

By Mr. PRIDEMORE: Papers relating to the claim of George W. Henderlite—to the same committee.

By Mr. SCHLEICHER: Papers relating to the claim of Mrs. M. E. Brackenridge—to the Committee on War Claims.

Also, the petition of physicians of the United States, for an appropriation for printing the subject-catalogue, as recommended by the Surgeon-General—to the Committee on Printing.

Also, the petition of citizens of San Marcos, Texas, for the repeal of the tax on national banks—to the Committee on Banking and Currency.

By Mr. SINGLETON: The petition of John Woodward, for a pension—to the Committee on Revolutionary Pensions.

By Mr. STEELE: A paper relating to the establishment of a post-route between Hamlet, North Carolina, and Cheraw, South Carolina—to the Committee on the Post-Office and Post-Roads.

By Mr. THROCKMORTON: Papers relating to the claim of Henry Warren for property destroyed by Indians—to the Committee on Indian Affairs.

By Mr. TOWNSEND, of Ohio: Papers relating to the claim of Julius M. Carrington for services rendered as an officer in the United States Army—to the Committee on Military Affairs.

By Mr. VANCE: Papers relating to the claim of James O. Robertson—to the Committee on Indian Affairs.

By Mr. WALKER: The petition of Sallie Hardeman, for pay for maintenance of sick and indigent colored people—to the Committee of Claims.

Also, the petition of John T. Tucker, of the District of Columbia, for the removal of his political disabilities—to the Committee on the Judiciary.

Also, the petition of C. B. Oliver, of similar import—to the same committee.

By Mr. WILLIAMS, of Wisconsin: Papers relating to the claims of Moses Ladd and John L. Williams—to the Committee on Indian Affairs.

By Mr. WRIGHT: The petition of Washington R. Hansom, president, and 62 others, members of the Florida Colonization Society of Baltimore, Maryland, for the passage of bill H. R. No. 110 or some other like measure for the aid of settlers on the public domain—to the Committee on Public Lands.

## IN SENATE.

TUESDAY, November 13, 1877.

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

The Journal of the proceedings of yesterday was read and approved.

### PETITIONS AND MEMORIALS.

Mr. COCKRELL. I present a concurrent resolution of the Twenty-ninth General Assembly of the State of Missouri, instructing her Senators and requesting her Representatives in Congress to vote for the repeal of the bankrupt law. I move its reference to the Committee on the Judiciary, with the hope that that committee will speedily report a bill for that purpose.

The motion was agreed to.

Mr. COCKRELL presented a concurrent resolution of the Twenty-ninth General Assembly of the State of Missouri, setting forth the inconvenience and injustice of the present law in regard to the sale of leaf-tobacco by a certain class of growers, and instructing her Senators and requesting her Representatives in Congress to use their influence to secure such legislation as will protect the farmers in the growth and sale of leaf-tobacco; which was referred to the Committee on Finance.

He also presented a resolution of the Twenty-ninth General Assembly of the State of Missouri, in favor of the construction of a southern transcontinental railway on the line of the thirty-second or thirty-fifth parallel of latitude from the Mississippi Valley to the Pacific Ocean; which was referred to the Committee on Railroads.

He also presented a joint resolution of the Twenty-ninth General Assembly of the State of Missouri, in favor of the removal of the National Capital to a more central point in the Federal Union; which was referred to the Committee on Public Buildings and Grounds.

He also presented a joint resolution of the Twenty-ninth General Assembly of the State of Missouri, in favor of an appropriation by Congress for the improvement of the Gasconade River, and of a liberal grant of land including the lands along the coast of that river; which was referred to the Committee on Commerce.

Mr. COCKRELL. I present also a joint resolution of the General Assembly of the State of Missouri, in favor of an appropriation by Congress for the improvement of the channel of the Mississippi River. As it is very short, I desire to have this resolution read.

The VICE-PRESIDENT. The memorial will be read if there be no objection.

The Chief Clerk read as follows:

Joint resolution of the two houses of the General Assembly of the State of Missouri, memorializing Congress to make appropriations for the improvement of the channel of the Mississippi River.

