it shall remain in the custody of this Department.

Very respectfully, your obedient servant,

WILLIAM W. BELKNAP,
Secretary of War.

Hon. J. K. KELLY, *United States Senator.*

The bill was ordered to a third reading, read the third time, and passed.

Mr. DONNAN moved to reconsider the vote by which the bill was passed; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

FRANK M. KELLY.

Mr. HAWLEY, of Connecticut, from the Committee on Military Affairs, reported a bill (H. R. No. 1932) for the relief of Frank M. Kelly; which was read a first and second time.

The bill was read. It authorizes and directs the Paymaster-General of the United States Army to pay to Frank M. Kelly, a private of Company F, First Regiment United States Cavalry, \$30.39, that amount being the value of certain articles of uniform clothing purchased by him to replace a like number of articles consumed in the fire which destroyed one of the buildings at Camp Warner, Oregon, on the 27th of January, 1873.

The bill was ordered to be engrossed and read a third time; and being engrossed, it was accordingly read the third time, and passed.

Mr. HAWLEY, of Connecticut, moved to reconsider the vote by which the bill was passed; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

LEAVES OF ABSENCE OF ARMY OFFICERS.

Mr. HAWLEY, of Illinois, from the Committee on Military Affairs, reported a bill (H. R. No. 1933) to amend the thirty-first section of an act entitled "An act for enrolling and calling out the national militia, and for other purposes," approved March 3, 1863; which was read a first and second time.

The bill was read. It provides that all officers on duty at any point west of a line drawn north and south through Omaha City, and north of a line drawn east and west upon the southern boundary of Arizona, shall be allowed sixty days' leave of absence without deduction of pay or allowances, provided that the same is taken but once in two years. The leave of absence may be extended to three months, if taken once only in three years; or four months, if taken once only in four years.

Mr. HAWLEY, of Illinois. Mr. Speaker, this bill is an exact copy of one which passed this House during the last Congress, but failed to be passed by the Senate. As the law now stands, there is no power to grant leave of absence to Army officers for a longer period than thirty days in any one year. It must be obvious that for an officer stationed within the district of country embraced by the terms of this bill, the officer being perhaps remote from railroad communication, thirty days barely suffice to enable him to visit his home or friends in the Eastern States and get back again, leaving him no time for the transaction of business. This bill, while continuing the principle of allowing thirty days' absence in each year, allows the officer to cumulate the time if he so desires, so that he may take every two years a sixty-days' leave; or if he wishes leave of absence only once in three years, he may have ninety days. That is the only effect of the bill. I think it a very proper and just measure; and I hope there will be no objection to its passage.

The bill was ordered to be engrossed and read a third time; and being engrossed, it was accordingly read the third time, and passed.

Mr. HAWLEY, of Illinois, moved to reconsider the vote by which the bill was passed; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

LAZARETTO TRACT, DELAWARE RIVER.

Mr. ALBRIGHT, from the Committee on Military Affairs, reported back, with amendments, the bill (H. R. No. 1034) to authorize the Secretary of War to lease not exceeding five acres of the tract of land known as the Old Lazaretto tract, for the purpose of erecting thereon a magazine or store-house for the storage of gunpowder.

The bill was read. It authorizes the Secretary of War to lease a portion not exceeding five acres of a tract of land situated on the west bank of the Schuylkill River, near its junction with the Delaware River, known as the Old Lazaretto tract, to E. I. du Pont de Nemours & Co., of New Castle County, State of Delaware, for a period of

thirty years, for the purpose of erecting on a portion thereof a magazine or store-house for the storage of gunpowder; the lessees to have the right of ingress and egress by the road now constructed, and authority to build, at their own expense, a pier or wharf to the navigable waters of the Schuylkill River. But if at any time the Government requires said lands for military purposes, the lessees agree to cancel the lease on ninety days' notice and give peaceable possession.

Mr. ALBRIGHT. On behalf of the committee, I move the following amendments:

In line 3, after the word "be," insert, "if he shall deem the same advisable."

In line 4, after the word "lease," insert, "at a rental of not less than \$150 per annum."

In line 15 strike out the word "military," before "purposes," and insert the word "any."

In lines 15 and 16 strike out "lessees agree," and insert "Secretary of War shall have the right."

In line 16 strike out "90," before "days' notice," and insert "30."

In lines 16 and 17, strike out the words "and give peaceable possession," and insert these words: "and provided further, that the Government shall not be liable for any damages to the said lessees for or on account of the canceling of said lease."

The amendments were agreed to.

Mr. ALBRIGHT. There is a report of the Secretary of War on this subject, which I ask to be read. I ask the Clerk to read the letters in order, as they appear in the report: the letter of E. I. du Pont de Nemours & Co., of 22d January, 1874, on page 3; the letter on page 4; and then the letter of the Secretary of War of January 31, 1874.

Mr. STORM. Is this bill subject to the point of order that it should have its first consideration in Committee of the Whole?

The SPEAKER. It would have been, if the point had been made in time.

Mr. STORM. The bill has just been read.

The SPEAKER. And it has been amended in three particulars.

Mr. STORM. We could not tell what the bill was until we heard the amendments reported by the committee.

The SPEAKER. The time to make the point of order on a bill is when it is read, either by title or in full. If allowed to be discussed or amended, it is before the House for consideration.

Mr. STORM. These amendments came from the committee as part of their report.

The SPEAKER. The amendments reported by the committee are nevertheless voted on by the House.

Mr. STORM. I understand that when a bill is reported with amendments the amendments are treated as if they were part of the bill.

The SPEAKER. Not in this case. The committee reported it with three different amendments, and the amendments have been voted on by the House.

Mr. ALBRIGHT. If no one desires to have the letters read, I ask that the bill be put upon its passage.

The bill, as amended, was ordered to be engrossed for a third reading; and being engrossed, it was accordingly read the third time, and passed.

Mr. ALBRIGHT moved to reconsider the vote by which the bill was passed; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

PATRICK O. HAWES.

Mr. ALBRIGHT, from the Committee on Military Affairs, reported back the bill (H. R. No. 1111) for the relief Patrick O. Hawes, with an amendment in the nature of a substitute.

The substitute (H. R. No. 1934) was read a first and second time, and referred to the Committee of the Whole on the Private Calendar.

WILLIAM J. SCOTT.

Mr. MACDOUGALL, from the Committee on Military Affairs, reported a bill (H. R. No. 1935) for the relief of William J. Scott, late aid-de-camp on the staff of General Spears; which was read a first and second time.

Mr. MAYNARD. I desire to ask the gentleman from New York [Mr. MACDOUGALL] whether the cases of the other members of General Spears's staff have been considered by the Military Committee?

Mr. MACDOUGALL. They have not been before the committee as yet.

Mr. MAYNARD. I take this occasion to state that the entire staff of General Spears were in the same condition as this Scott. I had hoped that a bill might come from the committee which would include all the members of the staff. And when the bill comes to be considered in Committee of the Whole I trust the Military Committee may be able to report an amendment that will include the cases of all these officers.

The bill was referred to the Committee of the Whole on the Private Calendar.

DEWIGHT DESILVA.

Mr. MACDOUGALL, from the Committee on Military Affairs, reported back, with the recommendation that it do pass, the bill (H. R. No. 1415) for the relief of Dewight Desilva, of Deposit, New York; and the same was referred to the Committee of the Whole on the Private Calendar.

RESTORATION TO RANK.

Mr. MACDOUGALL, from the Committee on Military Affairs, reported back, with the recommendation that it do pass, the bill (H. R.

No. 1051) for the restoration to their respective positions in the Army of Captain J. Horace McGuire, First Lieutenant Henry D. Gardner, Second Lieutenant William D. McGuire, and Second Lieutenant William C. Reddy, all late of the Tenth Regiment United States Colored Artillery, (heavy;) and the same was referred to the Committee of the Whole on the Private Calendar.

DAKOTA INDIAN-WAR EXPENSES.

Mr. COBURN, from the Committee on Military Affairs, reported back, with the recommendation that it do pass, the bill (S. No. 29) to authorize the Secretary of War to ascertain the amount of expense incurred by the territorial authorities of Dakota for arms, equipments, military stores, supplies, and all other expenses of the volunteer forces of the Indian war of 1862.

The bill was read. It authorizes and requires the Secretary of War to ascertain, or cause to be ascertained, the amount of expense necessarily incurred by the territorial authorities of Dakota for arms, equipments, military stores, supplies, and all expenses of the volunteer forces called out to suppress Indian hostilities in the Territory of Dakota in the year 1862, and report to Congress at the next session the names of the persons entitled to relief, together with a statement of the facts and sums upon which such report may be based.

Mr. COBURN. This makes no appropriation. It merely gives the Secretary of War authority to make a report. I ask that the report of the committee be read.

The report was read, as follows:

The Committee on Military Affairs, to whom was referred House bill No. 296, entitled "A bill to authorize the Secretary of the Treasury to refund to the Territory of Dakota the sum of \$23,137.17 for expenses incurred in protecting the frontier settlements during the Indian rebellion of 1862," have had the same under consideration, and make the following report, with the accompanying bill, and recommend its passage:

The committee find that prior to the 30th of August, 1862, and during the summer of that year, the Sioux Indians in Minnesota and Dakota made war upon the whites, perpetrating many outrages, and threatened the entire border in that State and Territory. Thereupon the governor of the Territory issued his proclamation to the citizens of Dakota, ordering all male citizens in the Territory, between the ages of eighteen and fifty years, to at once enroll themselves in companies to be formed for home defense in their respective counties, with such arms as they may have had in their possession. The citizens were directed to assemble and elect their military company officers. They held themselves in readiness to march and engage in active service for the remainder of the year 1862.

The citizens, in pursuance of the proclamation of the governor, organized into five companies, in which were enrolled in all two hundred and sixty-six men, and assembled and elected their officers and prepared hastily-made fortifications for their defense.

In the absence of United States troops, the calling of the militia by the governor, and their enrollment and service, were, in the imminent danger from hostile Indians, the only defense for the people.

The following extract from the governor's message of December 13, 1862, indicates the pressing necessity of prompt and efficient action, without waiting for or obtaining authority or orders from the War Department:

"During the past year our people have suffered from Indian depredations, and the continual fear of being plundered and murdered by the roving bands of lawless savages who have been prowling around our settlements has been a great source of annoyance and alarm to our citizens.

"The murder of Judge Amidon and son, at Sioux Falls, occurring immediately upon the receipt of the first news of the terrible massacre of men, women, and children in Minnesota, very justly alarmed the settlers in that portion of the Territory.

"Knowing their inability to protect themselves against any considerable force of Indians with the small detachment of Dakota cavalry I had stationed there, they have wisely concluded to withdraw to the more thickly settled portions of the Territory, lying upon the Missouri River. After the abandonment of Sioux Falls, the Indians came in and destroyed and burned the town and all the improvements in the surrounding country. Upon the reception of the news of this attack at Sioux Falls, coupled with the news of a great savage war in Minnesota, and the actual presence of hostile bands in the vicinity of our towns, a feeling of general alarm naturally spread throughout the Territory, and many of our citizens removed into Iowa.

"As we had but one military company stationed in the whole country between the Big Sioux River and Fort Randall, and as this company was divided into several detachments, and could render only limited aid to our scattered settlements, I issued a proclamation calling for the organization of the entire militia of the Territory. Finding, however, that the feeling of insecurity was likely to depopulate some of our counties, I dispatched Lieutenant Kellam, a special messenger, to General Blunt, commanding the Department of Kansas, with letters and a requisition for arms, ammunition, and additional troops.

"As no troops could be sent to us immediately, I thought it necessary to call into active service a part of our militia, which would tend to restore confidence and give us protection until United States troops could be stationed in our midst.

"I would recommend that an act be passed authorizing the auditor of the Territory to audit the military accounts of the Territory, and to issue warrants sufficient to defray the expenses connected with subsisting and paying the militia for the time they have been in actual service; and then, when the amount is ascertained, the Legislature memorialize Congress for an appropriation sufficient to refund to the Territory all the expenses incurred by her in maintaining the militia force."

It further appears by a report of Hon. James Tufts, a commissioner appointed January 9, 1863, by the Legislature of Dakota to audit the military accounts of the Territory, of date January 9, 1863, the length of service was fixed at four months as that for which pay should be given. The commissioner also took into account the expenses of the recruiting service; the quartermaster and commissary's department; the expenses for surgeons, hospitals, and incidentals; making a total, for all items mentioned, the sum of \$23,137.17.

The auditor of the Territory issued warrants on the treasurer for the sums making the above aggregate.

The action of the governor in calling out the troops, and of the citizens in responding promptly in the emergency, seemed to be all that could be done and the only thing that could be done for the defense of the people of the Territory, since no troops of the General Government could come in time to the rescue, and it seemed madness to wait till the authorities at Washington could be reached and could furnish military aid.

The accounts seem to have been carefully examined by the commissioner, and to have met the approval of the auditor, and are set out in full with the items. The sum seems to be a reasonable and fair one, and we feel justified in recommending its payment.

The committee, in view of their conclusion, report a bill providing that an inspecting officer of the Army be directed to make report upon the claims aforesaid.

The bill was ordered to be engrossed and read a third time; and being engrossed, it was accordingly read the third time, and passed.

Mr. COBURN moved to reconsider the vote by which the bill was passed; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

ORDER OF BUSINESS.

Mr. MAYNARD. Has the morning hour expired?

The SPEAKER. The morning hour has now expired.

Mr. STARKWEATHER. I desire to move that the House resolve itself into Committee of the Whole on the state of the Union on the fortification bill.

Mr. MAYNARD. Before that motion is made I desire to say that some two weeks ago, when the Committee on Banking and Currency was called during the morning hour, I reported a bill from that committee, looking to certain modifications in the present banking law, which was referred to the Committee of the Whole on the state of the Union. I gave notice then that on to-day I would endeavor, if I could get the floor and get the favorable action of a majority of the House, to have that bill considered in Committee of the Whole. I feel obliged, therefore, to call the attention of the House to that question. And if my friend from Connecticut is not prepared to give way, and insists upon the consideration of the appropriation bill, the purpose for which I sought the floor of course fails, and I shall not ask to take precedence of him or of his bill.

Mr. STARKWEATHER. I think we can finish the fortification bill very soon; we are half through with it already.

Mr. MAYNARD. I would inquire of the Speaker whether there is any other special order for to-day?

The SPEAKER. The Clerk will read an extract from the Journal of the House.

The Clerk read as follows:

Resolved, That the Committee on the Post-Office and Post-Roads be authorized to report House bill No. 825 for the free distribution of printed matter, &c., on Thursday, February 12, and that it be made a special order for that day at half-past one o'clock, and from day to day thereafter until disposed of, the general appropriation bills to have precedence.

Mr. DAWES. I have had some conference with the chairman of the Committee on the Post-Office and Post-Roads, and it is entirely agreeable to him not to call up that special order until Tuesday. If we go into Committee of the Whole the special order will be first, the tax bill, next the \$400,000,000 bill of the Committee on Ways and Means, and after that will come the bill alluded to by the gentleman from Tennessee, [Mr. MAYNARD.]

Mr. RANDALL. I think not.

Mr. DAWES. After that.

Mr. RANDALL. No; I think not, for it has not been made a special order.

Mr. DAWES. It comes in after it, if at all.

Mr. RANDALL. O yes, sir.

Mr. DAWES. When the gentleman from Connecticut [Mr. STARKWEATHER] gets through with his bill I propose to move to go into Committee of the Whole on the tax bill, for the purpose of offering some remarks on that bill. That will clear the way for the next currency bill. If the House will indulge me, the moment the gentleman from Connecticut gets through I shall move to go into Committee of the Whole on the special order for the purpose of submitting some remarks.

Mr. PACKER. I desire to say that the Committee on the Post-Office and Post-Roads are entirely willing to accommodate the gentleman from Massachusetts if a postponement of it will not lose our special order.

The SPEAKER. If the special order of the gentleman's committee should not be reached to-day it would come up to-morrow, unless the House should vote to go into Committee of the Whole on the Private Calendar. The Chair will consider it his duty on Fridays, except the third Friday of the month, which is set apart for the business of the District of Columbia, to give precedence to a motion to go into Committee of the Whole on the Private Calendar. If a majority of the House desire to go into that committee they can do so. It will be for a majority of the House to determine. If a majority of the House desire to go into Committee of the Whole on the Private Calendar on Fridays, they will always have the liberty of so doing.

Mr. MYERS. Will not the bill of the Committee on the Post-Office and Post-Roads come up on Tuesday?

The SPEAKER. Yes; *proprio vigore*.

Mr. STARKWEATHER. I hope we shall go into Committee of the Whole, and finish the fortification bill; we can do it in half an hour.

Mr. KELLEY. I desire to say to the chairmen of the Committees on Ways and Means and on Banking and Currency that when their bills—the \$400,000,000 bill of the Committee on Ways and Means and the bill of the Committee on Banking and Currency—come up for general debate, I shall propose that all bills referred to the Committee of the Whole on that subject, and I think there are four, shall be regarded as under discussion during the general debate.

Mr. ELDREDGE. I make the point of order that whenever the House is engaged upon questions relating to the order of business there is so much disorder here that gentlemen can hear nothing.

The SPEAKER. Gentlemen will please resume their seats and be in order. Questions relating to the business in Committee of the

Whole are very important, in order that gentlemen may know what will come up.

Mr. MAYNARD. I would say to the House that the bill of the gentleman from Massachusetts, by a special order, takes precedence of the bill to which I have referred, and as he has intimated a desire to speak on it to-day, I shall not press a motion to go into Committee of the Whole on the bill to which I have referred; but on Monday next, if I can obtain the floor, I will endeavor to have the matter settled definitely, so that the House will have no difficulty in understanding the order of discussion, and gentlemen can prepare themselves.

The SPEAKER. After the fortification bill, now under consideration in Committee of the Whole, shall have been disposed of, the next special order is a bill reported from the Committee on Ways and Means to repeal the stamp duty or tax on matches. The next special order to that is a bill to repeal the tax on bank checks and friction matches. The next to that is a bill to fix the amount of legal-tender notes at \$400,000,000. These are the only special orders in the Committee of the Whole, and, as the Chair has heretofore explained, they can be postponed or laid aside only by a vote in the House before going into Committee of the Whole.

The bill of the gentleman from Tennessee, [Mr. MAYNARD,] from the Committee on Banking and Currency, is not a special order in Committee of the Whole, but the fourth bill assigned to the General Calendar. The bills intervening may be laid aside by a majority vote in Committee of the Whole, while special orders cannot be laid aside by a vote in Committee of the Whole.

In regard to the point made by the gentleman from Pennsylvania, [Mr. KELLEY,] who desires to have all these bills discussed together, the Chair supposes that, so far as general discussion is involved, its range would be quite wide, and there would be no necessity for making an arrangement of that kind. The limit of debate would not be sufficiently stringent to require any special order by the House. But the several bills of course must be considered separately; they cannot be considered otherwise, although one may be moved as an amendment to another.

Mr. KELLEY. I refer only to general debate. I know the House must fix the order in which the bills are to be considered.

LEAVE OF ABSENCE.

Mr. HUBBELL was granted leave of absence until Thursday next.

FORTIFICATION BILL.

Mr. STARKWEATHER. I now insist upon my motion that the House resolve itself into Committee of the Whole on the fortification bill.

The motion was agreed to.

The House accordingly resolved itself into Committee of the Whole, (Mr. COX in the chair,) and resumed the consideration of House bill No. 1037, making appropriations for the construction, preservation, and repair of certain fortifications and other works of defense.

The Clerk read the following paragraphs:

For Fort Foote, Potomac River, Maryland, \$20,000.
For Fort Washington, Potomac River, Maryland, \$20,000.

Mr. STARKWEATHER. Upon conference with the Committee on Appropriations, as the necessity of these appropriations is not pressing this year, I move to strike out the items in relation to Fort Foote and Fort Washington.

The amendment was agreed to.

The Clerk resumed the reading of the bill, and read the following:

For Fort Moultrie, Charleston Harbor, South Carolina, \$20,000.

Mr. STORM. I move to strike out the paragraph just read, and I propose also at the proper time to move to strike out the succeeding paragraph in relation to Fort Sumter, Charleston Harbor. I am glad that the gentleman from Connecticut [Mr. STARKWEATHER] has had struck out, upon his own motion, the appropriations for Fort Foote and Fort Washington. I ask now, for the same reason that I suppose they were stricken out, that the items in relation to the two forts in Charleston Harbor shall also be stricken out. A great deal has been said here in regard to the testimony of General Sherman in reference to these forts.

Mr. PLATT, of Virginia. I wish to say, on behalf of the members from Virginia and Maryland, that owing to the great confusion existing in the Committee of the Whole this morning, the amendment to strike out the appropriations for Fort Foote and Fort Washington was carried, when a great number of members here knew nothing of what was being done. I desire to go back and have another vote on that amendment.

Mr. STARKWEATHER. We cannot go back.

Mr. STORM. I cannot yield for that purpose.

Mr. PLATT, of Virginia. Then I desire to make a parliamentary inquiry.

Mr. STORM. I cannot yield for that purpose.

Mr. PLATT, of Virginia. Then I will make a point of order.

The CHAIRMAN. The gentleman will state his point of order.

Mr. PLATT, of Virginia. However, I will postpone it until the close of the remarks of the gentleman from Pennsylvania, [Mr. STORM.]

Mr. STORM. When the Army appropriation bill was under consideration a few days ago my colleague, [Mr. ALBRIGHT,] and the gentleman from Massachusetts, [Mr. BUTLER,] and my friend from Virginia who is now making points of order, [Mr. PLATT,] quoted

with some considerable approbation the opinion of the General of the Army against the reduction of the Army. But now, when they come here for appropriations for fortifications, and the boot is on the other leg, they commence to find fault with the testimony of General Sherman in regard to these old forts. They pretend to say that he is contradictory, or is not competent to give an opinion, does not possess an adequate knowledge of the facts concerning which he testifies. It seems to me, however, that the Committee on Military Affairs must have considered his testimony very important, because I notice that they have accorded to him thirty-three printed pages in this book of testimony. That the General of the Army is competent to testify concerning these facts I think no one can doubt.

In regard to this Fort Moultrie, he uses a very emphatic expression, and says, "Let it slide." He also says, in regard to Fort Sumter, that he would let it stand as a monument. That seems to be the only use he can see for it. But the Committee on Appropriations has reported to this House an appropriation of \$20,000 for each one of these old forts. Now, if the testimony of the General of the Army is good enough to effect the striking out of the appropriations for Fort Foote and Fort Washington, I trust it will be allowed its full force in regard to these old forts in Charleston Harbor, and that we will, as recommended by the General, "let them slide."

Mr. STARKWEATHER. Mr. Chairman, the motion to strike out the appropriations for Fort Foote and Fort Washington was made by me, on a suggestion of the Committee on Appropriations, that the work on those fortifications was in such a condition that we might allow them to pass this year without an appropriation. This was the only item in the bill about which the committee had any difference of opinion after hearing the Engineer fully. There was a little difference of opinion in regard to these two forts. Therefore, after a conference this morning, the committee decided to instruct me to make the motion to strike out the appropriation for these two forts.

I now come to the matter specially under consideration — Fort Moultrie and Fort Sumter; and I may consider them together. These fortifications have been standing a good many years. As we all know, they were well tested during the war. There was considerable damage done to them; but still they were retained as fortifications, and by no efforts of gun-ships, or monitors, or any other force, could they be taken. But in the course of hundreds of days of cannonading to which they were subjected, damages were done to a certain portion of the brick walls, by scaling of bricks here and there, until one side had been considerably reduced. Besides this, certain platforms, on which guns were mounted, were damaged. All that it is proposed to accomplish by this appropriation for Fort Moultrie and Fort Sumter is, as stated by officers of the Engineer Department, to smooth off the upper surfaces, to complete the stone-work or mound which has been impaired by incessant firing for months, to replace the damaged trenches, and repair the walls of the magazine. This little appropriation has been designed specially for this purpose. It is not to commence any great or new work, or to make any addition to the works already existing; but simply to restore the damaged portions of this valuable fort. This is the only fort between Fortress Monroe and Savannah, Georgia; and all that is asked is an appropriation to restore the trenches, the sand-work, and a portion of the wall which was broken down by hundreds of days of cannonading. The committee are unanimously in favor of making the appropriation, as are also all the engineer officers, two or three of whom were before us, and several others with whom I have conversed, they having made a personal examination of the work. I think that if General Sherman himself had gone there and seen these walls and trenches broken down, he would have said that an appropriation sufficient to restore them was not unreasonable.

If it were proposed to build any new and expensive works, that would be another question. We do propose to let these fortifications "slide," in the language of General Sherman, except so far as to make the necessary repairs of trenches, embankments, and walls. If they be suffered to remain in their present condition they must be restored ultimately, and the expense by and by will be fourfold what it is to-day. I think, therefore, Mr. Chairman, that in this matter we may safely follow the recommendation of the engineers who have examined these works personally, and who report these repairs to be necessary.