Whereas the jetty system, as applied by Captain James B. Eads to remove

obstructions to navigation interposed by sand-bars and mud-lumps at the mouth of the South Pass of the Mississippi River is now an admitted success; and

Whereas the permanent establishment of a deep water channel connecting the waters of the Mississippi River with those of the Gulf of Mexico is an event of incalculable importance to the agricultural, manufacturing, and commercial interests of the entire valley of the Mississippi, inasmuch as it affords unimpeded ingress to and egress from the great inland lines of water transportation, thus affording speedy and certain communication with the commercial ports of the world; and

Whereas the best interests of the whole country demand that all possible facilities should be afforded the people to effect a cheap exchange of the products of the soil and commodities of trade for the products and commodities of foreign countries—a communication susceptible of accomplishment through the deep water channel of the South Pass; and

Whereas it is necessary, in order that the full benefits to be derived from the accomplishment of the great work undertaken by Captain James B. Eads may be realized, that the channel of the great river which flows through the jetties should be cleared from Saint Paul to New Orleans of all obstructions which impede the progress of vessels engaged in navigating its waters: Therefore.

Be it resolved by the house of representatives and the senate of Missouri, in General Assembly convened, That our Senators in Congress be instructed, and our Representatives requested, to present the importance of the work contemplated, and that they use every lawful means to induce Congress to make appropriations commensurate with the magnitude of the work to be accomplished and the value and importance of the results to be achieved.

Resolved, That the secretary of state be instructed to forward to each of our members of Congress a certified copy of these joint resolutions.

Approved March 27, 1877.

Mr. COCKRELL. I move the reference of this memorial to the Select Committee on the Levees of the Mississippi River.

The motion was agreed to.

Mr. HARRIS presented the petition of James A. Parkinson, late private in Company A, Tenth Regiment Tennessee Cavalry, praying for arrears of pensions; which was referred to the Committee on Pensions.

Mr. BURNSIDE presented a petition of the Viticultural Society of the District of Columbia, praying for the appointment of a committee by Congress to co-operate with them in the furtherance of the object of that society, namely, the relief of the distressed condition of the surplus labor in cities; which was referred to the Committee on Education and Labor.

He also presented the petition of Mrs. Elizabeth Wirt Goldsborough, widow of Rear-Admiral Louis M. Goldsborough, United States Navy, praying for a pension; which was referred to the Committee on Pensions.

Mr. BOOTH presented the memorial of J. C. C. Foster and others, citizens of California, and settlers on lands granted to the Southern Pacific Railroad Company, protesting against the extension of time to that company and any change of its route, and praying for such legislation as will protect their rights and interests in the lands on which they have settled; which was referred to the Committee on Public Lands.

Mr. JONES, of Florida, presented the petition of E. W. Heuck and others, homestead and pre-emption settlers on lands in the State of Florida, praying the passage of a law extending the provisions of section 2288, chapter 4, of the Revised Statutes of the United States, so as to enable them to convey certain portions of their lands to aid in the construction of railroads; which was referred to the Committee on Public Lands.

Mr. BECK presented a petition of Mrs. Mary T. Duncan, of Louisville, Kentucky, praying compensation for property seized by the military authorities of the United States during the late war; which was referred to the Committee on Claims.

Mr. OGLESBY presented the petition of Beard, Hixox & Co., and others, bankers, merchants, &c., of Springfield, Illinois, praying for the repeal of the bankrupt law; which was referred to the Committee on the Judiciary.

### BAY OF MOBILE.

Mr. MORGAN. I present the petition of the State industrial convention of Alabama, held at Blount Springs, Alabama, praying for an appropriation for the improvement of the bay of Mobile. I beg the indulgence of the Senate to say that I have already presented and had referred to the proper committee a large number of memorials and petitions coming from various parts of the State of Alabama on this subject, and the sentiment of the people is very urgent in reference to this matter. Last summer, my attention being called to the subject, I had occasion to address a communication to the Secretary of War asking him for such information as he possessed in reference to the importance and feasibility of dredging the channel of the bay of Mobile, and making it a ship-channel of thirty feet. In reply to that letter I received the following communication:

WAR DEPARTMENT,  
Washington City, May 1, 1877.

SIR: In reply to your letter of the 21st ultimo, I have the honor to inform you that a survey of Mobile Bay, with reference to its improvement, would cost from \$4,500 to \$10,000, and that there are no funds which can properly be devoted to this purpose.

In view of the great importance of the project, however, I inclose a copy of a report by Captain Damrell, and suggest that you bring the matter to the attention of the Committee on Commerce at the next session of Congress.

Very respectfully, your obedient servant,

GEORGE W. MCCRARY,  
Secretary of War.

Hon. JOHN T. MORGAN,  
United States Senator, Selma, Alabama.

I have also the report of Captain Damrell, which is not extensive,

and contains very full and accurate information on the subject, and I ask the attention of the Senate to it:

UNITED STATES ENGINEER OFFICE,  
Mobile, Alabama, December 18, 1876.

Brigadier-General A. A. HUMPHREYS,  
Chief of Engineers, United States Army, Washington, D. C.

GENERAL: In compliance with instructions contained in circular letter dated November 3, 1876, I have the honor to submit the following statements in regard to the survey of the bay of Mobile, Alabama, to ascertain the practicability and cost of cutting a deep channel from the lower anchorage of the bay of Mobile to the city of Mobile, Alabama.

The city of Mobile is situated at the mouth of Mobile River and the northern extremity of Mobile Bay, and through the latter is accorded continuous water communication with the Gulf of Mexico, distant over thirty miles.

The wharves of the city are at present accessible to vessels drawing less than thirteen feet of water, and all vessels drawing thirteen feet or more are compelled to remain in the lower bay, at what is called the "lower anchorage" or "lower fleet," about twenty-seven miles south of Mobile, and have to be discharged and loaded by lighters. From the lower anchorage a deep channel, about ten miles in length, leads to the outer bar, over which vessels drawing twenty-two feet can safely pass, thus enabling vessels of that draught to enter into the bay and anchor at the lower anchorage, where they remain until ready for sea. From the lower anchorage (where we have a depth of twenty-one to twenty-three feet of water) northward the bay shoals to only thirteen feet in a distance of about six miles, and maintains this depth to within about ten miles south of the city. From this point a channel two hundred feet wide thirteen feet deep has lately been completed by the United States Government to the mouth of the Mobile River, and only vessels of less than thirteen feet draught can reach the wharves of the city.

The contemplated improvement consists in the cutting of a channel from the lower anchorage in the bay to the city of Mobile of sufficient depth and width to allow all vessels entering the lower bay to reach the city and discharge and load at her wharves.

Mobile is the only sea-port of Alabama, with a population of about forty thousand inhabitants, and by means of its railroads and rivers is easy of access as a market and shipping point for the surplus products of a large portion of the South, embracing the State of Alabama, eastern part of Mississippi and Western Tennessee, with an area of about seventy thousand square miles, and a population of over one and one-half millions.

The following statistics of the commerce of this port for the last fiscal year have been furnished me by the collector, namely: 232 vessels, with a tonnage of 118,917 tons, entered, and 231 vessels, with a tonnage of 118,740 tons, cleared during the year; the total value of imports was \$1,611,020 and of exports of domestic produce \$15,156,324.

Upon careful inquiry I find that, of the whole number of vessels loaded at this port during last year 53 vessels, with a tonnage of 62,574 tons, were unable to come up to the wharves of the city, and were compelled to load in the lower bay at a heavy increase of expense. The total exports of cotton from this port during last season amounted to 371,618 bales of average weight of 500 pounds each; and of this quantity I learn that about 224,000 bales had to be loaded at the lower anchorage because the vessels on which they were shipped could not reach the wharves of the city. The excess of expense between cotton loaded in the lower bay over that loaded at the city wharves is, as I am informed by reliable parties, at least forty-five cents per bale, making an increase of cost of shipment of over \$100,000 for the past season in the item of cotton alone. This amount is largely increased by the extra cost of discharging these vessels and lightening their cargoes and ballast to the city; and even at the present depressed state of trade it is estimated that the commerce of this port is taxed annually to the extent of at least \$130,000 on account of the insufficient depth of water in the bay. The principal item of export is of course cotton, but other products of this country, such as timber, resin, and turpentine, enter largely in the export trade; and the demand for timber, of which Alabama and Mississippi can furnish an abundant supply, is steadily on the increase, but the expenses and risks encountered in loading vessels for foreign ports in the lower bay with timber are a serious drawback to this lucrative trade. Another great benefit of a deep water channel is claimed for the coal and iron interest of Alabama, and the advantages which Mobile, an easily accessible port, would offer to the commerce of the Gulf and the steam-vessels of the United States Navy, as a coaling station, where good coal could be obtained at cheap rates.