Mr. RAINEY. Mr. Chairman—

The CHAIRMAN. Does the gentleman from Pennsylvania [Mr. STORM] withdraw his amendment?

Mr. STORM. Yes, sir; with the understanding it shall be renewed.

Mr. RAINEY. I renew the amendment, *pro forma*. Mr. Chairman, I hope that the motion made by the gentleman from Pennsylvania [Mr. STORM] will not prevail. The amount asked to keep Fort Moultrie in repair and in proper condition is certainly very small when compared with the amount asked for some other fortifications in the country. If there were no other reason why this appropriation ought to be made, a sufficient one is this: Fort Moultrie has clustering around it a great many historical associations. Its history is intimately connected with that of this Government in its very incipency, when the American people were struggling for their nationality; and it stands now as one of the monuments of the bravery of the men of that memorable era. I say, sir, that it should be kept as nearly as possible intact, if it be only that strangers may go there and satisfy their curiosity by looking at it, if it be only that the children of the

present generation may go and look at a fortification in which their fathers fought for the liberties of this country. I say, sir, this fort should be kept not only in repair but in good condition, so as to command the respect of all who may be disposed to examine it, and of the country at large.

I am well aware that General Sherman in his testimony before the Military Committee said, "Let Fort Moultrie slide." I would not like to suggest the reason why General Sherman may have made that statement; but it must be borne in mind that he was speaking in behalf of the Army; he was not speaking particularly in behalf of the engineers; but he wanted the Army to be kept intact, and he knew very well that if the fortifications were allowed to sink into neglect, the Army must, of necessity, be maintained in a strong condition. If the fortifications of this country be allowed to crumble into the dust, we shall have one broad frontier that will need to be defended by the Army, and which will admit no possibility of a reduction of our military force without the greatest detriment to the nation. Now, while it may be necessary to reduce the Army in the interest of economy to meet the present exigency of national affairs and the requirements of the people, I think we should not forget we are a nation and must command respect abroad. When we begin to neglect our fortifications, to neglect our Army, and to neglect our Navy, we will lose that respect of other nations which we should have if we kept ourselves always prepared for any emergency which might arise.

One moment more. I have spoken about historical associations. There are a great many historical associations clustering about Fort Sumter. Only call to mind what was done at Fort Sumter during the past war of the rebellion. Whether in defense of the southern cause or in defense of the Union cause, the associations of that fortification are intimately interwoven with the history of this Republic. I hope, therefore, this appropriation will be made.

And I might add, before taking my seat, that the appropriations in all of these bills for the Southern States have been comparatively very small. The Southern States have been much neglected in reference to appropriations. I do not like to see curtailments made in the appropriation for these fortifications in the Southern States. In my judgment the appropriations should be made equal, no larger for one section than for another, and no smaller. The people of the North and South have been knitted more closely together by the results of the war. They are now united, never again, I trust, to be separated, and one section ought not to be neglected while another is favored by these appropriation bills. Appropriations are needed in the South, too, and I hope they will be made.

[Here the hammer fell.]

Mr. BIERY. Mr. Chairman, I desire to say a few words on the pending amendment.

Mr. GARFIELD. All debate is exhausted on the pending amendment.

Mr. STORM. I withdraw the amendment.

Mr. BIERY. I renew, it for the purpose of making a few remarks.

Now, Mr. Chairman, I desired myself some of these provisions in the bill should be stricken out, but I was laboring under a misapprehension of the facts involved in this question at the time. I made it my business this morning to go to the proper Department for the purpose of correctly understanding all the figures in reference to the necessary fortifications of our harbors in the South. Fort Moultrie is situated in South Carolina, and is one of the landmarks of the late rebellion. It is not only an important point on that account, but is necessary for the proper defense of the harbor of Charleston.

I am aware the General of the Army says "Let it slide," but when we come to actual measurements and figures we find, with all deference to his opinion and his ability, he is not in exact accord with the measurements of the officers of the scientific corps on that point. I find in a number of other instances where the General says no appropriation should be made, the actual measurements by scientific men are directly against his opinion. I think he puts his opinion upon this basis. In his testimony before the Committee on Military Affairs I find the following, on page 24, which I will read:

The CHAIRMAN. With the improvements made in modern artillery can we guard our coasts?

General SHERMAN. Yes, sir; the improvements in modern artillery have been negated in a great measure by the greater draught of water that ships, carrying large ordnance, have. The channel fleet of England cannot enter a single port of the United States, except, possibly, at Newport, Rhode Island. The vessels which carry these heavy guns cannot approach our coast within range. There is not one such vessel that can come into New York Harbor.

Now, when we turn to the report made by the committee on designs for ships of war in 1872 in the English Parliament we find there are two formidable classes of English ships which can enter almost all of these southern harbors. We find a class of ships, carrying guns of 12-inch caliber and weighing 25 tons, which can pass into most of these southern harbors, because the depth of water is greater than these ships of war need. The Potomac River has a greater depth of water, and so has Charleston Harbor, and so has the Mississippi River; and into all of these waters these formidable English ships of war may come. Yet in reference to all these the General of the Army says no appropriation is needed.

Now, sir, I never felt the blush of shame come more strongly across my cheeks than during the last threatened war with Spain. Although we are forty million people we were thrown almost into a panic when

it was rumored that Spain, one of the weakest powers in Europe, was about to invade us with her formidable navy. Our harbors were almost defenseless, as was acknowledged upon this floor, and our Navy was not in a condition to meet the iron-clad navy of Spain, as was also acknowledged upon this floor. Yet now, when appropriations are asked for, they are cut down far below the estimates made by the scientific men employed by the Government for that very purpose. I say let us appropriate the money asked by the men whose duty it is to investigate this subject and determine what is necessary. Let our fortifications be placed in as perfect condition of defense as possible. Let us put our Army and Navy in the best condition. It is true, I know, the General of the Army says we can pick up ten thousand men here and transport them by our unusual railroad facilities from point to point when there is any danger of invasion. But the foes of this country will not fight us in that way. They will send here a powerful fleet which will present itself before one of our large cities, and after having done the greatest damage will run out to sea again before we can transport ten thousand men for the defense of the place.

[Here the hammer fell.]

Mr. O'NEILL. I ask the gentleman from Pennsylvania to withdraw his amendment that I may renew it.

Mr. STORM. I withdraw my amendment.

Mr. O'NEILL. I renew it for the purpose of saying a few words, but intend to vote against it. It seems to me that the action of the Committee on Appropriations in cutting down by this bill the appropriations for various fortifications has been very judicious. Not only has the committee acted wisely in its discriminations, but the Engineer Department of the Army, in its suggestions to the committee, has, in my opinion, done well under the circumstances for the public safety in the interest of economy.

In the locality which I in part represent, and in which I always feel deep concern, as the member from a district should feel in behalf of his especial constituents, we have several fortifications upon the river Delaware and bay. The Engineer Department advised the committee that work might be suspended for a year, or temporarily, on one or two of those fortifications, and that the amount to be appropriated might be expended with better effect on some than on others. And they have pursued the same course in reference to all other points in the country where there are fortifications under construction or repair.

Now, I am sure in saying, as a Representative from the State of Pennsylvania, and as representing one of the Philadelphia districts, which does me the honor to send me here, that my constituents feel more anxiety at this time about commercial matters than about matters of fortification. It is much more important for the city of Philadelphia that certain improvements should go on in the Delaware River and Bay which would give facilities to commerce so vital to them; that we should go on with the construction of light-houses and the removal of shoals and deepening of the channel, so that our commerce may be accommodated.

Therefore I, as one member of the Committee on Appropriations, though extremely regretting that I could not prevail upon the committee to recommend even a reduced appropriation for continuing the work the coming fiscal year on the improvements on Fort Mifflin, yet I must confess that I am more anxious and concerned about the interests of peace to-day than I am about the interests and requirements of war. I want the progress of the country to be shown, and to advance in the direction of peaceful pursuits, and think it is our best policy, all over the country, that we should improve the facilities of business inland, on our rivers and otherwise, if we can, and let this matter of fortifications go by for a year or two, at least in such localities where we are not in danger.

I think, Mr. Chairman, it will be seen that the Engineer Department, in going over the estimates and re-estimating, under the resolution of the House adopted a few weeks ago, have provided sufficiently for the cases where there might be possible danger of attack by a hostile fleet. They have said, in such cases, let us go on with the work; but in localities where there would be no such liability, they have said let us withdraw these particular appropriations and give them for the benefit of other fortifications more necessary to be finished at an early day.

Take, for instance, Fort Mifflin, on the river Delaware. That is so situated that it cannot be reached by a hostile fleet, provided Fort Delaware is well fortified and the battery at Finn's Point, on the New Jersey shore, is completed. In the revolutionary war it took the British fleet three or four weeks to destroy the fort—so that it could not be held—that stood about where Fort Mifflin stands, then called Mud Fort, just as it took weeks to drive an American force of five hundred men from Fort Mercer, on the opposite side of the river, near Red Bank.

Altogether I think the Engineer Department has dealt wisely with the appropriations for forts in that locality, in view of the fact that Congress demanded reduced estimates and an economical expenditure of money.

On the other hand, in the harbor of New York, there are some forts where I think it would be injudicious that the work should be stopped; and others where the cessation can do no harm; and for the same reason, that the appropriations for Fort Delaware and Battery Finn, they being at and below the head of Delaware Bay, and liable to earlier attack in case of war than Fort Mifflin high up the river

Delaware. I am sure I would have been very glad to have seen the work on Fort Mifflin continued. It is near my constituents, and would be a means of securing and saving their property should adversity occur at any time further down the river. I could not succeed in persuading the committee to adopt my views in reference to an appropriation for the fiscal year beginning after the 30th of June next for this fortification; but as reduced appropriations were determined upon, and as no appropriations were to be recommended where the work in the estimation of the Army engineers could be temporarily suspended until we have a fuller Treasury, I will again say that the majority of the committee has acted with conscientious discretion.

Mr. RANSIER. I rise merely to say a word or two, with the permission of the committee, since the amendment proposes to strike out appropriations for important fortifications in my district. I desire to express the hope that the good sense of this House, although I mean no disrespect to the gentleman from Pennsylvania [Mr. STORM] will lead them to vote against that gentleman's amendment. These appropriations are necessary unless the committee is prepared to have the sea-coast left in a comparatively defenseless condition.

These two points, Mr. Chairman, are important, not only as guarding the line of our sea-coast but as regards the harbor into which, and out of which, pass vast amounts of the commerce of the country. I ask the gentlemen of the Committee of the Whole, who are as well informed, if not better informed, than I am as to the importance of putting these forts in proper condition, to seriously consider this matter. The whole country is interested in this question, and I trust that no false economy will permit gentlemen to vote for this amendment. For when gentlemen propose to cut off from important fortifications the appropriations which are necessary to put them in proper condition, I say they are influenced by a false economy. The country does not want any such economy; and in the name of the country, and in the name of the people of the South, who are especially interested in that section, I ask the committee to vote down this amendment.

Mr. STARKWEATHER. Let us have a vote.

The question was taken on Mr. STORM's amendment, and it was not agreed to.

The Clerk read the following clause of the bill:

For Fort Pulaski, Savannah River, Georgia, \$20,000.

Mr. STORM. I move to strike out that clause. I suppose that this is about the last fort I can take shelter in, and if I am routed out of this I will give it up. I know, sir, the difficulty of opposing river and harbor bills and fortification bills; it is so easy to log-roll on bills of that kind. When we have a river and harbor bill before us, we find it impossible to make any successful attack on the bill reported by the committee, because every gentleman has some little stream or river in his district which he wants to take care of. So in reference to a fortification bill. New York and Maine are interested in it, and South Carolina; and we shall find after awhile that in all the sea-coast States there are some little forts that must be looked after, and therefore it is a difficult matter to make a successful attack on such appropriations. But I do wish to call the attention of the committee to the fact that there are a number of forts which the General of the Army—against whose judgment some gentlemen who never saw an army or a ship set up their opinions—a man who has the interest of the country at heart, says are utterly useless. He says that some of these forts are on rivers that have not half the requisite depth of water to float any iron-clad; and yet the House, without any consideration, blindly votes the appropriations reported by the committee.

Now I ask gentlemen if this is the proper way to legislate? Here we have an opportunity to cut down the bill at least \$100,000, and yet the House goes right on voting blindly in accordance with the suggestions of the committee, and against the recommendation of the man who, above all others, understands the subject and knows what is necessary in regard to these old, useless, worn-out forts.

The member from South Carolina [Mr. RAINEY] says that he wants Fort Sumter to stand as a monument. Well, sir, this is rather a bad time to talk about building monuments. We have commenced one, standing down there on a reservation on the bank of the Potomac, intended to be erected to the memory of the Father of his Country. When that is finished then I will vote with the gentleman from South Carolina to make a monument out of old Fort Sumter.

Now this Fort Pulaski is one of the forts for which General Sherman says he would make no appropriation.

Mr. BIERY. Suppose the Spanish government had sent a war vessel into Charleston Harbor, would the forts now in Charleston Harbor have been able to withstand it?

Mr. STORM. All I have to say about that is, that there is no southern harbor which an iron-clad can enter; and I put that statement against the opinion of my learned colleague from Pennsylvania. He says he is in favor of reduction. Sir, he reminds me of the man in Massachusetts, who was in favor of the Maine liquor law but against its enforcement. In the name of Heaven, why should we appropriate money for six forts which General Sherman says are useless?

Mr. BIERY. Has the gentleman read the testimony of General Sherman on page 112?

Mr. STORM. Yes, I have; I know it is possible for one man to go into one of the Departments and get a letter making one statement,

and for another man to go to the same Department and get a letter stating just the opposite.

[Here the hammer fell.]

Mr. PLATT, of Virginia. The gentleman from Pennsylvania has several times quoted General Sherman's remark that there are no southern rivers or harbors which a war vessel of an enemy can enter. I ask him if he indorses that assertion as a member of the House, or believes it?

Mr. STORM. If the question is between the judgment of the General of the Army and that of the gentleman from Virginia, I think I would rather take the opinion of the General of the Army.

Mr. PLATT, of Virginia. That is a good way of begging the question, and the only way in which the gentleman's arguments can be supported. It seems to be his special mission to make an attack upon every appropriation proposed here for the South; but I venture the assertion that if an appropriation was proposed here for a fort standing somewhere in the interior of Pennsylvania, he would be very glad to see it passed. He said that his colleague was like the man in Massachusetts who was in favor of the Maine liquor law but against its enforcement. He reminds me of the gentleman who had a boil and who thought that the best place for that boil to be was on somebody else. [Laughter.] He thinks the best place for retrenchment is in some other man's district, anywhere away from Pennsylvania.

Now, Mr. Chairman, the gentleman makes a great mistake when he thinks that the people of the country desire or demand any such false economy as he would have this Congress adopt. I hold in my hand, and would like to have read, a letter received by me this morning from a citizen of this country, who has no interest in politics except that of a citizen, who never had office or asked for one, who lives in the interior of one of our New England States, and reflects the intelligence of the people who live there. I ask the Clerk to read the passage in his letter which I have marked, and I commend the sentiments of that old man, seventy-four years of age, to the attention of the gentleman from Pennsylvania, [Mr. STORM,] and to other gentlemen who take the same position that he does, in attempting to defeat appropriations for the Army.

The Clerk read as follows:

I take great interest in the proceedings of Congress in reference to the Army. Ever since I was a young man I have watched the proceedings of Congress in relation to the Army. And I have come to the conclusion that there never was an Army of so small a number that rendered their country such important and loyal and faithful service as that of the United States. And there never was one that has been supported so grudgingly by the legislative power. Since I have taken an interest in public affairs, now over fifty years, I have always tried to understand why it was that in every Congress there has been a class of men who, instead of encouraging and trying to make our small Army more efficient, try to dishearten it. I have watched the subsequent careers of many of these men. The Florida war alone will show that this class of men have cost the country more money than would support our present Army for a long time. But in every Congress there has always been a class of men who endeavor to build themselves up by pulling others down, instead of rising by a patriotic and liberal support of their country and its institutions.

[Here the hammer fell.]

Mr. STORM. I have a letter on the same subject which I desire to have read.

The CHAIRMAN. Debate has been exhausted on the pending amendment.

Mr. STARKWEATHER. I ask for a vote.

Mr. STORM. I withdraw the amendment.

Mr. KILLINGER. I renew the amendment, and ask to have read the letter which my colleague sends to the Clerk's desk.

The Clerk read as follows:

HAMPTON, VIRGINIA, February 11, 1874.

RESPECTED SIR: I beg leave to call your attention, as chairman of the Appropriations Committee of the House, to what seems to me to be a fit subject of reform, in the present condition of the national Treasury. I see by the papers that the officers of the Army are opposed to any reduction of the present force, as detrimental, dangerous, &c. Now, so far as I can judge, there are some four or five hundred men stationed at Fortress Monroe, in this vicinity, and I certainly cannot see the necessity for it. These men are living in idleness, and with some exceptions they are a perfect nuisance to the neighborhood. They support four or five whisky mills of the lowest sort in the vicinity of the fort, and almost nightly disturb the neighborhood with their drunken brawls.

Mr. STARKWEATHER. I think that letter has nothing to do with the subject under discussion. It is simply a libel on the officers of the Army, and I object to its further reading.

The CHAIRMAN. The Chair sustains the point of order.

Mr. RAWLS. I desire to oppose the motion to strike out the appropriation in regard to Fort Pulaski. I am not an advocate of the building of these forts; and in a time when there is no necessity for expending the public treasure to keep them up I am no advocate of appropriations for them. I do not know the necessity at this time of keeping any of these forts in existence. But if there is any necessity for any of them, I think that Fort Pulaski, at the mouth of the Savannah River, is justly entitled to the small appropriation reported for it in this bill. I hold in my hand the statement of the Secretary of the Treasury showing that during the last fiscal year there were imports and exports from and to the harbor of Savannah of \$46,000,000 which passed under the guns of Fort Pulaski. Does the commerce of the country require protection at any point? If so, why not give it where that commerce exists? We exported from Savannah last year over \$45,000,000 and imported nearly \$1,000,000, an aggregate of about \$46,000,000. All that is asked for the protection of this annual

export and importation is \$20,000. I trust the report of the Committee on Appropriations will be adopted, and that this item will not be stricken out.

The amendment of Mr. STORM as renewed by Mr. KILLINGER was not agreed to.

The Clerk read as follows:

For Fort Jackson, Mississippi River, Louisiana, \$30,000.

Mr. O'BRIEN. I move to amend the paragraph just read by adding thereto the following:

For Fort McHenry, Baltimore Harbor, \$30,000.

Mr. Chairman, not being in the secrets of the Committee on Appropriations, I am not able to say by what calculations they have arrived at the appropriations which they set forth in this bill. But I desire to call the attention of the gentleman having charge of this bill [Mr. STARKWEATHER] to what I have no doubt was an omission of the provision which I propose to have incorporated by my amendment. The total amount appropriated for the defense of the Atlantic coast is \$600,000. I call attention to the fact, and I do so not in sectional spirit, that a large portion of that whole amount is for the defense of the coast lines of the States usually denominated New England. I think the amount appropriated to the New England States will reach nearly \$200,000.

Mr. STARKWEATHER. Allow me to state to the gentleman from Maryland [Mr. O'BRIEN] that General Humphreys came before the Committee on Appropriations, and stated that although in his first estimate he included an appropriation for Fort McHenry, yet the work was in such a condition that an appropriation for it might be withheld without injury. And the general did not ask any appropriation for Fort McHenry in his final estimates, and that item was withdrawn on his suggestion.

Mr. O'BRIEN. As I have already said, it was impossible for me to know why the Committee on Appropriations left out the appropriation for Fort McHenry. I desire further to say, that on yesterday members from the State of New York sitting around me advocated the retention of the appropriations—\$124,000—for the defense of New York Harbor, and I have no doubt with perfect propriety, because the interests of the empire city should be protected, no matter at what expense to the Government. That may also be true in regard to the coast lines of New England. And so too the appropriations of \$85,000 in behalf of the port of Philadelphia; for the fortifications which are along the line of the Delaware River are appropriate defenses of that port.

But, Mr. Chairman, I had before me merely the report of the Chief of Engineers, which states the fact that Fort McHenry is now being improved in a very important part, and that the appropriation which is called for will be necessary in order that the improvement may be continued and finished in a substantial manner.

There can be no doubt of the fact that, while economy is perfectly proper and should be practiced by all committees and by members in their votes upon these questions, yet as contradictory opinions are held by the General of the Army, the Engineer in Chief, and the distinguished military men who have spoken upon this floor with reference to this bill, it may be that the Engineer in Chief, in recommending the withdrawal of this appropriation from Fort McHenry may have made a very grave error.

I desire to say, Mr. Chairman, that, without Fort McHenry in a condition such as all the forts along our sea-coast should be to defend the ports which they guard against any fleet that may be brought for the purpose of invasion of our shores, Baltimore would be entirely undefended; and the small appropriation which I ask, which is in no proportion whatever to the amount which has been allowed by the committee for other ports inferior in character to Baltimore, is, I think, a proper one and should be sustained.

Now, I call the attention of the distinguished gentleman [Mr. STARKWEATHER] who has charge of this bill to the fact that General Sherman's testimony has been impugned here upon all sides of the House, not with reference to its integrity, but its wisdom. It has been shown that he contradicts himself in his expressions of opinion with regard to these fortifications; and it is perfectly proper to state that the distinguished Engineer in Chief of the Army may have been led into an error in recommending that Fort McHenry should be left in its present unfinished condition in order that the picayune sum of \$10,000 or \$15,000 or \$20,000 may be saved to the Government.

[Here the hammer fell.]

The question being taken on the amendment of Mr. O'BRIEN, it was not agreed to.

The Clerk resumed the reading of the bill, and read as follows:

For Fort Taylor, Key West, Florida, \$20,000.

Mr. WALLS. I move to amend by inserting after the clause just read the following:

For Fort Jefferson or Tortugas, Florida, \$20,000.

For Fort Poinsett, Florida, \$10,000.

Mr. Chairman, I do not wish to make a speech on this subject. I will simply call the attention of the House to the fact that General Sherman, who seems to be the authority for every proposition that is made here, has recommended that the same amount appropriated for Fort Taylor, Key West, Florida, be appropriated for Fort Jefferson, Florida. The testimony of General Sherman on this subject will be

found on page 22 of the published report. I hope my amendment will be adopted.

Mr. STARKWEATHER. I will simply say that the bill in this respect is in the form recommended by the Chief of Engineers and his assistants.

Mr. WALLS. My amendment is in accordance with the recommendation of the General of the Army.

The amendment was not agreed to.

The Clerk resumed and concluded the reading of the bill.

Mr. STARKWEATHER. I move that the committee rise and report the bill with the amendments.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. COX reported that the Committee of the Whole on the state of the Union, having had under consideration the Union generally, and particularly the bill (H. R. No. 1037) making appropriations for the construction, preservation, and repair of certain fortifications and other works of defense, had directed him to report the same with sundry amendments.

Mr. STARKWEATHER. I call the previous question on the bill and amendments.

The previous question was seconded and the main question ordered. The amendments reported from the Committee of the Whole were agreed to.

The bill, as amended, was ordered to be engrossed for a third reading; and being engrossed, it was accordingly read the third time, and passed.

Mr. STARKWEATHER moved to reconsider the vote by which the bill was passed; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

REPEAL OF TAXES.

Mr. DAWES. I move that the House resolve itself into the Committee of the Whole on the state of the Union, to proceed to the consideration of the special order.

The motion was agreed to; and the House accordingly resolved itself into the Committee of the Whole, (Mr. WILSON, of Iowa, in the chair,) and proceeded to the consideration of the special order, being the bill (H. R. No. 262) to repeal the stamp duty or tax on matches.

The bill was read. It provides that from and after the 1st day of January, 1874, so much and such parts of the internal-revenue laws as impose a stamp duty or tax on matches be repealed.

Mr. DAWES having obtained the floor,

Mr. WOOD. Before the gentleman from Massachusetts [Mr. DAWES] proceeds, I desire him to state, in order that the House may give him that attention to which his position as chairman of the leading committee of the House entitles him, whether he intends in this discussion to go outside of the immediate question presented by the pending bill.

Mr. DAWES. Mr. Chairman, I was about to say what would be an answer to the inquiry of the gentleman from New York, [Mr. WOOD.] I propose to discuss this bill in connection with the other bill on the Calendar to repeal the stamp tax upon bank-checks; and as these measures involve, in the amount which would thereby be taken from the revenues of the Government, the entire condition of the Treasury, I shall necessarily be obliged to present to the House as well as I may be able the actual condition of the Treasury of the United States to-day. Necessarily, Mr. Chairman, I shall be obliged in the outset to throw myself upon the patience of the House. My colleague [Mr. BUTLER] said the other day that I was in the habit of seizing the House by the ears. I cannot do so to-day; and unless the House is willing to lend me its ear, I shall not be able to get along. I shall indulge in figures not of rhetoric, but figures that are official.

The tax upon matches and upon bank-checks yielded to the Treasury last year \$4,100,000, that upon matches \$2,500,000, and that upon bank-checks \$1,600,000. The Commissioner of Internal Revenue has estimated that if the tax upon bank-checks be repealed it will require a refund to those now holding the stamps unused of another \$500,000, and at least a like sum, probably more, to those holding unused stamps upon friction matches. So that the question of this repeal involves the taking from the Treasury of \$5,100,000.

If the Treasury is in such a condition as to justify this relief to the manufacturers of matches, and to those who use bank-checks, it is exceedingly desirable that it should be done. Therefore it becomes the duty of the Committee on Ways and Means, who are unanimous in this adverse report, to present to the House the reasons for it, and let the House judge for itself whether that relief can be safely granted. And to that end, Mr. Chairman, I propose to state at once what is the actual condition of the Treasury of the United States at this time, as near as figures can make that statement, depending on the estimates of receipts from this time forward to the end of the fiscal year.

The Secretary of the Treasury states in his annual report he had on hand at the commencement of this fiscal year \$131,192,028.50 in cash. There were then out on call against the United States, and liable at any moment to be drawn against this sum, as special deposit, legal-tenders held for redemption of certificates of deposit, \$31,720,000; coin deposits for which coin certificates were outstanding on call, \$39,460,000. The total available funds belonging to the Government, and such as could meet its current expenses, on the 1st day of last July were therefore

only \$60,002,028.50. It consisted of coin \$48,047,402.68; currency \$11,954,625.82. This is the amount of cash on hand on the 1st day of July last, the commencement of this fiscal year, available to meet the current expenses of the Government.

The receipts from that day to the first day of this month, estimating five days—because this statement was made up for me five days before the commencement of this month—the receipts from July 1, 1873, to February 1, 1874, were \$165,677,972.99.

The receipts for the remaining five months of the year must necessarily be estimated, and are estimated at \$116,100,000. I will before I sit down, if the patience of the House is not too much exhausted, give the basis of this estimate.

The total available resources of the Government upon which to draw during this fiscal year are, therefore, \$281,777,972.99.

There has thus far been expended during this fiscal year as follows:

On account of the sinking fund, \$12,936,450.

On account of appropriations from July 1 to February 1—the last five days being estimated still—\$177,174,585.59.

Liabilities of the Government on account of unexpended balances of appropriation, including all possible outstanding appropriations of every kind for which the Government is to-day liable, and for which it may be called upon under any circumstances, \$138,381,557.37.

Interest on the public debt, \$41,286,661.48; accrued interest due and unpaid, \$6,987,477.92; making a total of interest on the public debt of \$48,274,138.50, which must be paid before the close of the fiscal year. From this, however, may be deducted the amount of accrued interest which will not be called for during the fiscal year. There has been about the same amount coming over from one year to another of accrued interest not called for. The sum I have already read to you of \$6,000,000 came over from last year. Therefore \$6,000,000 of accrued interest may be carried over to the next year as not likely to be called for. The estimated expenditures on the interest account will therefore be, with this deduction, \$42,274,138.50.

The estimated expenditures on account of sundry indefinite and permanent appropriations are \$6,825,000.

The sinking-fund account required by law to be provided is \$29,191,369.28. Deducting the bonds already purchased for that purpose, \$12,936,450, leaves still further to be provided before the end of the year \$16,254,919.28.

The total expenditures, therefore, including all the outstanding appropriations for which the Government is to-day liable, are \$393,846,650.74, against available resources of \$341,780,001.49. So that if the Government shall be called upon during the year for all of the appropriations which Congress has made of its funds in the Treasury not yet satisfied or covered into the Treasury, there would be at the end of the year a deficit in the Treasury of \$52,066,649.25.

But, sir, this does not fairly present the condition of the Treasury of the United States. It only presents its actual condition on paper, charging against its resources every possible outstanding appropriation. But of the appropriations which have been made and are still unpaid, and for which it is liable, there are very many to which there is no probability that the Treasury would be obliged to respond. Previous to 1870 the accounts in the Treasury ran along from year to year, charging whatever appropriations were made for any particular purpose upon one side of the account, and giving credit to payments on the other, from year to year, covering very many years. In that year Congress provided for closing the accounts of the United States once at least in two years, and for covering into the Treasury whatever was left unexpended during that time of any appropriation for any particular purpose. The enactment was as follows:

That all balances of appropriations which shall have remained on the books of the Treasury, without being drawn against in the settlement of accounts, for two years from the date of the last appropriation made by law, shall be reported by the Secretary of the Treasury to the Auditor of the Treasury whose duty it is to settle the accounts thereunder, and the Auditor shall examine the books of his office, and certify to the Secretary whether such balances will be required in the settlement of any accounts pending in his office; and if it appears that such balances will not be required for this purpose, then the Secretary may include such balances in his surplus-fund warrant, whether the head of the proper Department shall have certified that it may be carried into the general Treasury or not.

Under this provision of law there has been covered into the Treasury the sum of \$49,119,887.86. But the Departments have construed this law so that the appropriation shall remain outstanding for two years from the date of the last draft upon it, whatever that may be; so that by this construction they actually retain large amounts.

Now, if gentlemen will turn to their Book of Estimates, which I doubt not every member is familiar with, they will find from page 225 onward a list of all these unexpended appropriations; and they will find in that list appropriations of very large sums, to which every one would say at once, there is no probability that the Treasury will ever be called upon to respond. I have before me now a list of those appropriations unpaid, for specific purposes, where the money cannot be paid for any other than the specific object for which it is appropriated. Happening to open at page 235, I find appropriations of this class made in the year 1871. Take, for instance, the pay of the Army. Every gentleman will see that the Army must have been substantially paid for its services in 1871 before this time. There may be here and there an unpaid claim, but substantially the pay of the Army for the year 1871 is closed. And yet there are standing two and one-half millions of money for which the Treasury stands liable

to pay the Army for its services in 1871. Then for pay of two and three years' volunteers for that year there are \$12,000,000, and \$1,500,000 for bounties for volunteers and their widows and legal heirs during that year. Turning over to the pensions for the same year, there can be no doubt that the pensions for the year 1871 are substantially paid. And yet there is outstanding an appropriation of \$9,408,365.23 to pay pensions of 1871. There may be here and there a pension for that year that is not paid, yet every gentleman must see that that item is substantially closed and cannot be considered a draft upon the Treasury. And so with the deficiency in the revenues of the Post-Office Department for the year 1871; there are \$2,500,000 in that item. So there are \$3,000,000 in the military establishment generally for 1872 outstanding; and the same remark may be made in reference to that.

Now, after a careful revision of all these outstanding appropriations for past years, as well as the Treasury Department and the Committee on Ways and Means are able to estimate how much of these would naturally be still outstanding and must be paid, I have deducted from the outstanding actual liabilities of the Treasury the sum of \$72,369,034.39. The items will all be found in the Book of Estimates, beginning on page 225, appendix; and each member can run over that list for himself and see whether this sum of seventy-two millions is a fair and proper estimate of the amount which the Treasury will never be called upon to pay, and which, according to the construction that the Treasury Department puts upon this law or any construction which Congress may put upon it, will go back into the Treasury and be an available fund for the future.

I have before me a statement prepared at the Treasury Department upon which that Department is willing to rely as its statement of the actual condition of the Treasury and its probable liabilities during the year. It is precisely like the one I have already read, with the exception of deducting from the \$138,000,000 of actual outstanding appropriations the sum of \$72,000,000 not probably required.

The statement is as follows:

July 1, 1873—Cash in the Treasury per Finance Report	\$131,192,028.50
From which deduct sums on deposit, by provisions of law, represented in this amount, as follows:	
Special deposit of legal-tenders held for redemption of certificates of deposit	\$31,730,000 00
Coin deposits for which coin certificates were outstanding	39,460,000 00
	71,190,000 00
Total available cash belonging to the Government	\$60,002,028 50
Consisting of coin	\$48,047,402 68
Consisting of currency	11,954,625 82
Receipts from July 1, 1873, to February 1, 1874, (five days estimated)	\$165,677,972 99
Estimated for remaining five months of fiscal year	116,100,000 00
Total income	281,777,972 99
Total available resources	341,780,001 49
Expended on account of sinking fund	\$12,936,450 00
Expenditures on account of appropriations from July 1 to February 1, (five days estimated)	177,174,585 59
Liabilities on account of unexpended balances of appropriations February 1, (five days estimated)	\$138,381,557 37
Deduct amount which will not probably be required, (see pages 235, 237, Finance Report)	72,369,034 39
Estimated expenditures from regular appropriations	66,012,522 98
Interest on the public debt	\$41,286,661 48
Accrued interest due and unpaid	6,987,477 02
	48,274,138 50
Deduct amount of accrued interest which will not be called for during the fiscal year	6,000,000 00
Estimated expenditure on interest account	42,274,138 50
Estimated expenditure on account of sundry indefinite and permanent appropriations	6,825,000 00
Sinking-fund account:	
Amount required to be provided	\$29,191,369 28
Bonds already purchased, as above	12,936,450 00
Leaving amount to be provided	16,254,919 28
Total expenditures	321,477,616 35
Cash on hand July 1, 1874	20,302,385 14
Total	341,780,001 49

You will see that this leaves a balance in the Treasury of \$20,302,385.14.

Mr. BECK. Allow me one word. I want to know if the gentleman has a separate tabular statement of these \$138,000,000 that he could lay before the House, so that we can see what composes the amount?

Mr. DAWES. The \$138,000,000 is contained in the appendix to the Book of Estimates, beginning, as I said, on page 225. Every appropriation for which the Government can possibly be liable under the law is found in the Book of Estimates, commencing at the two hundred and twenty-fifth page.

Mr. BECK. Have you a condensed statement of it, that Congress could look at?

Mr. DAWES. I have not. I suppose the gentleman wishes to know if I have a tabular statement of the \$72,000,000.

Mr. BECK. And the \$138,000,000.
 Mr. DAWES. The \$138,000,000 is already here in the Book of Estimates in a tabular statement.

Mr. BECK. But that is so long.
 Mr. DAWES. It is long because there are \$138,000,000. I do not think it would be possible to put the items for the different Departments in closer compass than they are in this book.

This statement which I make includes the sinking fund; that is to say, the Government will meet every actual liability and every estimated liability which I have given here, will have provided for the sinking fund, and unless there be some mistake in these estimates, it will have \$20,302,385.14 at the close of the year. As I have stated, it had \$60,002,028.50 not liable to call at the beginning of the year. Of course it is necessary, in order to restore to the Treasury the cash on hand at the beginning of the year, to provide for \$39,699,643.36.

By this statement it will be seen that, exclusive of the sinking-fund account, during the first seven months of the fiscal year the expenditures were \$11,496,612.60 in excess of the income; and that during the last five months of the same it is estimated that the income will be \$988,338.52 in excess of the expenditures; thus showing the expenses for the entire year to be \$10,508,274.08 more than the income of the Government.

But, Mr. Chairman, this statement, like the one already made, does not show exactly the condition of the Treasury. Against this \$20,302,385 are to be drawn all the deficiencies which have arisen during the year. There have been as yet no deficiency bills reported by the Committee on Appropriations except the naval deficiency bill, which was a specialty, and which has gone into the account already given. But deficiencies are sometimes quite large, and to the extent they may arise this year they will diminish this \$20,000,000. That sum cannot, therefore, as yet be definitely stated. I understand that the deficiencies have not yet even been sent to the Committee on Appropriations.

But there will be a deficiency of \$1,000,000 in the Indian Bureau. I have estimated the miscellaneous deficiencies, including the new claims and additional pensions that may be passed during the session, at \$2,000,000. It should always be borne in mind that from this \$20,000,000 will be drawn every appropriation that is made to take effect this year, whether it be for the payment of claims, or any form of an extra allowance of salary, or of extra compensation in any way, or an extra appropriation like that very properly made the other day for the harbor of Buffalo. I have never been in this House when the deficiency bills have fallen below \$3,000,000, I think. They may have done so, but I do not now recollect it; and they have gone up to \$13,000,000. I have put these deficiencies, including that of the Indian Bureau, at \$3,000,000. There is a more considerable deficiency in the Indian Bureau than in any other.

Then there are the awards of the southern claims commission, \$600,000; together with what the awards of the Court of Claims may exceed the standing appropriations for that purpose.

But, sir, I have left out of this estimate the claim made by the District of Columbia for expenditures made in this District, being somewhere from three to five million dollars. Last year we passed this act on the 8th of January, 1873:

And provided further, That the said board of public works be, and they are hereby, prohibited from incurring or contracting further liabilities in behalf of the United States in the improvement of streets, avenues, and reservations, beyond the amount of appropriations previously made by Congress, and from entering into any contracts touching such improvements in behalf of the United States, except in pursuance of appropriations made by Congress.

In the face of this provision we are confronted with a claim that has been incurred by the board of public works in this District, since the passage of that act, of from three to five million dollars. I do not care to discuss the propriety of the claim, or its legality, or how the money has been expended, but I desire to say that no calculations of the Treasury Department after the enactment of that law could have contemplated any expenditure by the board of public works of this District for which the Treasury might be liable. Congress may deem it wise to pay the claim, but there could be no calculation by the Treasury Department as to that liability, when Congress had forbidden the incurring of a dollar of such expenditure. I submit, then, that they are justified in their calculations that their cash on hand is not to be diminished by this sum. If, however, this sum shall be paid, it will add to the deficiency I have put in my statistics \$4,000,000; making to be deducted from the \$20,000,000 some \$7,600,000.

There are a variety of other claims which will suggest themselves to members who are more familiar with the details than myself; and while I am now speaking it has been suggested by my friend from New York [Mr. HALE] near me that one of them is the awards made by the mixed commission. I think there is over \$1,000,000 there.

Mr. HALE, of New York. Two million dollars.

Mr. DAWES. Two millions, my friend from New York [Mr. HALE] says, and he knows better than anybody else. Then, if we make any appropriation to take effect this year, it draws upon this cash on hand and adds to this deficiency, making it \$9,600,000, which will leave but ten million and some odd thousand dollars on hand in the Treasury at the end of a year, the Treasury starting at the beginning of the year with cash on hand to the amount of \$60,000,000.

I think it must be very evident to the minds of all that it is not safe for the Treasury to be left with no more than \$10,000,000 on hand to meet whatever demands may be made upon it under any sudden

emergency that may arise in the absence of Congress. The monthly expenditures of the Government are often more than twice that sum. Nobody would take upon himself the discharge of the duties of Secretary of the Treasury if he must be exposed to the liabilities to which such a condition of things would daily and hourly subject him. Take a single instance. The 1st day of January last Congress had adjourned for the holidays, after having appropriated \$13,307,000 of coin to meet the loan of 1858 coming due on that day, if the holders of it did not choose to refund their bonds.

There was coin in the Treasury	\$91,479,100 45
It was subject to call as follows:	
Overdue interest	\$6,987,477 02
Demand notes	79,637 00
Coin certificates	37,543,300 00
Old bonds	10,117,645 26
Interest on same	179,958 35
Interest due January 1	25,500,000 00
Appropriation to meet loan of 1858	13,307,000 00
	93,715,017 63

Making a deficiency in coin on that day, if the calls had been made upon the Treasury to which it was liable, of..... 2,235,908 18

Mr. GARFIELD. I desire to ask the gentleman from Massachusetts [Mr. DAWES] whether, in his statement of the resources of the Treasury, he has included any part of the \$44,000,000 of retired legal-tender notes, improperly called the "reserve fund," a portion of which has already been reissued.

Mr. DAWES. The \$44,000,000 reserve, and the use made of it by the Secretary of the Treasury, do not enter into this calculation. I am showing now what has and will become of the \$60,000,000 of cash on hand at the beginning of the current fiscal year, \$40,000,000 of which was coin. Now, the Secretary of the Treasury, in the administration of its affairs, finding his balance running low, instead of paying out this coin, has paid out this \$44,000,000, and kept this coin in the Treasury to answer to so much of the \$44,000,000 as had been paid out. And when it ran down so low that he dared not retain coin to answer to every dollar of the \$44,000,000 reserve that he paid out, he increased the indebtedness of the Government, as appears in his monthly report, to the amount of about \$11,000,000.

Therefore, although I have shown what the balance in the Treasury will probably be at the end of this fiscal year, if you cancel with the coin in the Treasury that portion of the \$44,000,000 that has been paid out, yet, in point of fact, the Secretary of the Treasury has retained coin, and in place of it paid currency out of the \$44,000,000, with the exception of the \$11,000,000 by which he has increased the public debt. During the last month he has been enabled to reduce that increase of debt to about \$9,000,000. Therefore the public debt has been increased during the present fiscal year about \$9,000,000. It would have been increased to the extent of what has been paid out of the \$44,000,000 had it not been for the fact that instead of paying out coin he has retained coin and paid out paper.

Now, the whole value of this statement depends upon two things: upon the reliability of this estimate of receipts for the last five months, and upon the estimates of the expenditures for that time. I need not say more in reference to the expenditures for the balance of the year. The tables of unexpended balances are before the House, and each one can form as accurate a judgment as I have done. It remains for me to give the basis upon which the estimate of receipts for these five months is made.

I have before me a statement of the receipts for each of the last nineteen months from all sources, embracing the whole of the last fiscal year, and the first seven months of the present fiscal year.

The receipts for the first seven months of last year were, from customs, \$111,112,384.77, and from internal revenue \$67,730,401.67; making a total of \$178,842,786.44. During the corresponding seven months of this year the receipts have been, from customs, \$93,345,457.76, from internal revenue \$57,182,623.09, making a total of \$150,527,080.85, showing a falling off in the seven months of this year from the seven months of last year of \$28,315,705.59.

Now, the comparison of the receipts for the last five months of the last year with the estimated receipts of the last five months of the present fiscal year is shown by the following: The receipts of the closing five months of last year were \$127,611,275.03. It is estimated that the last five months of the current fiscal year will yield \$116,100,000, or a falling off of \$11,516,275.03. Now upon what basis is that made?

I have here the actual receipts from the internal revenue for the month of January of this year and the month of January of last year; and the showing is that the internal revenue has yielded in the month of January of this year \$1,250,000 more than it yielded in the month of January of last year.

I have also the receipts for the first ten days of the present month compared with the corresponding ten days of last year, as follows:

Source.	1873.	1874.
Customs	\$4,572,065 09	\$4,381,235 89
Internal revenue	2,103,586 59	2,503,214 27
Miscellaneous	736,487 31	40,722 83
	7,412,138 99	6,925,172 99

This table shows an aggregate increase of receipts from customs and internal revenue, although a falling off from other sources of a few hundred dollars:

The internal revenue for the month of January, 1873, was..... \$8,449,595 04
For the month of January of this year..... 9,702,255 08

Showing an increase during the month of..... 1,252,660 04

All the indications which are usually regarded as trustworthy by business men foreshadow such a revival of business as leads the Department to believe that this estimate is a reliable one. The Postmaster-General told me only a day or two ago that during last month he sold eleven million more postage-stamps (official stamps not included) than were ever before sold in the United States in a single month. This increased sale of stamps the Postmaster considered as indicating a revival of business; and he accompanied the statement by the remark that during the depression of the several months preceding, including the months of the panic, there was a very perceptible and marked falling off in such sales.

From these and other indications, taking into view the tables to which I have referred, I think gentlemen will agree with me that we may fairly expect \$116,100,000 from all sources during these five months. This, it will be perceived, is \$11,516,275.03 less than the receipts of the corresponding months of last year. I have confidence that the deficiency will prove to be less than that sum.

Mr. GARFIELD. I desire to ask the gentleman from Massachusetts [Mr. DAWES] whether his estimate takes into account the fact that, as the panic for a time suspended business to a large extent, so the abatement of the financial stringency would probably show a leaping upward beyond the ordinary standard; and that as it would be wrong to take the lowest figures during a financial panic as a standard, so it might be equally a mistake to take the present figures as indicating the income we may fairly calculate upon. May it not be true also that the apprehension of increased internal taxation upon whisky and other articles of manufacture might induce a great many people engaged in manufacturing business to rush forward their operations as fast as possible in order to anticipate the tax? I desire to know whether, in the opinion of the gentleman, any of these causes have been operating.

Mr. BECK. Before the gentleman from Massachusetts resumes, I would like to ask him whether it is exactly fair to compare the first seven months of the current fiscal year with the first seven months of the last fiscal year, and then hold up the fact of the great difference in customs dues received, when the fact was that the 10 per cent. reduction of duty took effect at the beginning of the second month of the last fiscal year, and consequently imports were held back wherever possible to get the benefit of the reduction, and were then rushed in after the reduction took effect, thus swelling the aggregate at that particular time.

Mr. DAWES. Now, Mr. Chairman, if both my friends had been kind enough to wait a moment they would not have had occasion to trouble themselves with these questions. I was just about to refer to the points suggested by the gentleman from Ohio, [Mr. GARFIELD;] and then, as soon as I could, I was going to touch upon the matter suggested by my friend from Kentucky, [Mr. BECK.] I was going to say that doubtless there are a great many qualifications which should enter into these estimates, so that we cannot take the exact amount indicated as a just and healthy revival of business, and say with con-

fidence that this measure of receipts could be carried through the year. For instance, the anticipation of an increased tax upon whisky—if my friend from Ohio will permit me to go along with my speech just as if he had not put his question—the anticipation of an increased tax on whisky has no doubt enlarged to some extent the returns from the whisky tax; and the revival of business after such a sudden prostration has no doubt made a rebound that carries business enterprise beyond the legitimate level at which it will maintain itself. All these qualifications (I could not have stated them so well if I had not copied the language of my friend from Ohio) must be taken into account by every gentleman who undertakes to examine these tables and make up his own mind whether any reliance can be placed upon this estimate. The estimate has taken into account all these qualifications that have been suggested. Perhaps, however, proper allowance has not been made. Each gentleman of the House must examine for himself and form his own judgment upon this matter.

The gentleman from Kentucky [Mr. BECK] must remember that the first month of the last fiscal year was under the tariff before reduction, and it is probable that the increased rate that month was about compensated by the holding back of goods to which he alludes for the benefit of the reductions in the subsequent months, and I believe a comparison of the receipts for corresponding months going back several years will show that to be the case.

Now it is fair, and it is due to the administration of the Treasury Department and those responsible for it, to inquire why it is that, beginning this year with \$60,000,000 of cash on hand, we shall by this estimate close it with hardly \$10,000,000, and with an increase of the public debt, after providing for the sinking fund, while last year we paid more than \$43,000,000 of the public debt, including the sinking fund.

On the 1st of May, 1872, we passed a law repealing all duties upon tea and coffee. By this measure we lost during eleven months of the last fiscal year \$15,959,778.60 upon tea, and \$9,058,685.39 upon coffee, making a total of \$25,018,463.99 of revenue. Upon the 6th of June, 1872, we reduced the duty upon a variety of articles, and increased the number of articles upon the free list. By the reduction of duty we lost during the same period \$14,346,894.30; and by the placing of additional articles upon the free list we lost more than \$5,000,000—in all from those sources more than \$19,000,000; making the total reduction of the revenue on these articles \$44,367,313.54.

I have before me a list of all articles upon which this reduction was made, and the amount of duty which would have been received during the present year upon these articles. I have also a list of the value of all goods introduced into the country during the fiscal years of 1867, 1868, 1869, 1870, 1871, 1872, and 1873, which, if gentlemen will read, they will see what would have been the income from customs to the Government this fiscal year had we not reduced the tariff on the articles we have mentioned. More than \$100,000,000 in value of goods have been introduced this present year over and above any other of these years, so that had those duties remained, and that importation continued, not only should we have had in the Treasury to-day this \$44,000,000, but we should have the corresponding duties on all of the one hundred million in value of goods which we relieved entirely from taxation.

A MEMBER. In gold?

Mr. DAWES. Yes, sir; in gold.

I now give the table of these importations:

Statement of the value of foreign merchandise entered into consumption in the United States during the fiscal years ending June 30, 1867, 1868, 1869, 1870, 1871, 1872, and 1873.