An examination of Mobile Bay, furnishing sufficient data to determine the feasibility, with general estimate of cost of cutting a deep water channel from the lower anchorage in Mobile Bay to the city of Mobile, Alabama, could be made with an expenditure of \$4,500.

A survey of Mobile Bay, from which a project of this improvement with detailed estimates of costs could be prepared, and which should also include the obtaining of all data bearing upon all the various projects entertained at different times by able engineers, as the formation of a harbor either north or south of Dauphin Island, to be connected with Mobile by rail, or of a harbor for loading timber vessels, by construction of a breakwater north of Mobile Point, the opening of a channel to deep water by scour of the current to be obtained by closing all other outlets and forcing the combined waters of the Tombigbee and Alabama Rivers through Mobile River, would cost \$10,000.

Very respectfully, your obedient servant,

A. N. DAMRELL,  
Captain Engineers, United States Army.

I will further say, Mr. President, that it is not the purpose of myself, or any of the other gentlemen representing Alabama, to make any claim or demand whatever upon Congress for money to be expended without public benefit on the bay of Mobile. Our desire is to have a systematic arrangement of all the improvements to be made there, so that real economy may be practiced in all public expenditures in that quarter. We do not expect the Congress of the United States to say that the bay of Mobile shall never receive any assistance or any contribution from the Treasury of the United States in reference to its improvement. We know that improvements will be made there; that money will be expended there; and it shall be our chief care to see that that money be not lavishly and wastefully, I might say foolishly, expended.

One of our most enlightened engineers, who has been for a long time engaged in surveying the bay of Mobile, has had this subject under his special and careful consideration, and he has arrived at the conclusion that no money can be spent in the bay of Mobile satisfactorily since we have deepened the channel, as has already been done, to the depth of thirteen feet and two hundred feet broad, without a survey to be made by a series of borings and experimental surveys of different kinds, to ascertain whether or not the public money can hereafter be profitably and wisely expended in further improvement. I desire to call the attention of the Senate to the subject.

I move that the memorial be referred to the Committee on Commerce.

The motion was agreed to.

#### MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. GEORGE M. ADAMS, its Clerk, announced that the House had passed the following bills and joint resolution; in which it requested the concurrence of the Senate:

A bill (H. R. No. 4) to provide a penalty for wanton injury to the public libraries in the District of Columbia and in the Territories of the United States;

A bill (H. R. No. 902) making appropriations for the support of the Army for the fiscal year ending June 30, 1878, and for other purposes; and

A joint resolution (H. R. No. 33) authorizing the payment of Rev. John Poisal, D. D., late Chaplain of the House of Representatives, for time of his service as such without taking the oaths prescribed by law.

#### REPORTS OF COMMITTEES.

Mr. PADDOCK. The Committee on Public Lands having had under consideration the bill (S. No. 138) for the relief of settlers on the public lands under the pre-emption laws, have instructed me to report it back with an amendment and recommend its passage. I present in connection with the bill a letter from the Commissioner of the General Land Office recommending its passage. I move that this letter be printed.

The motion was agreed to.

Mr. McMILLAN. The bill (S. No. 13) for the relief of Amy King was referred to the Committee on Claims. It is a bill granting a pension. The Committee on Claims have instructed me to report the bill back and to move that they be discharged from its further consideration, and that it be referred to the Committee on Pensions.

The motion was agreed to.