Fiscal year ending June 30.	Free of duty.		Dutiable.			Total free and dutiable.			Average duty, ad valorem.	
	Value.	Discriminating duty.	Value.	Duty.	Additional and discriminating duty.	Value.	Duty.	Additional and discriminating duty.	Dutiable.	Free and dutiable.
1867.....	\$39,103,605 00	.....	\$361,125,552 50	\$168,503,749 58	.....	\$400,229,157 50	\$168,503,749 58	.....	46 1/2	42 1/10
1868.....	29,071,796 00	\$21,099 40	329,661,302 30	160,309,941 29	\$201,738 09	358,733,088 30	160,309,941 29	\$222,837 49	48 1/12	44 1/2
1869.....	41,499,601 78	21,124 60	372,756,641 51	176,114,904 19	421,354 93	414,256,243 29	176,114,904 19	442,679 53	47	42 1/2
1870.....	46,743,760 69	13,560 80	406,131,904 99	191,221,768 94	278,644 71	452,875,665 68	191,221,768 94	292,205 51	47 1/2	42 1/2
1871.....	59,162,460 46	43,084 14	459,597,057 86	201,985,574 93	418,014 25	518,759,518 32	201,985,574 93	461,098 39	43 1/10	39
1872.....	61,177,600 98	28,158 00	512,735,287 38	212,030,727 17	500,230 28	573,912,888 36	212,030,727 17	588,378 28	41 1/2	37
1873.....	199,886,874 80	134,978 25	484,746,861 27	184,556,045 02	238,018 47	684,633,736 07	184,556,045 02	372,996 72	38 1/14	26.95

Mr. KELLOGG. Will the gentleman from Massachusetts allow me to ask him a question?

Mr. DAWES. Yes, if the gentleman will not disturb my present line of thought.

Mr. KELLOGG. I will not disturb the gentleman if he will allow me to ask him a single question. My question is this, whether it is not an actual fact that the importation of the goods mentioned in the second section of the law of June 6, 1872, for the first seven months of 1872, was 10 per cent. greater in amount than during the first seven months of 1873?

Mr. DAWES. These statistics I have given, to be published in the CONGRESSIONAL RECORD, will show all dutiable goods; and gentlemen can see the exact fact whatever it may be.

Mr. KELLOGG. I did not wish to interrupt the gentleman, but merely to call the attention of the House to the fact that the report of

the Secretary of the Treasury does show that 10 per cent. more goods were imported under that section in the first seven months of 1872 than in the first seven months of 1873.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BECK. I move the gentleman's time be extended.

There was no objection; and it was ordered accordingly.

Mr. DAWES. I am much obliged to the House for its kindness; I know how tiresome this sort of talk is.

By a similar reduction of internal taxes the internal revenue was reduced last year \$17,695,456.08. There would be a like loss of internal revenue this year but for the fact that certain changes in the internal-revenue laws have worked so admirably that the loss from this source is less in proportion than that from customs. These reductions of the revenue manifested themselves in part, last year, in the fact that

\$43,000,000 only of public debt were extinguished, instead of \$99,000,000 extinguished the previous year.

Now, Mr. Chairman, the committee will see, and be able to judge as well as I have done, whether the statistics I have made are of any value or not. Nobody can with mathematical certainty say how much of the seventy-two millions will be drawn from the Treasury before the close of the year. If there be any value in these statements, I ask the attention of the House for a few moments to the question whether it would be possible for us in the discharge of our duties to relieve the Treasury. If the House agrees with me that the Treasury is liable, under unforeseen contingencies which cannot always be provided against, to go to protest unless it can have a margin more to be relied on than these ten million dollars, then every gentleman will also agree with me that we do not discharge our duty unless we, as the law-making power, provide some measure by which that margin shall be increased.

Of course, Mr. Chairman, there are but three ways open to accomplish that result. It must be done by increased taxation, by a loan, or by cutting down the expenditures which shall arise between this and the 1st day of next July. Unless some one of these three measures be resorted to, and resorted to in earnest, we, who have the credit of the United States in our keeping, holding only the Secretary of the Treasury and the Administration to the faithful execution of the laws we make, shall have failed in the discharge of our duties. I need not say to this committee it is our duty to resort to that one of these three measures which in the end will be most productive of good to the country and the Treasury, and reflect the greatest credit on us who have that management committed to our charge.

Shall it be by increased taxation? In the beginning, Mr. Chairman, there never has been an instance in the history of the Government when, in time of peace, taxes have been imposed for the purpose of carrying on its current expenses. If to-day we resort to that measure of taxation, it will be the first instance in the history of the Government when we have imposed taxes upon the industries of our country for the purpose of meeting our current expenses. We are emerging by degrees from a system of taxation imposed under an overwhelming necessity, involving the life of the nation, which the people of this country bore patiently, and manfully, and bravely, because of that necessity. When the danger passed away, the burden began to be irksome to the people, and from time to time we have met their restiveness by relief from these burdens as fast as the necessities of the Government would permit.

I am free to say, and I am willing to take my full share of the responsibility for so doing, that in the last Congress we removed these taxes more rapidly than has been justified by the events which have since transpired. It is due to the late Secretary of the Treasury to say, and I here cheerfully give him the benefit of the statement, that in the last moments of the conference committee, in whose report, about to be made, there were four or five millions more of reduction than finally became a law, he urged them to restore at least four or five millions of that intended reduction, insisting that the contingencies of the future were so great and so uncertain that no man could safely assume the responsibilities of Secretary if we cut down the receipts of the Treasury to the extent that we proposed. And after listening to him, in the very last moments before signing the conference committee's report, there were struck off from that report these very measures now pending—the match tax, the stamps upon checks, schedule C of internal revenue, and several other matters. No one at that time foresaw the panic of last September, and the prostration of business which has succeeded it; but its lessons should not be lost upon us.

I am, for one, opposed to any measure of taxation at this time, if there be any other possible solution of the question before us. I cannot, for myself, make up my mind that the people of this country will take upon their shoulders any new burden, unless they shall be first convinced that by no other means can the honor and faith of the nation be maintained. I do not for a moment distrust their ability or willingness to make any new sacrifice that the preservation of either may demand. I feel that nothing would be such a disappointment to the whole industrial interests of this country as increasing the burden of taxation just as they are lifting themselves up out of a depression unparalleled in this country in its suddenness and in its severity. I think we must make up our minds to abandon the idea of increased taxation, notwithstanding the fact that when we took off the \$25,000,000 from tea and coffee it did not reduce the price to the consumer of either article one half-penny. I have the prices-current of the country to bear me out that I am substantially, if not mathematically, accurate in the statement, that the whole of the duty taken off was divided between the producer at the one end and the wholesale dealer at the other. If we put on a tax to-day, it is only putting on so much upon the consumer. I am not, therefore, in favor of the reimposition of this tax, though I was opposed to its repeal at the time.

Again, shall we resort to a loan in time of peace and substantial prosperity, with no sudden demand upon the Treasury of the United States? Have we no other way of meeting our current expenses except by borrowing money? Shall we say to the nations of the earth holding our securities, and invited by a standing law of the land to take our bonds at 5 per cent., that such is the condition of our Treasury that we can only pay the interest upon those bonds and meet

our current expenses by borrowing? I cannot think of anything more fatal to the credit of this nation, not only abroad but at home, than the public announcement here that we are compelled to carry on the daily current and ordinary expenses of this Government by borrowing from day to day by temporary loans, or by whatever name you choose to call the mode of paying our bills by making more of them.

Mr. MAYNARD. I should like to ask the gentleman from Massachusetts if he recollects when he and I first came into the House, in a situation like that which we now have, of the then President indorsing the recommendation of the then Secretary of the Treasury in regard to providing for a deficiency, and if his attention has been called to that method?

Mr. DAWES. Never but once or twice in the history of this Government have we found ourselves, in time of peace, compelled to borrow money to carry on our current expenses. But within my memory in this House, and within that of my distinguished friend at my left, that condition of things arose; and we were compelled to borrow \$20,000,000 in bonds having fifteen years to run in order to meet our current expenses, and also to issue Treasury notes to meet the daily demands upon the Treasury. We have been compelled at the present session, in the straitened condition of our Treasury—the fate of every man and nation that borrows to meet his or its current expenses—to pay this loan when we were least able to do so. On the 1st of January we had to pay the fifteen-year bonds which were put upon the market in 1858 to meet the then current expenses of the Government. Our friends on the other side will bear with me, I think, if I say that it was but one of the evidences of the decay of that party which had administered the Government almost exclusively for fifty years. It was one of the evidences of its loosening its hold upon power and of its becoming *effete*. It was even then dying of dry-rot, borrowing money to meet its current expenses and paying its bills by making more of them. In time of profound peace Mr. Buchanan's administration was unable to meet its current expenses with its current receipts by more than \$30,000,000, and it was trusted no longer with power. From that day to this, with the interregnum of Andrew Johnson's administration, this Government has been in our hands; and they upon the other side are watching us from day to day, and now witness the spectacle of our discussing the question whether we shall now, fifteen years after that day, do as they did—fall into the same error, and meet the same fate.

I assume, therefore, that the House will agree with me that there must be some other way out of this dilemma than by either imposing new taxes or borrowing money in the market to meet these expenses.

But this is not all. While we have been reducing our receipts on the one side we have been increasing our expenditures at the other. Listen now to the expenditures of this Government since the present Administration came into power. The first year the expenses of this Government were \$322,865,277.80; in 1870 they were \$309,653,560.75; in 1871 they were \$292,177,188.25; in 1872 they were \$277,517,962.67; in 1873 they were \$290,345,245.33; the appropriations for the present year sum up \$319,652,644.31. In 1870 we reduced our expenditures to \$309,000,000 and we paid \$101,601,916.88 of the public debt; in 1871 we brought them down from \$309,653,560.75 to \$292,177,188.25, and we paid \$94,327,764.84 of the public debt; in 1872 we brought them down still further to \$277,517,962.67, and we paid \$99,960,253.54 of the public debt in addition. In 1873 the expenditures ran up to \$290,345,245.33, and we paid but \$43,667,630.05 of the public debt. This year our appropriations have gone up from \$290,000,000, our expenses for the last year, to \$319,000,000, without paying one dollar of the public debt.

Mr. GARFIELD. I would ask the gentleman if by accident he has not included in his figures of last year the sinking fund, amounting to \$30,000,000, which was not included in the expenditures of last year? I think he will find that he has done so.

Mr. DAWES. I have not done it by accident, but by design. The expenditures for each year, as I have given them, contain the sinking fund, or else I am misled by the Treasury Department itself.

I am inquired of very pertinently by my friend near me, [Mr. BLAINE,] in what items this increase has arisen. The appropriation for public works last year amounted to \$14,000,000 in round numbers; it was \$20,000,000 this year. That for the naval establishment last year was \$18,000,000; this year it is \$22,000,000. That for the military establishment was a little over \$30,000,000; this year it is \$36,000,000; and so with some of the smaller items.

I have shown that we cannot rely upon an increase of taxation, or upon a loan; and I think from what has been said that it is apparent that there are reasons in the very expenditures themselves why we should resort to retrenchment as the only remaining remedy.

Is there any reason in the nature of things in this Government why our expenses should have begun to increase in 1871 and gone up over \$20,000,000 in a single year? The war was over eight or nine years ago. It has been the custom, whenever any gentleman has spoken here of increased expenditures, to talk at once about the increase of our territory, and attribute everything to the purchase of Alaska. Well; we did not purchase Alaska last year. It is a good many years since we drew that elephant, and it has brought us in about \$200,000 every year net over all expenses. I hope not to hear any more about the purchase of Alaska as a reason why our public expenditures are rising in this ratio.

I am aware how easy it is to talk about economy generally; it costs a man nothing, and is high sounding—delighting the public ear. It is only when you come to particulars that there is trouble. An English statesman once said that the speech that would soonest raise a cheer was that for general economy; and the speech which was most certain to win defeat was one for specific retrenchment. And Bacon, the philosopher, stated it as a general rule, that in generalities there is safety, but in particulars there is danger. But it does no good to talk of general economy, unaccompanied by specific retrenchment.

I know the peril of proceeding further in this line. But I beg members to understand that if I venture further it is not for the purpose of setting myself up as a reformer, or as one who may have any better idea of where reform can best begin than any other member. And I hope no one will take anything I may say about any particular reform except as coming from one who feels that it must commence somewhere, and that it is the duty of each member of the House, and therefore my duty as well as that of every other member, to cast about where best it can be initiated, so that the Government may be brought back to that line of expenditure adopted by this Administration when it came into power, and which has succeeded with unparalleled rapidity in paying off the public debt at the rate of \$100,000,000 and in reducing the expenditures somewhere about \$10,000,000 each year.

The purchasing power of money to-day is greater than it was five years ago. The extraordinary expenses of the Government to-day are no more than they were in the time of war, when three dollars of our currency were scarcely worth one dollar of the world's standard. The duties incumbent upon the officials who have charge of the administration of public affairs are no more varied, no more conflicting, no more arduous, than they were in the years that have gone by. The country, with the exception of poor Alaska, is no larger than it was then. The machinery of the Government is no more complicated or expensive than it was then.

Does it not, then, become us in candor to inquire seriously whether there may not be fields of reform into which it is our duty to enter earnestly, and see whether we may not put this Government back upon the path of general reduction of expenditures and of the public debt? Take a few points, and see whether there is anything in any of them worth the effort.

Take the permanent appropriations, those which are made in general terms, continuous in effect, and which do not come year by year before the House of Representatives to be scanned and their necessity and magnitude measured. They are appropriations so framed that they come on year by year to be administered, and no report of them is made to us, and no interference or control over them is exercised by us.

Now, how many such permanent appropriations are there of this Government? This last year there were of permanent appropriations \$147,361,943.49, over which this Congress has had no control, no supervision, has made no examination of them, nor passed judgment upon the necessity of the expenditure of a single dollar under them. Out of them are paid the entire customs expenditures of this nation, all the expenditures of the loans, of the Printing Bureau, of the Registry Bureau, of negotiating loans, and printing bonds.

There has been placed by law in the hands of the Secretary of the Treasury the power to take out of the Treasury and pay back money to every individual who thinks that the duties exacted of him at the custom-house are too high, and who pays them under protest. Congress has by law clothed the Secretary of the Treasury with the power of the judiciary to pass upon such questions and repay to the claimant one dollar, or one hundred, or one thousand, or one million of dollars, as shall be the judgment of the Secretary, and to draw his warrant upon the Treasury and to pay it over to the party thus feeling aggrieved, thereby depriving the Government of a judicial construction of the law itself. Within the time that we have been assembled here, when it was our duty to pass upon the construction of the revenue laws of the land, hundreds of thousands of dollars—I cannot tell how many—have thus been paid out on the warrant of the Secretary of the Treasury, a power uncontrolled, save by the known integrity of the Secretary himself.

Mr. STARKWEATHER. Is this a new feature, or is it not an old power?

Mr. DAWES. Most certainly it is an old power. I am arraigning no man for originating this power over the Treasury. It has come down to us from other administrations, and we are responsible only for its continuance.

And I might as well now say that I am not here to-day to arraign the republican party, but only to urge it to take hold of the work of reforming and improving old systems and methods which have been inherited, not created, by it. The republican party had its origin in the reform and overthrow of old abuses. It will forget its mission only when it ceases to search them out and abolish them. No other party before it had either the courage or the power to work out reforms within its own organization. It is the glory of the republican party that it probes its own sores and corrects its own errors. It has never waited to be driven from without to a discharge of its duty, but, impelled by the very purpose of its being, it has shrunk no self-discipline nor hesitated in the application of the most radical reform.

It is in this spirit that I speak to-day, arraigning nobody, but seeking, if possible, for better methods of administration than those which the country has out-grown, or experience has proven unwise.

Returning, without further apology for what I may say, to the consideration of permanent appropriations, I am reminded by the gentleman near me of what I ought to have said, that the largest of them all, now amounting to more than \$100,000,000, is for the single item of the interest on the public debt. That is a fixed sum; and there can be no discretion in reference to it. It is highly proper that that should be a permanent appropriation, not depending upon a vote of Congress year by year. It is these other appropriations, which, unconscious of their effect, we have permitted to creep into our statute-books alongside of the proper permanent appropriations, that I complain of. I have spoken of one of them. Here is another.

Prior to and up to 1849 the expenses of collecting the whole revenue of the United States were taken out of the gross receipts, and then the balance was paid into the Treasury. You can see at once that Congress would have no kind of supervision over that expenditure. In an act approved February 12, 1850, Congress appropriated for the entire expenses of the customs, in addition to the receipts from storage, cartage, and labor, and including repairs of custom-houses all told, the revenue cutter service, furniture for custom-houses, and occasional sums for new custom-houses, the sum of \$2,450,000.

In 1850 California was set up by itself on the principle that had been before prevailing in the country; and they paid over only the net proceeds from that State. But in 1858 California and all the rest were included in a special appropriation which was increased to \$3,600,000. This sum was sufficient till the close of the war for the collection of the revenue—for the revenue-cutter service, the purchase of steamers and the building of new ones. In May, 1866, one year after the close of the war, there were appropriated, besides receipts from storage, cartage, and labor, \$4,200,000, the proceeds of fines, forfeitures, and penalties, which produced \$242,425. In 1867 it amounted to \$4,592,000; in 1868, \$6,614,369; in 1869, \$6,256,000; in 1870, \$6,448,000; in 1871, \$6,452,000; in 1872, \$6,174,000; and in 1873, \$8,247,733.

Now, Mr. Chairman, this was not because of the increase of receipts, for when the expenditures were \$6,000,000 the receipts were very nearly what they were when the expenditures were \$8,247,000. I have the figures showing that in 1873 the receipts were only about \$8,000,000 more than in 1866, although it cost us \$2,000,000 or \$3,000,000 more to make the collection. The precise figures were as follows: In 1866 the receipts from customs were \$179,046,000; in 1873 they were only \$188,089,522. Was this not because the business was carried on under a permanent appropriation of which we had no supervision, and which we did not review here, a gross sum for the expenses of all the custom-houses and other expenses attending the collection of the revenue?

Now, is there no other place where we can institute any reform? In connection with this matter of collecting the customs, has any gentleman of the House looked at the public documents showing the exact receipts and expenditures at each one of the ports of entry in the United States? Whoever may have done so has found out that at a large number of them the receipts do not pay the expenses; so that if there were no other consideration connected with the question, it would certainly be a matter of economy to close up every one of these ports. But it is known to everybody that it will not do to close a port simply for the reason that the receipts do not equal the expenditures; because closing it and leaving it so would open it to smuggling. Therefore, there must be some intermediate measure of relief. There is no propriety in keeping up the salaries, and official machinery, and custom-houses, where there are not receipts enough to pay the expenses.

I have here a full list of all the ports according to the Finance Report of the Treasury Department, in which will be seen those which do not pay their expenses—ports at which a watchman with a salary of a few hundred dollars a year can prevent smuggling, and will meet all the needs of the Government. The expenses drawn from the Treasury to maintain these twenty-nine ports are \$344,685.

The Secretary of the Treasury has relieved himself of all responsibility upon this point by calling our attention to the matter in his report to Congress, and asking us to legislate for the closing of such unnecessary ports of entry as I have described. I have here an extract from his report which doubtless all gentlemen who hear me have read in this connection:

I invite the attention of Congress to the propriety of reorganizing the customs collection districts on the Atlantic coast, seventy-nine in number.

The establishment of many of these districts dates back to a period when the conditions determining their importance, relative to the commerce of the country, were entirely different from those existing at the present time. In some the expenses of collecting the revenue exceed the amount collected, and the consolidation of such districts with others may be advisable. At the same time, it must be remembered that the effective administration of the revenue system often requires the services of customs officers at points where few or no duties are collected. The judicious disposition of a force for the prevention of smuggling is indispensable to the collection of the revenue from imports, especially where the extent of coast affords opportunities for the clandestine introduction of dutiable merchandise. I would therefore suggest such action as may lead to a reduction of the number of districts, and a consequent reduction of expenses, without affecting the convenience of importers or the safety of the revenue.

The following is the list referred to in detail, and I call the special attention of members to it:

Statement of the amount of revenue received from customs and the average ad valorem duty; the number of persons employed, their aggregate compensation, and the percentage of cost of collecting the revenue, in each customs district in the United States, for the fiscal year ended June 30, 1873.

Districts.	Amount duty received fiscal year 1873.	Average ad valorem duty, (per cent.)	No. persons employed.	Aggregate compensation fiscal year 1873.	Average percentage of cost for collecting the revenue.	Remarks.
MAINE.						
1. Aroostook.....	\$12,851 91	21.82	10	\$11,720 00	91.19	
2. Passamaquoddy.....	84,461 53	27.12	26	29,454 70	34.87	\$1,076 00 value of salt for curing fish, free.
3. Machias.....	194 46	19.10	8	6,898 72	3,532.20	
4. Frenchman's Bay.....	24 68	23.73	9	6,783 00	27,453.79	645 00 value of salt for curing fish, free.
5. Castine.....	223 54	78.40	7	8,562 25	3,830.29	856 25 value of salt for curing fish, free.
6. Bangor.....	15,601 81	44.62	12	13,196 00	84.58	
7. Belfast.....	8,045 33	24.91	9	7,936 21	98.64	1,124 00 value of salt for curing fish, free.
8. Waldoborough.....	6,695 26	56.22	9	10,114 17	151.06	107 00 value of salt for curing fish, free.
9. Wiscasset.....	54 60	15.00	5	4,074 47	7,462.40	749 60 value of salt for curing fish, free.
10. Bath.....	11,527 15	23.11	9	10,261 28	89.10	2,217 00 value of salt for curing fish, free.
11. Portland and Falmouth.....	547,861 89	23.79	78	101,867 06	18.27	1,745 48 refunded by railroads; \$9,153 value of salt for curing fish, free.
12. Saco.....			5	1,318 00		
13. Kennebunk.....			2	1,278 00		
14. York.....			2	368 39		
Total.....	687,542 16		194	213,802 25	31.09	
NEW HAMPSHIRE.						
1. Portsmouth.....	23,720 34	44.89	11	10,312 47	43.47	775 00 value of salt for curing fish, free.
VERMONT.						
1. Vermont.....	932,155 46	20.90	98	75,345 16	8.08	
MASSACHUSETTS.						
1. Newburyport.....	58,909 51	37.11	11	6,890 00	11.69	1,286 35 value of salt for curing fish, free.
2. Gloucester.....	3,164 61	30.94	18	18,911 00	594.41	39,203 00 value of salt for curing fish, free.
3. Salem and Beverly.....	46,470 24	40.16	18	17,022 43	36.63	3,943 00 value of salt for curing fish, free.
4. Marblehead.....	513 65	25.13	4	1,657 79	322.74	
5. Boston and Charlestown.....	20,384,224 60	37.98	714	690,374 40	3.38	16,541 00 value of salt for curing fish, free.
6. Plymouth.....	22,079 75	14.16	6	3,892 08	17.62	1,540 00 value of salt for curing fish, free.
7. Barnstable.....			13	8,095 00		6,977 00 value of salt for curing fish, free.
8. New Bedford.....	43,148 59	23.29	12	10,810 59	25.05	
9. Nantucket.....			3	1,866 28		
10. Edgartown.....	7 90	28.51	9	6,650 07	84,178.10	
11. Fall River.....	208,515 37	31.39	10	8,566 80	4.10	
Total.....	20,767,034 27		818	774,736 44	3.73	
RHODE ISLAND.						
1. Providence.....	353,308 07	30.84	25	30,129 88	8.52	
2. Bristol and Warren.....	216 62	27.16	7	1,805 67	833.56	
3. Newport.....	2,164 40	20.26	14	7,462 12	34.47	
Total.....	355,689 09		46	39,397 67	11.07	
CONNECTICUT.						
1. Stonington.....	1,689 09	24.86	6	1,980 86	117.27	
2. New London.....	32,807 12	24.74	9	6,790 99	20.69	
3. Middletown.....	2,364 12	593.63	6	4,055 85	171.13	
4. New Haven.....	343,308 20	32.46	17	19,138 75	5.57	
5. Fairfield.....	17,877 01	37.78	5	4,254 25	23.79	
Total.....	398,045 54		43	36,220 70	9.09	
NEW YORK.						
1. Dunkirk.....	1,541 87	19.32	4	3,971 26	257.56	
2. Buffalo Creek.....	467,350 87	21.62	36	44,254 50	9.25	
3. Niagara.....	633,359 82	23.74	41	44,568 40	7.02	
4. Genesee.....	87,237 75	22.26	21	20,768 00	24.95	
5. Oswego.....	897,637 26	16.94	36	82,469 50	9.18	
6. Cape Vincent.....	57,267 90	20.29	20	19,782 50	34.54	
7. Oswegatchie.....	287,024 74	18.69	22	24,001 57	8.60	
8. Champlain.....	333,490 49	17.74	31	28,703 50	8.66	
9. Sag Harbor.....			9	2,739 14		
10. New York.....	124,754,693 75	39.56	1,338	1,966,317 75	1.57	
Total.....	127,519,604 45		1,558	2,237,516 12	1.75	
PENNSYLVANIA.						
1. Philadelphia.....	7,870,055 62	32.18	347	354,037 88	4.50	
2. Erie.....	54,994 64	23.16	8	6,874 66	12.50	
Total.....	7,925,050 26		355	360,912 54	4.55	
NEW JERSEY.						
1. Newark.....	1,398 23	28.52	3	4,138 21	295.96	
2. Perth Amboy.....	1,094 16	30.62	15	7,915 43	723.42	
3. Little Egg Harbor.....			8	4,324 00		
4. Great Egg Harbor.....			3	1,656 58		
5. Bridgeton.....			3	849 29		
6. Burlington.....	302 20	20.00	2	534 00	176.20	
Total.....	2,794 59		34	19,417 61	694.82	
DELAWARE.						
1. Delaware.....	20,562 11	20.09	7	7,305 83	35.50	
MARYLAND.						
Maryland.....			1	165 00		(Town Creek.)
1. Baltimore.....	7,218,068 17	36.06	274	408,528 51	5.24	\$29,601 paid by owners of bonded ware houses.
2. Annapolis.....			5	2,246 64		
3. Eastern district.....			4	4,555 00		
Total.....	7,218,068 17		284	415,495 16	5.34	
DISTRICT OF COLUMBIA.						
1. Georgetown.....	6,298 78	51.95	6	7,010 28	111.29	

Statement of the amount of revenue received from customs and average ad valorem duty; number of persons employed, their compensation, &c.—Continued.

Districts.	Amount duty received fiscal year 1873.	Average ad valorem duty (per cent.)	No. persons employed.	Aggregate compensation fiscal year 1873.	Average percentage of cost for collecting the revenue.	Remarks.
VIRGINIA.						
1. Alexandria.....	\$2,489 37	34.69	5	\$5,503 68	210.08	
2. Tappahannock.....			4	894 06		
3. Yorktown.....			3	2,643 00		
4. Norfolk and Portsmouth.....	26,521 67	36.64	29	31,648 50	119.33	
5. Petersburg.....	170,205 32	34.34	6	7,939 27	4.65	
6. Richmond.....	85,444 41	30.22	10	11,479 80	13.43	
7. Cherrystone.....			5	3,729 52		
Total.....	284,660 77		62	63,835 83	22.42	
NORTH CAROLINA.						
1. Albemarle.....	80 15	35.00	8	5,873 22	7,327.78	
2. Pamlico.....	1,942 84	50.17	10	7,964 65	415.30	
3. Beaufort.....			3	2,391 72		
4. Wilmington.....	107,894 10	35.24	14	17,751 11	16.45	Value of free goods, \$2,975.
Total.....	109,916 09		35	33,980 70	30.91	
SOUTH CAROLINA.						
1. Georgetown.....			4	2,889 50		
2. Charleston.....	151,846 81	37.44	41	46,521 07	30.63	
3. Beaufort.....	32,637 34	27.75	7	3,961 00	12.13	
Total.....	184,484 15		52	53,371 57	28.93	
GEORGIA.						
1. Savannah.....	157,927 16	35.07	68	66,725 13	42.25	
2. Brunswick.....	1,192 46	29.10	19	7,805 09	654.53	
3. Saint Mary's.....	725 24	94.16	6	3,117 15	429.86	
Total.....	159,844 86		81	77,647 28	48.57	
FLORIDA.						
1. Fernandina.....	96 61	61.02	8	6,938 15	7,181.60	
2. Saint John's.....	530 25	38.84	8	6,341 65	1,384.56	
3. Saint Augustine.....			10	6,741 03		
4. Key West.....	214,610 98	44.13	15	16,529 34	7.70	
5. Saint Mark's.....	568 20	101.43	10	7,540 00	1,327.00	
6. Apalachicola.....	52 28	63.40	7	2,912 15	5,570.22	
7. Pensacola.....	39,163 10	35.90	18	20,070 00	51.27	
Total.....	255,021 42		76	67,072 32	26.30	
ALABAMA.						
1. Mobile.....	88,857 41	43.13	72	46,941 90	52.82	
MISSISSIPPI.						
1. Pearl River.....	\$90 25	130.80	4	\$2,230 73	2,471.72	
2. Natchez.....			1	500 00		
3. Vicksburgh.....			2	550 00		
Total.....	90 25		7	3,280 73	3,635.15	
LOUISIANA.						
1. New Orleans.....	3,611,964 98	42.46	413	469,747 51	13.00	
2. Teche.....			10	7,846 67		
Total.....	3,611,964 98		423	477,594 18	13.22	
TEXAS.						
1. Texas.....	481,347 13	22.02	45	64,572 00	13.41	
2. Saluria.....	12,073 56	17.43	14	16,347 62	135.40	
3. Corpus Christi.....	25,196 30	23.19	17	20,733 07	82.28	
4. Brazos de Santiago.....	53,662 04	27.46	39	60,563 19	112.86	
5. Paso del Norte.....	26,620 28	22.66	15	17,807 50	66.89	
Total.....	598,899 31		130	180,025 38	30.00	
MINNESOTA.						
1. Du Luth.....	188,293 71	36.85	4	4,223 05	2.24	
2. Minnesota.....	7,231 68	36.01	11	9,729 71	134.40	
Total.....	195,525 39		15	13,952 76	7.13	
WISCONSIN.						
1. Milwaukee.....	152,913 82	35.04	15	16,130 00	10.54	
ILLINOIS.						
1. Chicago.....	2,087,836 76	42.07	102	92,212 44	4.41	
MICHIGAN.						
1. Michigan.....			18	9,268 00		
2. Superior.....	5,690 35	22.05	16	13,069 00	230.00	
3. Huron.....	73,077 12	26.34	45	43,831 25	59.98	
4. Detroit.....	290,235 09	29.18	59	55,954 02	19.27	\$11,521 50 paid by railway companies.
Total.....	369,022 56		138	122,142 27	33.90	
OHIO.						
1. Miami.....	17,269 14	33.54	8	12,680 00	73.42	
2. Sandusky.....	3,106 90	10.58	10	6,142 00	197.68	
3. Cuyahoga.....	223,609 98	28.63	23	26,357 51	11.28	
Total.....	253,986 02		41	45,179 51	17.78	
CALIFORNIA.						
1. San Diego.....	222 52	21.79	6	4,790 29	2,152.74	
2. San Francisco.....	8,025,286 37	45.78	200	329,736 00	4.10	
Total.....	8,025,508 89		206	334,546 29	4.16	

Statement of the amount of revenue received from customs and average ad valorem duty; number of persons employed, their compensation, &c.—Continued.

Districts.	Amount duty received fiscal year 1873.	Average ad valorem duty (per cent.)	No. persons employed.	Aggregate compensation fiscal year 1873.	Average percentage of cost for collecting the revenue.	Remarks.
OREGON.						
1. Southern Oregon.....			1	\$2,500 00		
2. Willamette.....	\$221,054 96	41.35	14	21,545 64	9.74	
3. Oregon.....	31,895 64	29.38	11	14,169 00	44.54	
Total.....	252,860 60		26	38,214 64	15.11	
WASHINGTON TERRITORY.						
1. Puget Sound.....	10,189 07	33.82	19	27,853 50	273.35	
ALASKA.						
1. Alaska.....	155 06	28.30	8	12,674 10	8,173.67	
MONTANA AND IDAHO.						
1. Montana and Idaho.....			1	1,000 00		
Grand total, 112 districts.....	182,498,302 63		4,963	5,905,124 63	3.23	

PORTS OF DELIVERY.

NEW YORK.						
1. Albany.....	\$126,691 42	20.00	5	\$7,175 00	5.66	
PENNSYLVANIA.						
1. Pittsburgh.....	32,567 93	45.02	4	5,300 00	16.27	
ALABAMA.						
1. Selma.....	11,818 18	48.12	1	1,370 00	11.59	
TEXAS.						
1. Houston.....						
KENTUCKY.						
1. Louisville.....	87,115 10	43.55	11	12,802 39	14.70	
2. Paducah.....			1	2,030 98		
Total.....	87,115 10		12	14,833 37	17.02	
TENNESSEE.						
1. Memphis.....	30,288 72	34.06	3	4,047 10	13.36	
2. Nashville.....	5,017 22	47.21	2	615 45	12.26	
Total.....	35,305 94		5	4,662 55	13.20	
MISSOURI.						
1. Kansas City.....			1	350 00		
2. Saint Joseph.....						
3. Saint Louis.....	1,443,122 45	32.87	22	34,500 00		No report. Value of goods free of duty \$7,039.
Total.....	1,443,122 45		23	34,850 00		
WEST VIRGINIA.						
1. Parkersburgh.....			1	384 28		
2. Wheeling.....	274 65	38.15	2	1,849 70	647.98	
Total.....	274 65		3	2,233 98	813.39	
OHIO.						
1. Cincinnati.....	271,546 03	42.20	15	20,897 00	07.69	
INDIANA.						
1. Evansville.....	5,040 45	38.13	4	6,748 87	133.89	
2. New Albany.....	7,562 64	12.10	1	519 38	6.85	
Total.....	12,603 09		5	7,268 25	55.08	
ILLINOIS.						
1. Alton.....			2	359 28		Value of goods free of duty \$2,171.
2. Cairo.....	18,167 60	34.85	2	2,631 80	14.43	
3. Galena.....			2	959 03		Value of goods free of duty \$278.
4. Quincy.....	2,458 87	43.26	1	493 69	20.08	
Total.....	20,626 47		7	4,444 67	20.54	
IOWA.						
1. Burlington.....	932 14	51.58	1	388 86	41.71	
2. Dubuque.....	15,138 99	31.39	1	1,034 62	6.82	
3. Keokuk.....			1	377 67		\$922.80. Report of duties collected received too late for publication in annual report; will appear in 1874.
Total.....	16,071 13		3	1,801 15	11.20	
NEBRASKA.						
1. Omaha.....			1	384 75		Value of goods free of duty \$5,903.18.
Grand total, 24 ports of delivery.....	2,057,742 39					

RECAPITULATION.

112 districts.....	\$182,498,302 63		4,963	\$5,905,124 63	3.23	
24 ports of delivery.....	2,057,742 39		84	105,222 72	5.11	
136.....	184,556,045 02	38.07	5,047	6,010,347 35	3.25	

Ports where there was no revenue received from customs in 1873.

No.	Ports.	Compensation of employes.
1	Saco, Maine	\$1,318 00
2	Kennebec, Maine	1,278 00
3	York, Maine	369 39
4	Barnstable, Massachusetts	8,095 00
5	Nantucket, Massachusetts	1,866 28
6	Sag Harbor, New York	2,739 14
7	Little Egg Harbor, New Jersey	4,324 00
8	Great Egg Harbor, New Jersey	1,656 58
9	Bridgeton, New Jersey	849 39
10	Annapolis, Maryland	2,246 64
11	Eastern district, Maryland	4,555 00
12	Town Creek, Maryland	165 00
13	Tappahannock, Virginia	893 06
14	Yorktown, Virginia	2,643 00
15	Cherrystone, Virginia	3,729 52
16	Beaufort, North Carolina	2,391 72
17	Georgetown, South Carolina	2,889 50
18	Saint Augustine, Florida	\$6,741 03
19	Natchez, Mississippi	500 00
20	Vicksburgh, Mississippi	550 00
21	Teche, Louisiana	7,946 67
22	Michigan, Michigan	9,268 00
23	Southern Oregon, Oregon	2,500 00
24	Montana and Idaho	1,000 00
25	Paducah, Kentucky	2,030 98
26	Kansas City, Missouri	350 00
27	Saint Joseph, Missouri, (no report)	.....
28	Parkersburgh, West Virginia	324 28
29	Alton, Illinois	359 25
30	Galena, Illinois	959 93
31	Keokuk, Iowa	377 67
32	Omaha, Nebraska	324 75
Total		75,259 78

* Report of duties received too late for compilation in 1873; will appear in receipts of 1874.

Ports where receipts have not exceeded \$500 for the fiscal year 1873.

No.	Ports.	Receipts from customs.	Compensation of employes.
1	Machias, Maine	\$194 46	\$6,868 72
2	Frenchman's Bay, Maine	24 68	6,783 00
3	Castine, Maine	223 54	8,562 25
4	Wiscasset, Maine	54 60	4,074 47
5	Edgartown, Massachusetts	7 90	6,650 07
6	Bristol and Warren, Rhode Island	216 62	1,805 67
7	Burlington, New Jersey	302 90	534 00
8	Albemarle, North Carolina	80 15	5,873 22
9	Fernandina, Florida	96 61	6,938 15
10	Apalachicola, Florida	52 28	2,912 15
11	Pearl River, Mississippi	90 25	2,230 73
12	San Diego, California	222 52	4,790 29
13	Alaska, Alaska	153 06	19,674 10
14	Wheeling, West Virginia	274 65	1,849 70
Total		1,995 52	72,546 52

Ports where receipts have exceeded \$500 and not over \$5,000 for the fiscal year 1873.

No.	Ports.	Receipts from customs.	Compensation of employes.
1	Gloncester, Massachusetts	\$3,164 61	\$18,911 00
2	Marblehead, Massachusetts	513 65	1,657 79
3	Newport, Rhode Island	2,164 40	7,462 12
4	Stonington, Connecticut	1,629 09	4,920 86
5	Middletown, Connecticut	2,364 12	4,055 85
6	Dunkirk, New York	1,541 87	3,971 26
7	Newark, New Jersey	1,398 23	4,138 21
8	Perth Amboy, New Jersey	1,094 16	7,915 43
9	Alexandria, Virginia	2,489 37	5,503 68
10	Panlico, North Carolina	1,941 84	7,964 65
11	Brunswick, Georgia	1,192 46	7,805 08
12	Saint Mary's, Georgia	725 24	3,117 15
13	Saint John's Florida	530 25	6,341 65
14	Saint Mark's, Florida	568 20	7,540 00
15	Sandusky, Ohio	3,106 90	6,142 00
16	Quincy, Illinois	2,458 87	4,923 69
17	Burlington, Iowa	932 14	388 86
Total		27,875 40	95,389 20

Ports where receipts were over \$5,000 and not over \$10,000 for the fiscal year 1873.

No.	Ports.	Receipts from customs.	Compensation of employes.
1	Belfast, Maine	\$8,045 33	\$7,936 21
2	Waldoborough, Maine	6,695 26	10,114 17
3	Georgetown, District of Columbia	6,298 78	7,010 28
4	Minnesota, Minnesota	7,231 68	9,729 71
5	Superior, Michigan	5,090 35	13,089 00
6	Nashville, Tennessee	5,017 22	615 45
7	Evansville, Indiana	5,040 43	6,748 87
8	New Albany, Indiana	7,562 64	519 38
Total		51,581 71	55,763 07

Ports where receipts were over \$10,000 and not over \$50,000 for the fiscal year 1873.

No.	Ports.	Receipts from customs.	Compensation of employes.
1	Aroostook, Maine	\$12,851 91	\$11,720 00
2	Bangor, Maine	15,601 81	13,196 00
3	Bath, Maine	11,527 15	10,261 28
4	Portsmouth, New Hampshire	25,720 54	10,319 47
5	Salem and Beverly, Massachusetts	46,470 29	17,022 43
6	Plymouth, Massachusetts	23,079 75	3,892 08
7	New Bedford, Massachusetts	43,148 59	10,810 50
8	New London, Connecticut	32,607 12	6,790 99
9	Fairfield, Connecticut	17,877 01	4,254 25
10	Delaware, Delaware	20,563 11	7,305 83
11	Norfolk and Portsmouth, Virginia	36,521 67	31,648 50
12	Beaufort, South Carolina	39,637 54	3,961 00
13	Pensacola, Florida	39,163 10	20,070 60
14	Saluria, Texas	19,073 56	16,347 62
15	Corpus Christi, Texas	25,196 30	20,733 07
16	Paso del Norte, Texas	26,630 25	17,807 50
17	Miami, Ohio	17,269 14	14,680 00
18	Oregon, Oregon	31,805 64	14,169 00
19	Puget Sound, Washington Territory	10,180 07	27,852 50
20	Pittsburgh, Pennsylvania	32,567 93	5,300 00
21	Selma, Alabama	11,818 18	1,370 00
22	Memphis, Tennessee	30,388 72	4,047 10
23	Cairo, Illinois	15,167 60	2,631 80
24	Dubuque, Iowa	15,138 99	1,034 62
Total		576,103 60	275,218 63

Ports where receipts were over \$50,000 and not over \$100,000 for the fiscal year 1873.

No.	Ports.	Receipts from customs.	Compensation of employes.
1	Passamaquoddy, Maine	\$84,461 53	\$29,454 70
2	Newburyport, Massachusetts	58,909 51	6,890 00
3	Genesee, New York	87,237 75	20,763 00
4	Cape Vincent, New York	57,267 90	19,782 50
5	Erie, Pennsylvania	54,994 64	6,874 66
6	Richmond, Virginia	85,444 41	11,479 80
7	Mobile, Alabama	88,857 41	46,941 90
8	Brazos de Santiago, Texas	53,662 04	60,565 19
9	Huron, Michigan	73,077 12	43,831 25
10	Louisville, Kentucky	87,115 10	12,802 39
Total		731,027 41	259,390 39

Ports where receipts were over \$100,000 and not over \$500,000 for the fiscal year 1873.

No.	Ports.	Receipts from customs.	Compensation of employes.
1	Fall River, Massachusetts	\$208,515 37	\$9,566 80
2	Providence, Rhode Island	353,308 07	30,129 88
3	New Haven, Connecticut	343,308 20	19,138 75
4	Buffalo Creek, New York	467,350 87	44,254 50
5	Oswegatchie, New York	287,024 74	24,001 57
6	Champlain, New York	333,496 49	28,703 50
7	Petersburgh, Virginia	170,205 32	7,939 27
8	Wilmington, North Carolina	107,894 10	17,751 11
9	Charleston, South Carolina	151,846 81	46,521 07
10	Savannah, Georgia	157,927 16	66,725 13
11	Key West, Florida	214,610 98	16,529 34
12	Texas, Texas	481,347 13	64,572 00
13	Du Luth, Minnesota	188,293 71	4,223 05
14	Milwaukee, Wisconsin	152,913 82	16,130 00
15	Detroit, Michigan	290,255 09	55,954 02
16	Cuyahoga, Ohio	223,609 98	26,357 51
17	Willamette, Oregon	221,054 96	21,545 64
18	Albany, New York	126,691 42	7,175 00
19	Cincinnati, Ohio	271,546 03	20,897 00
Total		4,761,194 25	527,115 14

Ports where receipts were over \$500,000 and not over \$1,000,000 for the fiscal year 1873.

No.	Ports.	Receipts from customs.	Compensation of employes.
1	Portland and Falmouth, Maine	\$547,861 89	\$101,867 06
2	Vermont, Vermont	932,155 46	75,345 16
3	Niagara, New York	633,359 82	44,508 40
4	Oswego, New York	897,637 26	82,469 50
Total		3,011,014 43	304,190 02

Ports where receipts were \$1,000,000 and over for the fiscal year 1873.

No.	Ports.	Receipts from customs.	Compensation of employes.
1	Boston, Massachusetts	\$20,384,224 60	\$690,374 40
2	New York, New York	124,754,693 75	1,966,317 75
3	Philadelphia, Pennsylvania	7,870,055 62	354,037 88
4	Baltimore, Maryland	7,218,068 17	408,522 52
5	New Orleans, Louisiana	3,611,964 98	469,747 51
6	Chicago, Illinois	2,087,836 76	92,212 44
7	San Francisco, California	8,025,286 37	329,736 00
8	Saint Louis, Missouri	1,443,122 45	34,500 00
Total		175,395,252 70	4,345,474 50

RECAPITULATION.

Number of ports.	Receipts from customs.	Compensation of employes.
32 ports where there were no receipts.....		\$75,259 78
14 ports where receipts were not over \$500.....	\$1,995 52	72,546 52
17 ports where the receipts were over \$500 and not over \$5,000.....	27,875 40	95,389 20
8 ports where the receipts were over \$5,000 and not over \$10,000.....	51,581 71	55,763 07
24 ports where the receipts were over \$10,000 and not over \$50,000.....	576,103 60	275,218 63
10 ports where the receipts were over \$50,000 and not over \$100,000.....	731,027 41	259,390 39
19 ports where the receipts were over \$100,000 and not over \$500,000.....	4,761,194 25	527,115 14
4 ports where the receipts were over \$500,000 and not over \$1,000,000.....	3,011,014 43	304,190 12
8 ports where the receipts were \$1,000,000 and over.....	175,395,252 70	4,345,474 50
136.....	184,556,045 02	6,010,347 35

This statement—"the receipts from customs"—is taken from the "home consumption and impost statement" for 1873. (See the "district statement.") The compensation of employes is taken from Finance Report, 1873, page 436.

Not in Finance Report:

No report from surveyor of Pittsburgh for salary.
Baltimore account does not include pay of naval officer and surveyor of the port.
Norfolk account does not include pay of collector.
Mobile account does not include pay of collector.
New Orleans account does not include pay of collector and one deputy collector.
Expenditures, customs service, see page 409, Finance Report, 1873.

Value of merchandise withdrawn from warehouse for the construction and equipment of vessels, under section 10, act of June 6, 1872, for the fiscal year ending June 30, 1873.

Baltimore, Maryland.....	\$1,771 00
Bath, Maine.....	21,896 00
Boston, Massachusetts.....	52,362 00
Kennebunk, Maine.....	12,290 00
Newburyport, Massachusetts.....	13,954 00
New York, New York.....	95,396 00
San Francisco, California.....	9,946 00
Waldoborough, Maine.....	2,084 00
Total.....	209,699 00

I cannot leave this branch of the subject without reading a letter received by a distinguished member of this House from a gentleman who was once appointed an appraiser at one of a dozen of these inland ports of entry which we created a few years ago, which this gentleman has kindly consented I might use. I know, however, that about a dozen of these ports were created; and at every one of them, whether a ship ever came within sight of the place or not, we established the whole machinery of a custom-house, and an appraiser with a salary of \$3,000. I will now show the fate of one of these poor men by reading the letter to which I have referred:

In 1870 Congress passed a law containing a section making — and quite a number of cities in the West ports of entry. They had been ports of delivery for years. A previous act had made other places ports of entry, and all of them were about a dozen. In March, 1871, I was appointed appraiser of merchandise at this port. This was a new office at \$3,000 a year. When I received that appointment I told —, who was my Senator, that it was a sinecure. I afterward told the Secretary of the Treasury to the same effect; and a year ago the present month I informed my other Senator that the law should be repealed and the office abolished. Well, an office-holder who expresses such sentiments about his own position is decidedly unpopular in the republican party, [laughter.] and in March last I was removed, for what cause I have never been informed; but I presume the charge was insanity. [Laughter.] There could be no charge of neglect or incompetency, for no officer was ever more faithful and diligent in drawing his salary than I was during those two years, and absolutely there was nothing else to do. [Laughter.]

Now, Mr. Chairman, this is the part I would like to emphasize particularly:

Seriously, while members of Congress are talking about retrenchment and economy, let them abolish these twelve useless offices and save \$40,000 per annum, for their blank books and forms (which are not used) amount to a considerable sum. Will you give this subject your attention?

Truly your friend,

Mr. PARKER, of Missouri. When was the letter dated?

Mr. DAWES. The letter is dated September 22, 1873, during this fiscal year.

Mr. BIERY. Why should not this man return what he has already received to the conscience fund? [Laughter.]

Mr. KELLOGG. It is sixteen instead of twelve.

Mr. PARKER, of Missouri. Let me ask the gentleman a question. What is the name of the writer of that letter; and what propriety is there in his keeping this money without having done any service for it?

Mr. DAWES. I promised the friend who gave me the letter I would not give the name. The other question of my friend from Missouri he can answer better than I can. [Laughter.]

Mr. PARKER, of Missouri. I want to know what port is meant by this man in the letter which has been read. I hardly think if he had continued in office he would have written any such letter as that.

Mr. DAWES. I hardly think so. [Laughter.]

Mr. PARKER, of Missouri. If Saint Louis is meant, why, let it fall there?

Mr. DAWES. Very likely, if anybody has been removed at Saint Louis, my friend from Missouri would know it. [Laughter.]

Mr. PARKER, of Missouri. I consider it a little improper to read this letter in the House. If it is a private letter it ought not to be read; and if it be read as a public letter, we certainly ought to have the name of the writer.

Mr. DAWES. The port of entry to which that letter applies is in the list which I have sent to the Clerk's desk to be read. [Laughter.]

Mr. BUTLER, of Massachusetts. I wish to say the collection district of Marblehead is in my district, and that I introduced a bill early in this session to abolish it.