Mr. TELLER, from the Committee on Claims, to whom was referred the bill (S. No. 149) for the relief of Charles B. Varney, reported it without amendment, and submitted a report thereon; which was ordered to be printed.

Mr. HAMLIN, from the Committee on Foreign Relations, to whom was referred the joint resolution (S. R. No. 3) authorizing Commander Edmund O. Matthews, of the United States Navy, to accept a gilt tea-pot from the Emperor of Siam, reported it without amendment.

Mr. HAMLIN. I am further instructed by the same committee, to whom was referred the joint resolution (S. R. No. 2) authorizing the appointment of commissioners to ascertain on what terms a reciprocal treaty of commerce with the Republic of Mexico can be arranged, to report the same back and ask to be discharged from its further consideration, and that it be referred to the Committee on Finance.

I am also instructed by the committee to say that they are led to this report from the belief that the subject is not appropriate for the consideration of the Committee on Foreign Relations; it is one affecting directly the revenues of the country, and which appropriately, therefore, belongs to the Committee on Finance. And further, while reporting back the resolution and recommending its reference to the Committee on Finance, the Committee on Foreign Relations are impressed with grave doubt whether it is a subject appropriate for the consideration of the Senate in any manner: first, for the reason that it seeks rather to initiate a system of negotiating treaties that belongs exclusively to the President and, second, because it is so connected with the revenue system of the Government that certainly no such bill can originate in the Senate.

Mr. MAXEY. I moved the reference of that joint resolution, when I introduced it, to the Committee on Foreign Relations, because it is a measure pertaining to our relations with a foreign government, and I knew of no committee properly chargeable with such matters, save that committee especially intrusted with the examination of subjects concerning our relations with foreign governments. For that reason, I asked the reference and it was made; not that I desired to keep it out of the Finance Committee, because I would as soon have it go to that committee as to any other.

The second point made, I think, by the Senator from Maine will be answered by his first proposition. If his committee has nothing to do with the resolution it has nothing to do with making any recommendation save reporting it back to the Senate and asking to be discharged from it and having it referred to the proper committee. Whether or not this is an appropriate mode of negotiating a treaty is a question about which the Senator and others, perhaps, might differ. I see no impropriety, but, on the contrary, entire propriety in asking the appointment of commissioners by the President where, in the estimation of Congress, a treaty of that kind would be advantageous. It does not follow because the commissioners are appointed or the treaty is presented that the Senate will be ultimately bound to ratify it; but it is a mode of reaching the point, not for the first time presented here by any means.

The VICE-PRESIDENT. Does the Senator object to the change of reference?

Mr. MAXEY. Not at all. I have no objection to the resolution going to the Committee on Finance. I simply asked its reference, as I did, to the Committee on Foreign Relations because I thought that was the proper committee.



The VICE-PRESIDENT. The Committee on Foreign Relations is discharged, and the joint resolution is referred to the Committee on Finance.

# BILLS INTRODUCED.

Mr. BECK asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 266) for the relief of Mrs. Mary T. Duncan; which was read twice by its title, and referred to the Committee on Claims.

Mr. McDONALD asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 267) in relation to distilling and rectifying spirits; which was read twice by its title, and referred to the Committee on Finance.

Mr. SARGENT asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 268) authorizing a general account of advances for naval appropriations; which was read twice by its title, and referred to the Committee on Naval Affairs.

Mr. CHAFFEE asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 269) to establish certain post-routes in the State of Colorado; which was read twice by its title, and referred to the Committee on Post-Offices and Post-Roads.

Mr. GARLAND asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 270) to authorize the election of a Delegate to Congress from the Indian Territory; which was read twice by its title, and referred to the Committee on Indian Affairs.

He also asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 271) for the relief of W. B. Gasa, Michael Callaghan, and the estate of John Waters, deceased; which was read twice by its title, and referred to the Committee on Claims.

Mr. KERNAN. I ask leave to introduce a bill at the request of one of the corporators named in it, knowing nothing about it beyond having read it.

By unanimous consent, leave was granted to introduce a bill (S. No. 272) to incorporate the Citizens' Gas-Light Company of Washington, District of Columbia; which was read twice by its title, and referred to the Committee on the District of Columbia.