Mr. DAWES. My colleague gives me an opportunity to make a personal explanation in reference to that very matter. One morning not long since my colleague [Mr. BUTLER] brought me a bundle of bills, and told me he had to go out of the House and asked that I would introduce the bills for him. I did so, and among them was one to abolish the collection district of Marblehead, and I have had all of my colleague's constituents from that town down upon me ever since. [Roars of laughter.] I am very much obliged to him for giving me this opportunity to defend myself and give him the credit of originating the bill.

Mr. GOOCH. I wish to say that the people in that collection district, and also in the collection district of Salem, desire both shall be incorporated in the Boston district, which will result in a considerable saving of money to the Treasury.

Mr. DAWES. I told you when I came to particulars that I would get myself into difficulty. [Laughter.]

Mr. Chairman, I called the attention of the committee to the fact of one large item of increase in the appropriation here. Every gentleman knows to what I allude—the public buildings. So large has the aggregate expense become to the Government that the President of the United States, in his annual message, has specially called the attention of Congress to it. He suggested in that, as well as in one other particular, we could well practice economy by stopping the construction of any of those public buildings not begun, where the public necessity would permit it. He called our attention to the same item to which I have called the attention of the House. In the annual report of the Secretary of the Treasury the attention of Congress was called to the fact that very large sums of money would be needed for the completion of buildings begun or authorized. It was also recommended by the late Secretary of the Treasury, Mr. BOUTWELL, that with the exception of putting up hospitals and a building for the Bureau of Engraving and Printing, for which the money now lies in the Treasury Department, no new work should be authorized.

The President says:

I commend to Congress such economy, and point out two sources where, it seems to me, it might commence, to wit, in the appropriations for public buildings in the many cities where work has not yet been commenced; in the appropriations for river and harbor improvement in those localities where the improvements are of but little benefit to general commerce, and for fortifications.

The Secretary of the Treasury says:

In the annual report of the Secretary of the Treasury for 1872 the attention of Congress was called to the fact that very large sums of money would be needed for the completion of buildings begun or authorized, and it was recommended that, with the exception of pavilion hospitals and a building for the accommodation of the Bureau of Engraving and Printing and the surplus files of the Treasury Department, no new work shall be authorized. Contrary to this recommendation, Congress, while making no appropriation for the building last named, authorized the commencement of seventeen new buildings and the purchase of sites for several others. This legislation, together with the work previously commenced, has imposed an unprecedented and extraordinary amount of labor upon the Supervising Architect's Office, and has rendered it necessary to submit estimates in an aggregate sum much larger than I think should be expended in any one year.

It is highly important to limit the erection of public buildings to such as are imperatively demanded by the necessities of the public service, and where suitable temporary accommodations cannot be provided at a reasonable cost.

The expenditures during the past year were \$9,039,692.76, and the balances of appropriations standing to the credit of that office on July 1, 1873, amounted to \$14,774,573.

Congress has provided for the erection of twenty new buildings not yet commenced, plans for six of which are now being prepared; sites have been secured for eleven, and negotiations are in progress for the purchase of the remaining nine.

Mr. Mullett, when the revised estimates were called for, had this report submitted to him by the Secretary of the Treasury; and replied as follows:

Should it be decided to commence work on no new building, and to suspend work in all cases where practicable, the estimates for the year ending June 30, 1875, can be reduced from \$8,146,449.03 to \$2,739,549.28, a reduction of \$5,406,899.75; being a reduction of \$11,406,899.75 in the present and ensuing fiscal year.

How comes it, sir, that we have thus fallen into this error? Just follow for a few years the history of these appropriations for public buildings. Begin with the New York post-office. We limited it, when we set out, in these words:

Provided, That no part of this sum beyond the sum of \$500,000 or any other sum appropriated for this purpose shall be expended until a contract or contracts for the completion of the entire building in conformity with plans to be approved by the Secretary of the Treasury and Postmaster-General, and at all times under their direction, shall be entered into with the lowest responsible bidder or bidders, and for a sum not exceeding \$3,000,000, including all sums already expended for that purpose, except that for the site; and the expenditure of any sum of money in violation of this proviso shall be deemed unlawful.

Now, sir, it might be that it were well when our Treasury was full for us to erect a public building for a post-office in New York at a greater expense than \$3,000,000; but Congress fixed that as the limit, and they had the right to fix the limit, and were to be the judges of whether the current expenses of this Government, as well as its necessities, justified a further expenditure than that. But, sir—

Mr. TODD. Will the gentleman from Massachusetts give way

that I may move that the committee rise? We take a recess to-day so as to have an evening session.

Mr. DAWES. It would be agreeable to me if the gentleman would permit me to get through with what I want to say; I shall only occupy a few minutes longer.

We have already appropriated money in the face of this proviso, thereby making ourselves responsible for the repeal of it, so that we cannot throw off the responsibility upon any administrative officer of this Government. We have already appropriated \$5,994,800; and they ask for \$1,656,000 more, making about \$7,500,000 at the end of this year.

Mr. HAWLEY, of Connecticut. You changed the plan.

Mr. DAWES. We changed the law. Of course we did. I stated that we changed the law; and you can find the effect of that change in the aggregate of your expenditures, if you desire to search for it.

Mr. MELLISH. You changed the plan of the building.

Mr. DAWES. We changed the plan of the building, and that is not the only building that we changed the plan of. Take the Boston post-office. We put even a stronger limit upon that when we made the first appropriation and after we purchased a site for \$500,000, as follows:

And for this purpose there is hereby appropriated out of any moneys in the Treasury not otherwise appropriated, &c.: *Provided*, That no part of this sum beyond the sum of \$350,000, or any other sum appropriated for this purpose—

Mark this: "or any other sum appropriated for this purpose"—

shall be expended until a contract or contracts for the completion of the entire building in conformity with plans to be approved by the Secretary of the Treasury and the Postmaster-General, and at all times under their direction, shall be entered into with the lowest responsible bidder or bidders, and for a sum not exceeding \$1,500,000, including all sums already expended for that purpose, except that for the site; and the expenditure of any sum of money in violation of this proviso shall be deemed unlawful.

Now, sir, we have repealed that provision and have already appropriated \$3,268,500. And we appropriated last winter, to purchase one-half of the square upon which this building is erected, after the fire in Boston had cleared the way, another \$500,000, and induced the city of Boston to expend \$500,000 more and widen the street. We appropriated \$500,000 to pay for that half of the block; and when we came to buy it we found it was going to cost us \$1,000,000. Now, to get out of this dilemma, in which we pledged our faith to the city of Boston in the act itself that we would buy that square, we have to appropriate \$1,000,000. And then it is proposed to enlarge the building to nearly double its present capacity.

Mr. HAZELTON, of Wisconsin. Does the gentleman mean to say that there is any obligation resting upon Congress to pay that additional half million dollars to Boston?

Mr. DAWES. I do not mean to say that we are to pay Boston for the half million she expended, but we induced her to spend it in widening the street by appropriating money for that purpose on the condition that she should so widen it. She has fulfilled her part of the condition at an expense of half a million dollars. This is the condition:

And provided further, That the Secretary of the Treasury shall make no purchase of land under this provision, until the city of Boston shall cause the triangular space between Congress, Pearl, Milk, and Water streets to be opened to the public, and graded and paved at the expense of the city, and shall widen Milk and Water streets, where the buildings have been destroyed by fire, to a width of at least sixty feet.

Mr. HAZELTON, of Wisconsin. I think we ought not to make any such concession.

Mr. PLATT, of Virginia. Will the gentleman permit me to ask him a question?

Mr. DAWES. Yes, sir.

Mr. PLATT, of Virginia. Before the gentleman leaves the Boston and New York post-offices, I wish to ask him whether it is not a fact that every one of these appropriations for expenditures on those two buildings has been made on the recommendation of the Committee on Appropriations of this House, with which the Committee on Public Buildings and Grounds have had nothing whatever to do?

Mr. DAWES. It is very likely that is so. I am not settling the responsibility between two committees of the House. The responsibility rests on the House.

Mr. PLATT, of Virginia. I would further ask if the gentleman was not himself the chairman of the Committee on Appropriations during the whole time?

Mr. DAWES. He was chairman of the Committee on Appropriations when every one of the limitations I have read was put in.

Take next the case of the city of Saint Louis. The people of Saint Louis wanted a new post-office building. They came to Congress and induced us to pass the bill which I have before me appropriating for the erection of a public building in the city of Saint Louis, Missouri, for the use of the custom-house and other civil offices of the Government, \$300,000, with a proviso that the city of Saint Louis should provide a site for the building, and a further proviso that the State of Missouri should cede jurisdiction over it. They came and told us that if we would appropriate \$300,000 for a public building there they would give the land on which it should be built. It was the most liberal spirit manifested by any city in the country. But when they saw how we had treated Boston and New York, they came back here and said they were entitled to as good a public building as the city of Boston, because it was no larger than Saint Louis, and was not

likely to be half as large ten years hence; and we appropriated after that \$1,500,000 for Saint Louis.

Then came Cincinnati, right upon the heels of this, and said that she was as important a city as Saint Louis, and obtained an appropriation which I have before me, for a public building in Cincinnati, of \$1,500,000. And a delegation from Cincinnati, like the delegation from Boston, are here to convince Congress that, although that building has not been built, and not one stone turned upon another toward erecting it, yet public necessity demands its instant completion.

Then came Chicago, and by the help of the sympathy felt for it in consequence of the fire she obtained an appropriation of \$4,000,000.

I have before me all the appropriations for public buildings made in the years 1869, 1870, 1871, 1872, and I will put them in the RECORD. The amounts appropriated during these years run from \$5,000,000, \$4,000,000, \$7,000,000, \$4,000,000, to \$11,000,000 last year, making a total of these appropriations in these years of over \$36,500,000, and for the future prosecution of these buildings alone \$7,229,900 are required. [The table appears on page 1457.]

There is a public document lying on your table which shows how much we have appropriated for public works in the several States of the Union within the nine years since the war. It shows what a great people we are. It is a grand and magnificent exhibition of the power of this people, with a debt of \$2,700,000,000 upon the nation itself, and twice that sum upon the States and localities, growing out of the war. Emerging from all the burdens incident upon that war, we were able to appropriate in nine years for public works in the several States—from 1865 to 1874—the aggregate sum of \$103,294,501.34. That does not include what has been expended in money in these States for roads, canals, and railroads. Nor does it include in the calculation the magnificent domain parceled out for the construction of highways and railroads. We have given an empire on the north, a zone through the center of the continent, and principalities all through the Territories of these United States, in addition to these appropriations during the last nine years. We did it for the benefit of public works and the development of the resources of this country. I am not here to belittle or decry or regret these appropriations. I am here to say that when our expenditures for this and other services are rating up beyond our receipts, it is no sacrifice on our part for us to say that we will postpone for the present further expenditures for the erection of these new buildings.

Now, if I may be indulged for a few minutes, I will pass to one or two other subjects.

Four or five years ago attention was called to the fact that there were eight navy-yards on the Atlantic coast, and one upon the Pacific coast, and no system of a wise and broad statesmanship, rising above and beyond the demands of locality, would justify the maintenance of more than two upon the Atlantic coast, and one upon the Pacific. The plan of consolidation could get no hearing in Congress. There was a disposition to sell the navy-yard at Charleston, but it was to put it with the Kittery yard. There was a disposition to sell the navy-yard at Brooklyn, New York, and bills were introduced for that purpose, but they contained a stipulation that there should be another navy-yard established on the North River. The city of Philadelphia tendered to the United States League Island as a site for a navy-yard in place of the Philadelphia yard, and we accepted the ground; and New London, ambitious, as she had a right to be, tendered an equally eligible site to the Government if it would build a navy-yard there. There was no way to prevent the United States from accepting these gifts, and once launched into building new yards nobody could find any place here to argue that you should consolidate all these yards into one grand one on the Atlantic coast, may be at League Island, may be at Norfolk, with perhaps a naval station in the Gulf; and then another grand one on the Pacific coast. Yet since that time the maintenance of the force in these yards has cost \$11,624,495; and now \$1,151,740 more is asked this year to keep up the force in them. When in the last Congress we ordered the building of eight sloops of war, incurring the expenditure of \$4,000,000 or \$5,000,000, with our eight navy-yards on this side and one on the other, we directed that one-half of these sloops should be built in private yards. Now, I submit that here is a fair field for reform.

Next take the arsenals. There are twenty-one of them scattered all over the country; and General Sherman—if I may be allowed to quote him—in his examination before the Committee on Military Affairs, said that we needed but four of them, and that all the rest could be abolished and the expense of maintaining them saved. We have learned by the war of the rebellion, not only to move vast bodies of troops from one side of the Union to the other with but little consumption of time, but we have also learned how to move arms, so that there is no necessity, such as existed when these arsenals were established, to keep deposits of arms in different sections of the country, either for the purpose of attack or defense. Abolish all of these arsenals but four, and you will save annually \$86,797 in the expense of keeping them up.

One of the grandest features of our whole administration is the pension list. One of the broadest and most charitable and the noblest of all our appropriations is that of \$30,000,000 each year for our pensioners. If there is anything we are called upon to keep a supervising care over it is the administration of that \$30,000,000—more than the yearly expenditures of this whole Government up to the year

Statement of the amounts appropriated for the purchase of sites for and construction of public buildings in the years 1869, 1870, 1871, 1872, and 1873, and other information relative thereto.

Public buildings.		Previously appropriated since 1865.	Amounts appropriated.					Total amount appropriated.	Amount required per estimates 1874-'75.
Location.	Purpose.		1869.	1870.	1871.	1872.	1873.		
Portland, Maine	Custom-house	\$290,157	\$130,000	\$67,000	\$42,800	\$10,800		\$540,757	
Portland, Maine	Court-house	259,898	25,000	45,000	56,800	15,300		401,998	
Castine, Maine	Custom-house			600				600	
Wiscasset, Maine	do	28,257		4,000				32,257	
Machias, Maine	do	3,766			20,000	2,000		25,766	
Bangor, Maine	do	68,167	25,000	5,000				98,167	
Bockland, Maine	do					25,000	\$75,096	100,000	
Boston, Massachusetts	Post-office, &c	500,000	200,000	750,000	1,018,500		800,000	3,268,500	\$750,000
Fall River, Massachusetts	Custom-house, &c						200,000	200,000	
Hartford, Connecticut	do					100,000		100,000	200,000
Ogdensburg, New York	do	152,000	50,000	5,700		3,000		210,700	
Albany, New York	do					100,000	150,000	250,000	
Utica, New York	do					200,000		200,000	
New York, New York	Post-office, &c		200,000	1,500,000	1,894,800		2,400,000	5,994,800	1,656,000
Trenton, New Jersey	do				100,000	150,000		250,000	100,000
Jersey City, New Jersey	do						100,000	100,000	
Philadelphia, Pennsylvania	Appraisers' stores	173,675	62,500	86,000	57,500			379,675	1,000,000
Philadelphia, Pennsylvania	Court-house, &c						1,500,000	1,500,000	
Dover, Delaware	do						40,000	40,000	
Baltimore, Maryland	Custom-house, &c	20,000				100,000		120,000	
Washington, District Columbia	State Department				500,000	1,400,000	1,500,000	3,400,000	
Washington, District Columbia	Treasury extension	1,501,000	202,000					1,703,000	
Parkersburgh, West Virginia	Post-office, &c						150,000	150,000	
Raleigh, North Carolina	do					100,000		100,000	
Columbia, South Carolina	do		100,000			50,000		150,000	156,800
Charleston, South Carolina	Court-house, &c		46,000	125,000	50,000	100,000	172,000	493,000	251,800
New Orleans, Louisiana	Custom-house	54,000			150,000	300,000	170,000	674,000	300,000
Little Rock, Arkansas	Post-office, &c					100,000		100,000	
Saint Louis, Missouri	Court-house, &c			300,000		500,000	1,000,000	1,800,000	750,000
Atlanta, Georgia	Post-office, &c						110,000	110,000	
Covington, Kentucky	do						130,000	130,000	
Memphis, Tennessee	do						25,000	25,000	100,000
Nashville, Tennessee	do						150,000	150,000	
Knoxville, Tennessee	Custom-house		5,000		20,000	100,000	166,700	291,700	
Cincinnati, Ohio	do					700,000	750,000	1,450,000	750,000
Evansville, Indiana	Court-house, &c						100,000	100,000	150,000
Indianapolis, Indiana	do						30,000	130,000	40,000
Cairo, Illinois	Custom-house	123,300	55,000	70,000	33,700			281,000	
Springfield, Illinois	Court-house	226,800	50,000	12,000				288,800	
Chicago, Illinois	Custom-house				2,000,000		800,000	2,800,000	750,000
Detroit, Michigan	do	14,125		1,500				15,625	
Port Huron, Michigan	do						100,000	100,000	
Madison, Wisconsin	Court-house, &c	167,350	75,000	70,000	34,000			346,350	
Des Moines, Iowa	do	186,100		40,500	6,800			233,400	
Grand Rapids, Michigan	Post-office, &c							437,373	100,000
Saint Paul, Minnesota	Custom-house	92,173	75,000	125,000	94,400	15,900	34,900	377,373	
Omaha, Nebraska	Post-office, &c		25,000	50,000	50,000	100,000	71,000	296,000	45,500
Portland, Oregon	Custom-house, &c		50,000	40,000	100,000		76,500	266,500	29,800
Astoria, Oregon	do	25,000			10,000	26,000		61,000	
San Francisco, California	Branch mint		150,000	750,000	500,000			1,400,000	
Chicago, Illinois	Marine hospital		25,000	131,500		105,000		261,500	
Rock Island, Illinois	Arsenal	1,380,000	1,000,000	350,000	1,185,000			3,915,000	
New York, New York	Barge office	124,000		100,000				224,000	
San Francisco, California	Appraisers' stores						480,000	480,000	
Washington, District Columbia	Jail					300,000		300,000	
Total amounts		5,388,768	2,550,500	4,643,800	7,924,300	4,703,000	11,381,100	36,591,468	7,229,900

1846. Yet we have adhered to the old system that came down to us from the beginning, when we first established the pensions for our revolutionary soldiers. Is not some new method, more economical and efficient, within the reach of legislation? No one of us has felt it incumbent upon him to look into and see whether there were not some other methods that would keep the eye of the Republic upon the pensioner as well as upon him who dispenses the pension fund. What has been the consequence? We have gone on until to-day we have sixty-eight pension agents scattered all over this land. At first they received a salary of \$2,000 a year, and then we raised it to \$4,000 a year; and then we put a little clause into a bill requiring every pension agent, each time a pension was paid, to send a voucher to the pensioner, for which the agent was to receive thirty cents. In that way and from that day the compensation of these pension agents ran up more than twofold. I have here the entire list of pension agents and their compensation, and a list of those who under that little clause in the law receive as compensation, the lowest of them, more than a Cabinet minister—many of them from \$15,000 to \$18,000 per annum.

Mr. BUTLER, of Massachusetts. Does not that include clerk-hire? Mr. DAWES. Yes, that includes clerk-hire. And I understand the clerk-hire and office-rent of the agents who receive \$18,000 a year are so enormous that they cannot possibly get along with one penny less than they now receive. And their remonstrance to the inquiry recently made into the cost of pension agencies has been very urgent, on the ground that clerk-hire and office-rent reduce their compensation below what they think it ought to be. I observe that the compensation of the pension agent in Massachusetts, since the allowance of thirty cents for each voucher, has run up from a little over \$3,000 to \$17,176, \$18,411, and \$18,124.80. And he is among those remonstrants who say that their clerk-hire and office-rent swallow up nearly all their compensation. Yet I have noticed that as soon as it was found out in Massachusetts that the pension agent was getting \$18,000 a year, instead of inquiring whether his compensation could be cut down, it was concluded that it was enough for two agents. So another was appointed, who hired an office in the city of Boston within

a few rods of the other one, fitted it up, and obligated himself to pay his office-rent and a new set of clerks out of one-half of this compensation. I went up to the Department and saw there that they were making out a new set of books of the pensioners of Massachusetts to give to this new man who was to have one-half of the \$18,000. And it was as much as we could do, all of us here, to get that man thirty miles away from the other one, in order to accommodate some of the pensioners in that State. And I venture to say that if this system is not changed, all these other \$15,000 or \$18,000 salaries will be divided within the next six months, now that they are made public. Here is the list of the principal ones:

Statement showing yearly increase in the expense of the Pension Bureau at the principal pension agencies.

Agency.	1869-'70.	1870-'71.	1871-'72.	1872-'73.
Indianapolis	\$4,000 00	\$13,064 80	\$15,204 60	\$16,978 25
Boston	3,277 78	17,176 60	18,411 40	18,124 80
Detroit	4,000 00	12,331 60	13,550 30	13,524 70
Albany	4,000 00	14,907 50	17,710 60	18,139 45
Canandaigua	4,000 00	15,471 70	17,059 90	17,325 10
Columbus	4,000 00	10,366 00	11,586 90	11,935 00
Cincinnati	4,000 00	13,231 70	14,646 90	14,844 40
Philadelphia	8,000 00	28,436 50	30,791 60	31,915 70
Pittsburgh	4,000 00	10,224 00	11,374 10	11,765 40
Trenton	4,000 00	8,567 80	9,378 10	9,492 90
Cleveland	4,000 00	9,618 70	10,571 20	10,816 60
New York	8,000 00	15,839 60	14,482 61	13,684 27
Chicago	4,000 00	10,296 71	11,123 49	11,194 30
Hartford	4,000 00	7,780 38	8,235 70	8,362 70
Washington, D. C.	4,000 00	6,834 10	7,900 50	9,576 30
Madison	3,750 00	6,984 40	7,784 13	7,225 00
Fort Wayne	4,000 00	7,273 60	7,847 60	7,866 80
Springfield, Ill.	4,000 00	8,028 40	8,875 30	9,107 23
Salem	4,000 00	9,725 30	10,604 20	9,186 80
Louisville	4,000 00	7,131 30	8,134 60	8,554 70
Portland, Me.	4,000 00	7,912 60	8,444 80	8,662 60

Mr. RUSK. Does the gentleman prefer to give it all to one man, or is it not best to divide it between the two?

Mr. DAWES. Wait until I get through. Is there no other way of distributing this money—the hard-earned pensions of these crippled soldiers and their widows—than by sixty-eight pension agents, at a cost of \$481,981 a year? What do they do? The Pension Office furnishes them quarterly with a pension-roll made out here and sends it to their offices. The agents then send from their office in Boston, or any other town where they live, a voucher by mail to the pensioner, who sends it back to them by mail, and they draw their check upon the sub-treasury and send it by mail to the pensioner, and the pensioner goes to the sub-treasury and draws his pension or takes it to some bank for the money. Now, why cannot all that be done here? Instead of sending the pension-roll to the pension agent in Boston, why not send the voucher from here by mail to the pensioner as well as from the city of Boston, and then send to him from here his draft upon the sub-treasury; or you might give him a money-order upon his postmaster. If the postmasters of the land are capable of conducting savings-banks for the benefit of the people, they are at least capable of delivering vouchers to the pensioners in their several towns. In all the small towns there would thus be a personal knowledge on the part of the pension agent of every pensioner within his district, which cannot be had by any pension agent under the present system. By the employment of additional clerks here, whose aggregate salaries need not exceed \$20,000, and imposing upon the postmasters in the several towns the duty of either paying a money-order or handing to the pensioner his check, you would save annually this expenditure of more than \$400,000.

Turn to the Post-Office itself. Has any gentleman looked at the gross expenses of the Post-Office for the last twenty years? From 1837 to 1850 the gross expenditures of the Post-Office were less than \$4,500,000; from 1850 to 1855 they were only \$8,000,000; from 1855 to 1866, after the war, they were only \$15,000,000; but in 1873 they were \$29,000,000. The estimates for the next year are \$33,929,912. Now the whole expenses of the Government in 1846 were, as I have said, but a little more than \$26,000,000.

I know that the people of the United States demand every possible mail facility, and that the extension of mail facilities contributes to postal receipts, which, however, have not kept pace with the expenditures. The deficiencies are now twice what they were at the period to which I have referred, and were a million more last year than they ever were before.

But there are reforms in the Post-Office which I submit the people of this country will exact of us. Look at the fact that we are running the Post-Office in opposition to the express companies; that we load our mails with dead weight at half the rates at which we would carry printed matter. You can send dead weight under a certain limit for just half the rate at which you can send a book. Almost the entire bullion of the Pacific coast goes through the mails in this manner, instead of being sent by express, because postage is cheaper than expressage.

A friend of mine went into a postal car the other day when the clerk was opening the mail bag. There rolled out of the bag a great iron bolt of a peculiar construction, which, as appeared from the label upon it, was sent from Springfield, Massachusetts, to some large machine establishment in Ohio, and ten cents postage had been paid on it. It was one of the interchangeable parts of a machine manufactured at Springfield. This particular bolt had been broken; and the owner of the machine in Ohio had written to Springfield for the corresponding part, which was made and sent by mail at ten cents postage, instead of being sent by express at a cost of probably five or six times that amount. I only suggest this as one of the many things in which there is room for improvement.

Now, sir, take the Treasury Department in this city. Some twenty-eight hundred persons are employed there; and yet only about four hundred of these are offices created and defined by express statute. There is no law, excepting appropriation bills, creating any of those offices over and above about four hundred. The force of employes in that Department has grown to its present size during and since the war from a real necessity, growing out of the increased labor imposed on the Department. I do not know that there is any one employed there who ought not to be there. But that large establishment has grown up in this way: Some head of a Bureau comes here and satisfies Congress that he needs an additional number of clerks; then we make an appropriation to pay them; and next year we put on another patch, and so on from year to year. Take for illustration one single Bureau, that of the Second Auditor of the Treasury, a position now held by a faithful man, who was once a member of Congress, who has held the position, I believe, for twelve years. When he went there, there were fifteen men under him; and now there are between three hundred and four hundred. The Bureau has grown into its present shape through appropriations entirely. I remember that he used to come here regularly every year and ask for twenty-five, or thirty, or forty additional clerks; he would satisfy us that he needed them, and we would make the appropriation for them. My friend from Kentucky [Mr. BECK] will remember that at one time when this gentleman was before the Committee on Appropriations this question was put to him: "Has not your long service in the office of Second Auditor suggested to you some change in the mode of doing business there that will contribute to its efficiency and econ-

omy?" "O," replied he, "let me take that office and run it as I would a private establishment, and I will take the contract to do it for 50 per cent. of what it costs to-day." Yet he was there at that time asking for more clerks.

The trouble is that from year to year we go on making patches upon a system which needs reorganization. Somebody must take hold of the work of reorganization of the Treasury Department. The Secretaries of the Treasury, from time to time, have been so burdened with their regular duties that they have not felt themselves able to present to us a new system of organization; and we whose business it is to reorganize that Department have waited and waited for reorganization until the system has grown into this huge shape with its present enormous expenditure.

There are other fields that are ripe for the sickle and white for the harvest.

Mr. Chairman, I do not know that I have suggested a single practical remedy. I have indicated places where something ought to be done. That is all I desire, except, if possible, to awaken some degree of earnestness in the pursuit of the only remedy open to us if we desire to maintain our power.

This is not a strange condition of things. It is a natural outgrowth of the system which has come to us through the war. Every thing and every mode of life, private and official, has been lifted to a plane of greater cost and expenditure. Days of simplicity and frugality have passed away.

Why, take this very District of Columbia. The sudden expenditure in this District, during the last three years, of from twelve to fifteen millions by the board of public works, in beautifying this city does not end there. The effect has not stopped with the pleasure it gives us, and those who visit the capital of the nation. It has carried along with it increased expenditure everywhere. It has lifted, not only the District and those who live here, up into another plane of social life, but it has carried official life along with it. It forced upon the last Congress the idea that it was absolutely necessary for them to increase the compensation, not only of officials residing here, but of ourselves on account of the increased expenditures necessary by this state of things. By that single bill there was put upon the last fiscal year \$1,900,000, and upon this year about \$1,500,000, less what has been paid into the Treasury. We have relieved the Treasury of five-sevenths of that expenditure except in reference to the salaries of the judges of the Supreme Court and the salary of the President. But this extravagant mode of life changes all our ideas and begets plans and schemes on an entirely new scale. Its effect upon all who manage public affairs is as marked as it is upon the private individual. It was the cause of the suggestion of erecting, in this city, public buildings for all those Army officers who have quarters here, and for all Cabinet officers and for all Senators of the United States. It was that which suggested the erection of a magnificent university here, embracing West Point and Annapolis and the Coast Survey, and agricultural colleges, and the Agricultural Department, with an endowment of \$20,000,000.

It did not stop with the expenditure of the money upon the city. It carried the whole Government into a corresponding official life that has told upon the aggregate of our expenditures. I trust, sir, we shall not shirk the duty it has imposed upon us. I hope no local influence, no consideration of party affiliation or bias or sensitiveness will deter us from that work of retrenchment which will result in putting a balance into the Treasury so large that no just or reasonable apprehension can exist that the faith of the Government shall be dishonored as the inevitable consequence of an excess of expenditures over receipts.

Mr. GARFIELD. I ask the gentleman from Massachusetts to yield to me for a moment before he closes. I am sure he would not willingly let a great and serious error of fact go uncorrected into his speech, which in many respects is important to the country, and with the general purpose of which, I have no doubt, a large portion of the House thoroughly sympathizes. The chairman of the Committee on Ways and Means speaks with such commanding authority, that it is specially important he should found his conclusions on correct data. His criticisms of the course and tendency of appropriations and expenditures were based mainly on the figures which he gave to the House, and showing the aggregate expenditures during recent years, and closing with a statement of the aggregate appropriations for the current year, which will end on the 30th of June, 1874. He stated correctly that the expenditures of the Government, including interest on the public debt and the premium on coin, had been running for the last few years thus: 1870, \$309,000,000—I give it in round figures; 1871, \$292,000,000; 1872, \$277,500,000, and 1873, \$290,000,000. Having concluded that table of statements, which I indorse as correct, he then said that the total appropriations for the current year, the year ending June 30, 1874, amounted to \$319,652,644.31. At the moment he made that statement I suggested to him he had made the mistake of including in that amount the estimate for the sinking fund. He answered he had done so, but that the amount annually paid on the sinking fund appeared also in the column of expenditures he had given for previous years. I was satisfied the gentleman was mistaken, and I now call the attention of the committee to the proof.

In the first place I turn to the Financial Report for 1873, pages 14, 15, 16, 17, where is given a tabular statement of the expenditures of the Government for each year from 1791 to and including the year 1873

just closed. These expenditures are classified under the heads of War, Navy, Indians, Pensions, and Miscellaneous. These are added together, and form the aggregate sums set down in the column headed "Net ordinary expenditures." The next column shows the annual payments of premium on bonds purchased, and the next shows the amounts paid as interest on the public debt. By adding the net ordinary expenditures to the premiums and to the interest on the public debt we obtain the sums which the gentleman read to us as the total expenditure for the years 1870 to 1873 inclusive; but not a dollar of sinking fund is in these columns. If further proof be needed, I refer to the first and second pages of the same volume. I read from the first page of the report of the Secretary of the Treasury for December 1, 1873:

The moneys received and covered into the Treasury during the fiscal year ending June 30, 1873, were—

Then follow the items of receipts, amounting in the aggregate to \$333,738,204.67.

Then on the top of the second page, I read the following:

The net expenditures by warrants during the same period were, for civil expenses, \$19,308,521.01; for foreign intercourse, \$1,571,362.85; for Indians, \$7,951,704.88; for pensions, \$29,359,426.86; for military establishment, including fortifications, river and harbor improvements, and arsenals, \$46,323,138.31; for miscellaneous civil, including public buildings, light-houses, and collecting the revenues, \$52,408,236.20; for interest on the public debt, \$104,750,688.44; for premiums on bonds purchased, \$5,105,919.99. Total, exclusive of the public debt, \$290,345,245.33.

We have, therefore, on that page the declaration of the Secretary of the Treasury, in the text of his report, that the \$290,000,000 of expenditures for the last fiscal year did not include payments on the principal of the public debt—did not include the sinking fund.

If the gentleman had added to this sum the \$43,392,959.34 which the Secretary says on the fifth page were paid on the principal of the public debt he would have called the total expenditures for the last fiscal year \$333,738,204.67, and that sum I am willing to have compared with the \$319,000,000 for the current year.

Now, Mr. Chairman, let us see how the gentleman makes up his amount of \$319,000,000, as the appropriations for the current year. My friend from Massachusetts [Mr. DAWES] unfortunately followed the example of the gentleman from Kentucky, [Mr. BECK,] who made use of the same figures a few days ago, in an attempt to sustain a charge against the Committee on Appropriations, that they had brought in appropriations and that the House had made appropriations larger than the estimates sent to us. I call the attention of the committee to that point. Here, sir, in the same book which the gentleman from Massachusetts has used, and which also the gentleman from Kentucky used, is a statement of all the moneys appropriated by Congress at its last session; and they amounted to \$172,290,700.82. That is the sum total, including all the regular appropriation bills, all relief bills, pension and claim bills, all bills of every sort appropriating money that were passed through the House under the lead of any committees or of any member. Now, in addition to that, the gentleman from Massachusetts, very properly, in order to find the total estimates for the year 1874, turns to the Book of Estimates for last year, which I hold in my hand, and finds that besides the sums appropriated by Congress at its last session there were estimated for under the head of "permanent appropriations," for the year ending June 30, 1864, the sum of \$147,361,943.49. This large sum being added to the amount of \$172,290,700.82 which Congress appropriated the last session, makes \$319,652,144, the sum the gentleman named.

But how are the one hundred and forty-seven millions made up? Turning to page 155 of the Book of Estimates for last year, where the items are given in detail which make up the one hundred and forty-seven millions, I find as estimates for the sinking fund two different sums under two different acts, making together \$29,191,369.28; and that twenty-nine millions is a part of the one hundred and forty-seven millions in the permanent appropriations, which, being added to the one hundred and seventy-two millions we did appropriate, make the three hundred and nineteen millions.

Now, Mr. Chairman, I have shown that the sinking fund was not added in the expenditures which the gentleman from Massachusetts exhibited to show the course of our expenditures in recent years. Of course, I am bound to believe that it is an oversight of his, a mistake which I assume now, as I assumed at the time, he would not willingly make, much less would he intentionally make the impression that Congress at its last session authorized twenty-nine millions more expenditure than it really did.

Now, let me call the attention of the committee to another feature of this subject and I have done. We did appropriate \$172,200,700 at the last session; but it was not all for the expenditures of the current fiscal year. The amount includes deficiencies not only for the previous year, but for several previous years. The deficiency bills and the various bills passed through the House for expenditures going into years previous to the current year amounted to \$11,143,239; so that more than eleven millions of the total sum provided for by the appropriations of last Congress are not for the expenses of this fiscal year, but belong to other fiscal years.

Unfortunately, too, the retroactive increase of salaries belongs to that list. I join with my friend from Massachusetts in deploring that. A very considerable portion of those deficiencies were war claims which belong to the past, and cannot justly be counted as a part of our annual expenses. Now, deducting the eleven millions of deficiencies, Congress at its last session appropriated a sum of money

which, added to its permanent appropriations provided by former laws, amounted to about \$272,000,000 for the current fiscal year. We have already increased the sum by the \$4,000,000 extraordinary expenditures for the naval service. To that, of course, must also be added whatever deficiencies we shall find necessary to complete the remaining work of this year. But we have appropriated from all sources and for all purposes less money for the current fiscal year than the actual expenditures of the last year. I am quite willing to let the work of the Committee on Appropriations for the last Congress stand the comparison with former years.

In conclusion, I will say that when the legislative appropriation bill is introduced, which I hope will be to-morrow, or at farthest on Monday next, and when we come to its discussion, it is my purpose to address the House somewhat at length in regard to our expenditures and appropriations, and to propose some measures of retrenchment which can be tested by votes. I should not have troubled the House at this time, if I had not deemed it important to correct the error into which the chairman of the Committee on Ways and Means has fallen. I am sure he will be glad to have an opportunity to make the corrections I have indicated.

Mr. SENNER. I move that the committee rise.

Mr. DAWES. I ask the gentleman to yield to me for a moment.

Mr. SENNER. I yield to the gentleman.

Mr. DAWES. I will say to the gentleman from Ohio, [Mr. GARFIELD,] that I am always very glad to be corrected when anything I say needs correction. When I compared the expenditures of last year with the appropriations of this year, the gentleman insisted that the sinking fund was included in the appropriations, but not in the expenditures, of last year. I am satisfied since his statement that I was mistaken and he was correct as far as that item was concerned. I was led into the mistake by the method of book-keeping at the Treasury Department. They have not, for the last four years, separated the sinking fund from the other reduction of the public debt, and they gave me the expenditure for each year and the reduction of the public debt for that year, including the sinking fund, in separate columns, as I gave them to the House. But in the appropriations for this year the sinking fund is included. I, therefore, in comparing expenditures for last year with appropriations for this, should have either added the sinking fund to the expenditures of last year or subtracted it from the appropriations for this year. That sum is \$29,000,000, not \$43,000,000. When this is done I am happy to say that it nearly wipes out the increase of the appropriations for this year over the expenditures of last year. I am sorry it does not quite do so, for we must add \$4,000,000 to the aggregate of appropriations which I gave for the extraordinary deficiency for the Navy for this year. This amount has not been included in any comparison except the one first made by me of receipts with expenditures for this year.

I desire to add that in comparing the expenditures of last year with the appropriations for this, I had no intent to criticize the Committee on Appropriations, for I have said elsewhere, what I now repeat, that the country is more indebted to that committee since the gentleman from Ohio [Mr. GARFIELD] has been its chairman than to any one I have ever known in this House, for systemizing and curtailing expenditures. In what I have done to-day I have been only following his lead, though with unequal step. Indeed, I am indebted to him for valuable statistics I have used to-day. With the correction of this single error I believe I am substantially correct.

I hold in my hand, not the Book of Estimates, but the Treasury Department copy of every appropriation bill passed last year, and I have on the three hundred and sixth page of it a summary of the appropriations for last year, and also for this year. I went to the Department and obtained this book. I asked them to put under these appropriations the permanent appropriations for last year, and this year, and here are their figures, and I gave them exactly as they gave them.

The gentleman from Ohio, who had the estimate book, says that the appropriations for last year were \$306,000,000, while this book says that they were \$319,000,000. I sent a special messenger to the Department and asked them why there was that difference. They took the appropriation bills and pointed to the appropriations that make up the difference and that never went into the Book of Estimates. One was an item of \$1,000,000 for the southern claims commission; and they pointed out a number of other items which never went into the book of the gentleman from Ohio, and that, they stated, was the reason why this book, which contains a printed copy of every appropriation bill, summed up \$319,000,000, while his book only summed up \$306,000,000.

Mr. SENNER. I move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and Mr. SCOFIELD having taken the chair as Speaker *pro tempore*, Mr. WILSON, of Iowa, reported that the Committee of the Whole on the state of the Union, according to order, had had under consideration the state of the Union generally, and particularly the special order, being the bill (H. R. No. 262) to repeal the stamp duty or tax on matches, and had come to no resolution thereon.

SURVEYS ON THE UPPER MISSISSIPPI RIVER.

Mr. AVERILL. I ask unanimous consent to offer the following resolution:

Resolved, That the Secretary of War be, and he is hereby, directed to transmit to

this House the report of surveys recently made upon the Upper Mississippi River, between Minneapolis and Saint Cloud, under direction of General A. A. Humphreys, Chief of Engineers.

Mr. HOLMAN. I object, unless the resolution be referred to the Committee on Commerce.

Mr. POLAND. I move that the House now take a recess until half-past seven o'clock.

The motion was agreed to; and accordingly (at five o'clock and thirty minutes p. m.) the House took a recess until half-past seven o'clock p. m.

EVENING SESSION.

The House reassembled at half-past seven o'clock p. m., Mr. G. F. HOAR in the chair as Speaker *pro tempore*.

REVISION OF THE STATUTES.

The SPEAKER *pro tempore*. The House meets this evening to resume the consideration of the bill reported from the Committee on Revision of the Laws of the United States. It is entitled "A bill (H. R. No. 1215) to revise and consolidate the statutes of the United States in force on the 1st day of December, A. D. 1873."

Mr. POLAND. Before proceeding with the amendments which we have to present to-night, I desire to say a word in regard to the action of the committee. We have gone through with the chapters relating to Congress, and to all the different Departments, and to the public lands. Then come the laws in relation to taxation and the laws in relation to the collection of imports and internal revenue, perhaps a more difficult subject to be treated than any other in the volume. This work of Mr. Durant's, going over the work of the commissioners, was completed in October, and the Committee on Revision of the Laws met here on the 20th of October. We were fully aware of the importance of having the subject especially examined by the Departments, or by men in the Departments who have had experience in the administration of these laws, and therefore the committee took the pains to furnish to each one of the Departments a copy of the revision, and request that they would have all those parts of it that were especially important to them examined. But, so far as we know, the matter was left entirely untouched by every Department, and it was not until after we had made an arrangement for bringing the subject before the House, and a series of evenings for its consideration had been agreed upon, that the Departments awoke to the importance of having these portions of the work examined by officers of the Departments. Of course we were very glad of their aid, especially glad; but it was so late in the day before they began to make these examinations, and, of course, we desired to afford them time to do it, that those portions of the work are not prepared to be submitted, and we are obliged to pass them. I make this explanation to show that it is not the fault of the committee that the presentation of this bill is somewhat desultory, and that we do not present it precisely in order.

Mr. E. R. HOAR. I desire to amend the section commencing page 1047, under title 48, for the regulation of commerce and navigation. The first amendment is on page 1049, and is merely verbal. In section 4201, line 1, strike out the word "the," at the end of the line, and insert the word "such;" so that the section will read:

Sec. 4201. Upon the death, removal, or resignation of such president or secretary of any incorporated company owning any vessel, a new register shall be taken out for such vessel.

The amendment was agreed to.

Mr. E. R. HOAR. On page 1056, section 4217, I move to strike out the words "not required by law to be registered, enrolled, or licensed," and insert "except as otherwise provided in this title under title L;" so that the section will read:

Sec. 4217. In order to ascertain the tonnage of any vessel except as otherwise provided in this title under title L, the surveyor, or such other person as shall be appointed by the collector of the district to measure the same, shall, if the vessel be double-decked, take the length thereof from the fore part of the main stem to the after part of the stern-post, above the upper deck, the breadth thereof at the broadest part of the main wales, half of which breadth shall be accounted the depth of such vessel, and shall then deduct from the length three-fifths of the breadth, multiply the remainder by the breadth, and the product by the depth, and shall divide this last product by ninety-five; the quotient whereof shall be deemed the true contents or tonnage of such vessel. If such vessel be single-decked, the surveyor, or other person, shall take the length and breadth, as above directed in respect to a double-decked vessel, shall deduct from the length three-fifths of the breadth, and, taking the depth from the under side of the deck-plank to the ceiling in the hold, shall multiply and divide in the same manner, and the quotient shall be deemed the tonnage of such vessel.

The amendment was agreed to.

Mr. E. R. HOAR. On page 1058, section 4225, I move in line 5 to strike out the word "requisites," and insert the word "requirements;" so that the section will read:

Sec. 4225. Whenever any vessel, registered in pursuance of the provisions of the preceding section, shall arrive within the district comprehending the port to which she belongs, the certificate of registry so obtained shall be delivered up to the collector of such district, who, upon the requirements of this title, in order to the registry of vessels, being complied with, shall grant a new one in lieu of the first. The certificate, so delivered up, shall forthwith be returned to the collector, who shall transmit the same to the collector who granted it. If the first-mentioned certificate of registry is not delivered up, as above directed, the owner and the master of such vessel, at the time of her arrival within the district comprehending the port to which she may belong, shall severally be liable to a penalty of \$100, and the certificate of registry shall be thenceforth void.

The amendment was agreed to.

Mr. E. R. HOAR. The next amendment is on page 1059, section 4229, in line 6, to strike out "but," and insert "provided that," and in line 7 to strike out "must," and insert "shall;" so that the section will read:

Sec. 4229. When any vessel, registered pursuant to any law of the United States, shall, while she is without the limits of the United States, be sold or transferred in whole or in part to a citizen of the United States, such vessel on her first arrival in the United States thereafter shall be entitled to all the privileges and benefits of a vessel of the United States: *Provided*, That all the requisites of law, in order to the registry of vessels, shall be complied with, and a new certificate of registry obtained for such vessel within three days from the time at which the master or other person having the charge or command of such vessel is required to make his final report upon her first arrival afterward.

The amendment was agreed to.

Mr. E. R. HOAR. My next amendment is in section 4256.

The section referred to was as follows:

Sec. 4256. The collectors of the customs shall certify all such bills of sale, mortgages, hypothecations, or conveyances, and also all certificates for discharging and canceling any such conveyances, in books to be kept for that purpose, in the order of their reception; noting in such books, and also on the bill of sale, mortgage, hypothecation, or conveyance, the time when the same was received; and shall certify on the bill of sale, mortgage, hypothecation, or conveyance, or certificate of discharge or cancellation, the number of the book and page where recorded; and shall receive for so recording such instrument of conveyance or certificate of discharge fifty cents; but no bill of sale, mortgage, hypothecation, conveyance, or discharge of mortgage or other incumbrance on any vessel shall be recorded, unless the same is duly acknowledged before an officer authorized to take acknowledgment of deeds.

Mr. E. R. HOAR. I move to amend near the close of the section by striking out the word "an" before the word "officer" and inserting in lieu thereof the words "a notary public or other;" so that it will read "duly acknowledged before a notary public or other officer authorized to take acknowledgment of deeds." The reason for that amendment is that in some States a notary public is not an officer authorized to take an acknowledgment of deeds. And the language of the statute that we are copying is "a notary public or other officer authorized to take acknowledgment of deeds."

The amendment was agreed to.

Mr. E. R. HOAR. That completes the amendments I have to offer upon this chapter, so far as I am prepared to report them to-night.

Mr. POLAND. I now yield to the gentleman from Indiana, [Mr. CASON,] my colleague on the committee.

Mr. CASON. I move to transpose section 4411 and section 4412.

The sections referred to were as follows:

Sec. 4411. Any surveyor who shall perform the duties directed to be performed by the preceding section shall be entitled to receive the same commissions and fees as are allowed by law to collectors for performing the same duties.

Sec. 4412. The surveyors appointed for the ports of Cold Spring, on the north side of Long Island, Greenport, and Port Jefferson, all in the State of New York, shall have power to enroll and license vessels to be employed in the coasting trade and fisheries, and to enter and clear, and grant registers and other usual papers to vessels employed in the whale-fisheries, under such restrictions and regulations as the Secretary of the Treasury may deem necessary.

Mr. CASON. I move also, besides the transposition, to amend what is printed as section 4411 by changing the phrase "the preceding section" to the phrase "the two preceding sections."

The amendment and the transposition were agreed to.

Mr. CASON. The next amendment is in section 4413, to change the word "transported" to "imported" in the first line; so that it will read:

Sec. 4413. No merchandise shall be imported, under penalty of forfeiture thereof, from one port of the United States to another port of the United States, in a vessel belonging wholly or in part to a subject of any foreign power; but this section shall not be construed to prohibit the sailing of any foreign vessel from one to another port of the United States, provided no merchandise, other than that imported in such vessel from some foreign port, and which shall not have been unladen, shall be carried from one port or place to another in the United States, &c.

Mr. WILLIAMS, of Michigan. Is not the word "transported" the proper word, or is the word "imported" the precise language of the statute?

Mr. CASON. The word "imported" is in the original statute, and is the correct word.

The amendment was agreed to.

Mr. CASON. The next amendment is in section 4414.

The section referred to was as follows:

Sec. 4414. The sea-coast and navigable rivers of the United States shall be divided into three great districts: the first to include all the collection districts on the sea-coast and navigable rivers, between the eastern limits of the United States and the southern limits of Georgia; the second to include all the collection districts on the sea-coast and navigable rivers between the southern limits of Georgia and the river Perdido; and the third to include all the collection districts on the sea-coast and navigable rivers between the river Perdido and the Rio Grande.

Mr. CASON. I move to amend the section by changing the word "second" to the word "third" in the middle of the section, and the word "third" to the word "second" in the last clause of the section.

Perhaps some explanation is necessary of this amendment. In volume 3 of the Statutes at Large, on page 409, is an act providing for two districts; but in making the provision they left a gap between the southern limit of Georgia and the river Perdido. Then there was an amendatory act passed, which will be found in the same volume, stating that the first and second districts should remain as they were fixed by the original statute, but providing a third district to fill up the gap. In that way the gap comes second in order, though third in number.

Mr. POLAND. I think the last two clauses of this section should

be transposed. As they stand now in geographical order these districts are first, third, and second. It would, however, make the section read very awkwardly to leave it so, and therefore I think it advisable to transpose these clauses, and have these districts named in their numerical order, first, second, and third, instead of their geographical order, first, third, and second. If that is not included in the motion of the gentleman from Indiana, [Mr. CASON,] I will move that amendment.

Mr. CASON. I will modify my amendment so as to include that. The amendment was agreed to.

Mr. CASON. There is another amendment to section 4402. I move to amend, in line 4 of the section, by striking out the words "be liable to a penalty of," and inserting in lieu the word "pay."

Mr. LAWRENCE. What is the expression in the original statute?

Mr. CASON. The word "pay" is used in the original statute.

Mr. LAWRENCE. I think the expression "be liable to a penalty of" is better, and more like legal language.

Mr. CASON, (after a consultation with other members of the Committee on Revision of the Laws.) It is thought better, after a consultation with the members of the committee who are here, to leave this section as it is printed. This morning in our committee-room, after consultation, it was thought better to change the language in two sections. But after further consultation the members of the committee who are present think it better to leave it as printed.

Mr. POLAND. I will state, in reference to this matter, that there are all sorts of forms of expression in the statutes. In this particular statute the language is "shall pay \$100;" in other statutes the language is "shall forfeit and pay \$100;" in others "shall be liable to a penalty of \$100;" and in still others "shall pay a penalty of \$100." The revisers have adopted in all cases this uniform expression, "shall be liable to a penalty of," &c. If we change the language of this section, we disturb the uniform and good form of expression which the revisers have adopted for the purpose of making the statutes uniform. Therefore the committee decided to let the words stand in this section as left by the revisers.

Mr. CASON. I withdraw my amendment.

The next amendment is in section 4436.

The section referred to was as follows:

SEC. 4436. All steam tug-boats not of the United States found employed in towing documented vessels of the United States plying from one port or place in the same to another, shall be liable to a penalty of fifty cents per ton on the measurement of every such vessel so towed by them respectively, which sum may be recovered by way of libel or suit. This section shall not apply to any case where the towing, in whole or in part, is within or upon foreign waters. Any foreign railroad company or corporation, moreover, whose road enters the United States by means of a ferry or tug-boat, may own such boat, and it shall be subject to no other or different restrictions or regulations in such employment than if owned by a citizen of the United States.

Mr. CASON. I move to amend the last sentence of this section by striking out the word "moreover," after the words "railroad company or corporation."

The amendment was agreed to.

Mr. CASON. The next amendment which I wish to offer is to section 4439.

The section was as follows:

SEC. 4439. Every collector, assistant collector, deputy collector, or surveyor, who knowingly makes any record of enrollment or license of any vessel, and every other officer or person, appointed by or under them, who makes any record, or grants any certificate or other document whatever, contrary to the true intent and meaning of this title, or takes any other or greater fees than are by this title allowed, or receives for any service performed pursuant to this title any reward or gratuity, and every surveyor, or other person appointed to measure vessels, who willfully delivers to any collector or naval officer a false description of any vessel to be enrolled or licensed in pursuance of this title, shall be liable to a penalty of \$500, and be rendered incapable of serving in any office of trust or profit under the United States.

Mr. CASON. I move to amend by striking out after the words "every collector," in the first line, the words "assistant collector, deputy collector, or surveyor."

Mr. CASON. The next amendment I wish to offer is to section 4444.

The section was as follows:

SEC. 4444. Any merchandise on board any vessel which belongs, in good faith, to any person other than the master, owner, or mariners of such vessel, and upon which the duties have been paid, according to law, shall be exempted from any forfeiture under this title.

Mr. CASON. I move to amend by inserting after the word "paid" in the third line the words "or secured."

The amendment was agreed to.

Mr. CASON. I wish to move an amendment to section 4446.

The section was read, as follows:

SEC. 4446. All penalties and forfeitures which shall be incurred by virtue of this title may be sued for, prosecuted, and recovered as penalties and forfeitures incurred by virtue of laws relating to the collection of duties, and shall be appropriated in like manner; except when otherwise expressly prescribed.

Mr. CASON. I move to amend by adding to the section the following proviso, which is found in the original act:

Provided always, That if any officer entitled to a part or share of any such penalty or forfeiture shall be necessary as a witness on the trial for such penalty or forfeiture, such officer may be a witness upon the said trial; but in such case he shall not receive or be entitled to any part or share of the said penalty or forfeiture; and the part or share to which he would otherwise have been entitled shall accrue to the United States.

The amendment was adopted.

Mr. CASON. This brings us to the end of this chapter, and to the commencement of title 50. I have no further amendment to offer.

Mr. POLAND. We have gone over very considerable work to-night, though we have taken very little time. I explained in advance the reason we have been delayed in this intervening work of the tariff and internal revenue. I think we may safely promise that when the evening sessions shall be resumed next week we shall have those sections ready to be presented and proceeded with in order.

Mr. STORM. Mr. Speaker, I understood the gentleman from Vermont [Mr. POLAND] to say, a few nights ago, that the committee had omitted in this revision of the laws any act or portion of an act that they considered as *functus officio*, as having been superseded, so to speak—having no more force as law, because it had been executed. Some three or four weeks ago I had occasion to examine the law with reference to one particular point, that in relation to agricultural colleges, one branch of that subject having been referred to the Committee on Education and Labor. Having occasion to look into the law on the subject, I can find nowhere in this revision any part of the act of 1862 granting public lands to agricultural colleges. There may be an accidental omission, or gentlemen of the committee may have supposed that this act belongs to that class of laws which are regarded as executed, or have fulfilled their functions. But I beg to say to the gentleman from Vermont that the act of 1862 contains conditions with regard to these institutions which it is alleged to-day have never been performed; and the Committee on Education and Labor have that subject now under consideration. So certainly this act would not be included among the class of laws referred to as having been really executed. I desire to know whether an examination has been made to see whether that statute and the amendments to it have been included in this revision, because if they are not it is certainly a great omission. I have looked under the titles "Education," "Agricultural Colleges," "Educational Bureau," and "Public Lands." I cannot find these provisions under any one of those titles. They may be inserted somewhere else in the revision, but I do not think they are.

Mr. POLAND. The particular point to which my friend from Pennsylvania [Mr. STORM] calls attention, in relation to the statutes about agricultural colleges and grants of lands to the States for such colleges, is a subject that has not yet been brought before the committee for examination. The gentleman in whose department of labor that would properly come has not yet reported to the committee; and I have not myself examined to see how the revision may stand in that regard. I am very glad that the gentleman from Pennsylvania has called attention to the point.

The rule that the revisers adopted, and the correct rule as we suppose, is that where a statute is evidently temporary in its purpose and character, and it is entirely clear that the whole object of the statute has been fulfilled, that it has become *functus officio*, it should not be incorporated in the revision. The other night, as will be remembered, we had an instance in which the revisers had omitted the provision of the statute in relation to supplying trusses. They had omitted it supposing that, in view of the lapse of time since the close of the war, everybody entitled to trusses under that law had received them. But the Committee on Revision of the Laws were of a different opinion, and we therefore incorporated it.

I am very glad that my friend from Pennsylvania has called attention to this matter, because if the committee find that any portion of this statute is still in force, and necessary for any purpose that can possibly arise, we shall incorporate it.

Mr. STORM. The gentleman will see that this is a statute which should not be omitted upon the principles of the revision.

Mr. POLAND. I am very glad that the gentleman has called attention to this matter. We are glad to have anybody call our attention to anything that is wrong in this revision, or anything that has been omitted, because our ambition, if we have any upon this subject, is to make the revision correspond exactly with the law as it is—to incorporate the whole law, and nothing more.

Mr. E. R. HOAR. In order to give as much aid as I can to the gentleman from Pennsylvania making this inquiry, I wish to say, in addition to the statement of the chairman of the committee, that in a part of the revision which we have already gone over will be found the laws relating to the Department of Agriculture. On page 118 is a whole chapter on the Department of Agriculture and the duties of the Commissioner of Agriculture. We have already gone over that part at one of the earlier sessions.

Mr. STORM. But not a single section of the act of July 2, 1862, is here.

Mr. E. R. HOAR. The gentleman from Pennsylvania will find on page 528, the first whole section on that page, one provision of a general character affecting the land laws. That is also a chapter the House has gone over and disposed of relating to agricultural-college scrip. I understand those two are all he will find in the revision, for the reason, I understand, the grants of land to various persons and purposes, grants to States with their conditions, grants to the Pacific Railroad, for instance, and various railroad grants with whatever conditions are attached to them, were regarded by the revisers of the laws as private statutes so far as this, that they were passed for a particular purpose and having reference to particular corporations and institutions, and do not for that reason come within the scope of the revision. I do not think he will find in the revision any of the statutes containing these grants to agricultural colleges or railroads with any of the conditions attached to them, supposing they would be referred to always as of the nature of private laws.

Mr. HOLMAN. The fact of the omission of that class of statutes has already been somewhat talked over outside of the gentlemen connected with the Committee on Revision of the Laws, and it has been suggested these statutes are not properly to be regarded as private acts, but are in their nature public statutes. They have been so treated by Congress, or at least by the rules of this House, as public statutes. They are in the nature of public statutes, in which rights are reserved to the Government. They are not simply provisions in behalf of the persons to whom the grants are made. It seems to me if they were simply grants of lands to corporations and nothing more, there is no reason why they should go into the general law, but this class of statutes in reference to agricultural colleges has a provision in which the Government as such is interested. There are reservations in behalf of the Government, and they seem in their nature exceedingly important public statutes. In reference to grants to agricultural colleges the Government has general supervision to see that the conditions of the grant are properly complied with. In relation to railroad grants, the condition concerning the free transportation of Government supplies seems to make them, in a striking degree, of public importance.

Mr. STORM. I wish to say just this. I hope the Committee on Revision of the Laws will see the importance of inserting that statute as well as similar ones, because I cannot admit that acts of Congress imposing perpetual conditions upon large grants of lands, conditions which are the very life of the act, should be considered by the committee as mere private acts and now superseded because the grants have probably vested. Those conditions are the very life of the acts. They have to be referred to, and if we wish to ascertain whether these colleges have complied with the conditions of the grants we must have the acts themselves to refer to. The gentleman from Massachusetts certainly will not say a grant of lands to the Pacific Railroad in which is contained a clause requiring a board of directors to be nominated by the President and confirmed by the Senate was such an act as could be justly characterized as a private act.

I think the act of July 2, 1862, or a similar act making grants of lands and imposing perpetual conditions upon grants, is to be regarded as in the nature of a public statute and not as a private act.

Mr. E. R. HOAR. I agree, Mr. Speaker, with both of the gentlemen, the one from Indiana and the one from Pennsylvania, in the whole spirit of their remarks. I failed to make myself understood. I think I did not give the exact idea I intended, judging from their remarks since. I have no doubt but this class of statutes are public ones in the sense in which a lawyer uses the phrase. In my own State acts of incorporation are made public statutes expressly, the distinction being they need not be pleaded but may be referred to, and are to be taken judicial notice of by courts in their administration. But it is a serious question, as the gentleman from Indiana will perceive, in regard to the magnitude of this book, whether it is expedient to put in all these various conditional grants which are still in force, are still to be interpreted, on which questions, and important questions, may come up, and in which the Government has rights to protect and enforce.

But has it been customary in the revision of the statutes of the States to include statutes of that character in their body of revised statutes? There is an intention to make this a single volume if possible, which will not be of immense size, and will not need to be divided into several volumes, so that it may be in a convenient form for people using it.

It is noticeable that all statutes relating to the District of Columbia, which undoubtedly are public laws passed by the Congress of the United States, on which the rights of all persons inhabiting this District, or owners of property in it, depend, are not put in this revision at all. The statutes affecting the Territories of the United States are not inserted here, except in so far as the general provisions of law may apply; the specific territorial statutes are not here incorporated for that reason.

Now the committee have taken up the plan of revision which those gentlemen who for six years laid out this work and performed it adopted; and we have not undertaken to revise their plan in order to put into this volume, upon the principle suggested by the gentlemen who have spoken, all the laws which might properly be included in it. To do so would be a labor which the Committee on Revision of the Laws could not perform within a session of Congress. We should have to commence anew from the beginning as commissioners—devoting our entire time to it—the revision and compilation of these laws, if that class of statutes was to be included. I only meant, when I said they were in the nature of private acts, that I understood that was the reason or principle on which the commissioners had not undertaken to include them in the revision which we are now considering and adopting. They will not be affected in their character or in their validity as statutes, because they are not passed upon at all by Congress in this work. If it should be the pleasure of the House to say that this work should not be completed until the committee charged with it have gone over and made a revision of all those classes of laws which might be included in this revision, and which are undoubtedly acts in the legal sense, and important acts, and acts still in force, in that case the committee would have to be relieved from attendance on the House and all other duties, and I do not believe we should be prepared to report during the current year.

Mr. STORM. Will the gentleman from Massachusetts [Mr. E. R.

HOAR] allow me to ask him this question, whether he considers an officer nominated by the President and confirmed by the Senate and charged with the performance of public duties a public officer?

Mr. E. R. HOAR. I should say, Mr. Speaker, that I certainly do in one sense. If he is in relation to a particular corporation I should not suppose that in the sense in which public officers would be included and their duties prescribed in a revision of the general laws it would be expedient to introduce his appointment and the qualifications of his office into the volume. I do not think that that would be done in the revised statutes of any of the States with which I am acquainted.

Mr. HOLMAN. I only desire to say that I believe I fully appreciate the view of this matter suggested by the gentleman from Massachusetts, [Mr. E. R. HOAR.] It is quite manifest that this volume of laws of general application and of universal use should be kept within reasonable compass. The volume should not be extended so as to be unwieldy. Nor is it desirable that it should be enlarged so as to require more than a single volume. I can readily comprehend that if all that class of legislation which has been referred to by the gentleman from Pennsylvania [Mr. STORM] and myself were put in this volume it would swell it beyond any convenient or reasonable magnitude. I therefore see, myself, no other mode of avoiding the difficulty to which the gentleman from Massachusetts has referred than that this class of statutes which in their main features referred to corporations, and to grants made by the Government to corporations, shall be embraced in the volume of statutes which are regarded as of more private relations than these general statutes which are of universal application; although, as the gentleman from Massachusetts states, it is very manifest that these statutes are to be regarded as public statutes. In the State in which I reside we have no special legislation. Our laws are all of a general character, and we have never met with such embarrassment as this. I see very well that what occurred to me at the first blush as a matter which might readily be disposed of would swell the work to an unreasonable extent instead of the statutes being embraced in a single volume; so that I think that the plan of compilation adopted by the committee is perhaps the safe one.

Mr. POLAND. The committee have thought that in some instances the revisers held too strictly to that provision of the act under which they were appointed, that they were only to revise those statutes that were of a public and general nature. We had, perhaps, as good an instance of that last evening as could readily be found. The revisers had left out the provisions of the statutes in relation to swamp lands upon the ground that they were not of such a general and public nature affecting the whole country, although they are public laws in the technical sense, that they ought to be incorporated in this revision of the national statutes. The committee on looking at those statutes were of a different opinion; and therefore we made a revision ourselves of the statutes in relation to swamp lands, which you will remember, Mr. Speaker, occupied a considerable number of sections, I think some ten or twelve in all, that were put in as an amendment last night.

Whenever any gentleman thinks that any statute is of such character that it ought to be included, we are very glad to have it called to the attention of the committee, that we may examine it and see whether in our judgment it ought to be brought in.

Now, if nobody desires to say anything further, I will state that the committee hope by our next meeting, on next Wednesday evening, to be prepared to bring before the House the chapters on duties on imports, involving the entire subject of the tariff and the laws for the collection of duties, a subject in which more gentlemen feel an interest than in any other part of our work; and unless we are delayed in our work beyond what we have any reason to believe, we shall bring forward that subject at our next meeting, and endeavor thereafter to proceed in order through the remainder of the volume. I move now that the House adjourn.

The motion was agreed to; and (at eight o'clock and twenty minutes p. m.) the House adjourned.

PETITIONS, ETC.

The following memorials, petitions, and other papers were presented at the Clerk's desk, under the rule, and referred, as follows:

By Mr. BUNDY: The petition of Jacob Walter, of Gallia County, Ohio, to have \$300 commutation money refunded to him, to the Committee on War Claims.

By Mr. CESSNA: The petition of citizens of Franklin County, Pennsylvania, for the repeal of the stamp tax on bank checks, to the Committee on Ways and Means.

By Mr. COBB, of North Carolina: Papers relating to the claim of Richard Dillon, late captain Veteran Reserve Corps, to the Committee on Claims.

By Mr. CURTIS: The petition of Eldred Township, Warren County, Pennsylvania, for the establishment of a post-route from Sanford Corners to Eagle Post-office, in said county, to the Committee on the Post-Office and Post-Roads.

By Mr. DUNNELL: The petition of citizens of Houston County, Minnesota, asking that H. K. Belding be remunerated for services in carrying the mails, to the Committee on Claims.

By Mr. EAMES: Resolutions of the Board of Trade of Providence, Rhode Island, in relation to the bankrupt law, to the Committee on the Judiciary.

By Mr. ELKINS: The petition of Alexander Duvall, of New Mexico, to be reimbursed for losses sustained by reason of the military action of the commanding officer at Fort Stanton, to the Committee on War Claims.

By Mr. FORT: The petition of Alexander H. Gaston and others, of Illinois, asking for an increase of currency, to the Committee on Banking and Currency.

Also, the petition of Robert S. Hester and others, of Bell Plain, Illinois, for the establishment of a post-route from Minonk to Bell Plain, to the Committee on the Post-Office and Post-Roads.

By Mr. HAZELTON, of Wisconsin: The petition of citizens of Sauk County, Wisconsin, for the improvement of the Mississippi, Fox, and Wisconsin Rivers, to the Committee on Commerce.

By Mr. KASSON: The petition of L. H. Bush and others, of Des Moines, Iowa, for the repeal of the stamp tax on medicines, to the Committee on Ways and Means.

By Mr. KELLOGG: The petition of S. V. Benét, for a rehearing before the Commissioner of Patents in the matter of his inventions as though the time of limitation had not expired, to the Committee on Patents.

By Mr. LAMPORT: The petition of Mrs. Kate L. Kershner, for a pension, to the Committee on Invalid Pensions.

Also, the petition of Charles Herbert, of Penn Yan, New York, for a pension, to the Committee on Invalid Pensions.

By Mr. LYNCH: The petition of the Methodist Sunday School of Natchez, Mississippi, for the payment of the claim of the Southern Methodist publishing house, at Nashville, Tennessee, to the Committee on War Claims.

By Mr. NIBLACK: The remonstrance of hat manufacturers and wholesale and retail dealers in Evansville, Indiana, against the extension of the Wells patent, to the Committee on Patents.

By Mr. O'BRIEN: The petition of Thomas V. Brundige, of Baltimore, Maryland, for compensation for damages to his property by the construction of fortifications in 1863, to the Committee on War Claims.

By Mr. PENDLETON: Resolutions of the Board of Trade of Providence, Rhode Island, relative to the bankrupt law, to the Committee on the Judiciary.

By Mr. ROBBINS: The petition of citizens of Alleghany County, North Carolina, and Grayson County, Virginia, for a mail-route from Independence, Virginia, to Gap Civil, North Carolina, to the Committee on the Post-Office and Post-Roads.

By Mr. SAYLER, of Ohio: Papers relating to the claim of Dr. Jacob B. Ong, to the Committee on Claims.

Also, the petition of Samuel Cray, for pay as wagon-master during the late war, to the Committee on War Claims.

By Mr. SCUDDER, of New Jersey: The petition of Tobias Boudinot, for compensation for damages to his property by the United States troops, to the Committee on War Claims.

By Mr. SWANN: The petition of Joseph H. Maddox, of Maryland, for relief, to the Committee on War Claims.

By Mr. SYPHER: The petition of Nolan Stewart Williams, executor, &c., for relief, to the Committee on War Claims.

By Mr. WILLIAMS, of Indiana: The petition of George T. Cochran, late captain Eighth Indiana Battery, for arrears of pay, to the Committee on Military Affairs.

Also, the petition of W. W. McFarland, late first lieutenant Fifth Ohio Cavalry, for arrears of pay, to the Committee on Military Affairs.

By Mr. —: The petition of Ralph Whitney and others, of Gallia County, Ohio, late members of the Trumbull Guard, to be placed on the same footing as to bounty with other volunteers, to the Committee on Military Affairs.

IN SENATE.

FRIDAY, February 13, 1874.

Prayer by the Chaplain, Rev. BYRON SUNDERLAND, D. D.

On motion of Mr. STOCKTON, and by unanimous consent, the reading of the Journal of yesterday's proceedings was dispensed with.

HOUSE BILLS REFERRED.

The following bills from the House of Representatives were severally read twice by their titles, and referred to the Committee on Military Affairs:

A bill (H. R. No. 1064) to authorize the Secretary of War to lease not exceeding five acres of the tract of land known as the Old Lazaretto tract, for the purpose of erecting thereon a magazine or storehouse for the storage of gunpowder;

A bill (H. R. No. 1932) for the relief of Frank M. Kelly; and
A bill (H. R. No. 1933) to amend the thirty-first section of the act entitled "An act for enrolling and calling out the national militia, and for other purposes," approved March 3, 1863.

WILLIAM KILBURN.

Mr. STOCKTON. I ask the unanimous consent of the Senate to take up and pass a little bill that has been reported unanimously from

the Committee on Naval Affairs. It is a bill of a few lines; and the whole object of it is to restore to the list of the Navy a gentleman who under great trial, sickness in his family, resigned. He was only an ensign, and the proposition is not to put him in his old place, but to put him at the foot of the list. I think there can be no possible objection to the bill, and it is important to pass it at once in order that it may go to the other House.

There being no objection, the bill (S. No. 437) to restore William Kilburn, of San Francisco, California, to the Navy of the United States as an ensign, was read a second time and considered as in Committee of the Whole. It authorizes the President of the United States to restore William Kilburn to the Navy of the United States as an ensign, at the foot of the class of 1870, of which he was a member at the time of his resignation.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

REPORT OF SMITHSONIAN INSTITUTION.

The PRESIDENT *pro tempore* laid before the Senate the letter of Joseph Henry, secretary of the Smithsonian Institution, transmitting, in behalf of the Board of Regents, the annual report of the operations, expenditures, and condition of that institution for the year 1873.

Mr. HAMLIN. I move that that communication lie on the table for the present.

The PRESIDENT *pro tempore*. And be printed?

Mr. HAMLIN. I was going to submit a general resolution on that subject; and if the Senate will allow me, I will do it in this connection. It is the same resolution in relation to the report of this year that the Senate and House passed on the report of last year:

Resolved, (the House of Representatives concurring.) That twelve thousand five hundred additional copies of the report of the Smithsonian Institution for the year 1873 be printed; twenty-five hundred of which shall be for the use of the Senate, five thousand for the use of the House, and five thousand for the use of the institution: *Provided*, That the aggregate number of pages of said report shall not exceed four hundred and fifty, and that there shall be no illustrations except those furnished by the Smithsonian Institution.

I suppose, under the rules, this resolution will go to the Committee on Printing.

The PRESIDENT *pro tempore*. The resolution will be referred to the Committee on Printing.

PETITIONS AND MEMORIALS.

The PRESIDENT *pro tempore*. The Chair will present a certain resolution passed by the Legislature of Wisconsin, which has been transmitted to the present occupant of the chair, which is very brief, and he will read it:

Resolved by the senate, (the assembly concurring.) That our Senators in Congress are instructed, and our Representatives there requested, to procure the passage of a law reducing the pay of all civil and military officers of the General Government to an amount that shall conform to the duties and labors performed.

This resolution will be referred to the Committee on Civil Service and Retrenchment.

The PRESIDENT *pro tempore* presented the memorial of the Legislature of Wisconsin, in favor of an extension of the time in which to construct the Wisconsin Central Railroad; which was referred to the Committee on Public Lands.

Mr. SARGENT. I present to the Senate two volumes containing the signatures of 16,638 persons, residents and citizens of the State of California, in which they ask the Senate to pay attention to the condition of the treaty between the United States and China, and see if by some appropriate legislation, or by a modification of that treaty, the evils which they depict, of an influx of Chinese into this country, may be prevented. The matter is of very great local importance, and perhaps it is to be regretted that it is so local in its character that its importance cannot be fully estimated in other parts of the country.

We have in the State of California, as represented by these petitioners, and I presume that they approximate the truth, some sixty thousand Chinamen. These Chinese do not readily, and perhaps not at all, assimilate with our people. They do not come here to be citizens of the United States; they do not seek to be citizens. With one or two exceptions, out of one hundred thousand, they have never applied to be citizens. By their religion or their superstition their bones, even, are returned to China after their death. They work at very moderate prices. They underbid and undersell all other kinds of labor. They necessarily thereby drive out other laborers, skilled and unskilled. They are exceedingly simple in their requirements for a living, living upon a few handfuls of rice per day. If they have children they do not send them to school. They live in overcrowded habitations upon the streets of our cities, a dozen or twenty of them perhaps in a small room. By this means the health of the cities is imperiled. By this means, also, there are dangers created of conflagrations, which sometimes burst out in the Chinese quarters of our cities and towns, and are very destructive in their effects.

These petitioners, in a most respectful manner, ask the Senate of the United States to consider these matters, and others which they present, and see if some remedy cannot be applied.

I wish to call the attention of Senators to the fact that California and the Pacific States and Territories are simply the gateway which lets in the influx of Chinese population. We have now, as these petitioners say, some sixty thousand of them. They have reached some-