Mr. EATON. I ask leave to introduce a bill which I wish to have read at length.

By unanimous consent, leave was granted to introduce a bill (S. No. 273) to encourage and protect the shipping interest and to revive American commerce; which was read twice, as follows:

*Be it enacted, etc.* That, when not forbidden by treaty stipulations, a discriminating duty of 10 per cent. *ad valorem*, in addition to the duties now imposed by law, shall, from and after the 1st day of April, A. D. 1878, be levied and collected upon all goods, wares, and merchandise which shall be imported in ships and vessels not of the United States.

SEC. 2. It shall be the duty of the President of the United States to take such action as may be necessary forthwith to cancel and terminate any treaty stipulations now in force preventing the levy and collection of a discriminating duty, as herein provided; and immediately upon the termination of any such treaty stipulation this act shall take effect, and the goods, wares, and merchandise now protected by treaty from its provisions shall be subject to the before-mentioned discriminating duty of 10 per cent. *ad valorem*, in addition to the duties now imposed by law, when the same shall be imported in ships and vessels not of the United States.

The VICE-PRESIDENT. The bill will be referred to the Committee on Finance.

Mr. EATON. No, the Committee on Commerce.

Mr. CONKLING. My friend will pardon me for interposing. The bill just read does not belong to the Committee on Commerce.

The VICE-PRESIDENT. The Chair thinks it should go to the Committee on Finance.

Mr. CONKLING. That is my opinion, and I suggest to the Senator that it would be an anomaly to assume that a revenue measure is to originate in the Senate, a bill which in the English Parliament would be called a money bill. It would be a still further anomaly to refer it to the Committee on Commerce. I think the practice of the Senate has been uniform the other way.

Mr. EATON. I have no objection to it going to the Committee on Finance, but I do not agree with my friend as to its being, strictly speaking, a money bill.

Mr. CONKLING. I did not say "strictly speaking."

Mr. EATON. I should like to have it considered by a committee. Let it go to the Committee on Finance.

The VICE-PRESIDENT. The bill will be referred to the Committee on Finance.

Mr. EATON. I ask leave to introduce another bill, and I wish to have it read at length.

By unanimous consent, leave was granted to introduce a bill (S. No. 274) to allow American registry to foreign-built vessels; which was read twice, as follows:

*Be it enacted, etc.* That from and after the 1st day of April, A. D. 1878, the act entitled "An act concerning the registering and recording of ships and vessels," approved December 31, 1872, and all acts and parts of acts supplementary thereto, be, and the same are hereby, repealed, so far as to admit to register foreign-built vessels of wood or iron the property of a citizen or citizens of the United States: *Provided*, The same be purchased in good faith by such citizen or citizens.

The VICE-PRESIDENT. The bill will be referred to the Committee on Commerce.

Mr. EATON. I ask leave to introduce another bill, and I desire to have it read at length.

By unanimous consent, leave was granted to introduce a bill (S. No. 275) to authorize the establishment of mail-steamship service between

the United States and foreign countries; which was read twice, as follows:

*Be it enacted*, That whenever it shall be brought to the knowledge of the Postmaster-General that mail communication has been established by steam-vessels owned by American citizens between a port or ports of the United States and any foreign port or country, he is hereby authorized and directed in his discretion to declare the same to be a marine mail-route and to contract for the passage of the mails therein at a rate not exceeding the rate paid for mail carriage upon the trunk lines of railway of the United States: *Provided*, That the vessels employed in such service shall, in the judgment of the Postmaster-General, be of the requisite tonnage: *And provided further*, That the owners thereof shall give bond with good and sufficient securities for the faithful performance of the contract entered into with the Government.

The bill was referred to the Committee on Post-Offices and Post-Roads.

Mr. CONKLING asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 276) to amend title 53 of the Revised Statutes, relating to merchant seamen; which was read twice by its title.

Mr. CONKLING. Before this bill is referred, I should like to say that it is the same bill, in substance, which once received action in the House of Representatives. In introducing it, I do not commit myself to it, but I introduce it at the request of many parties who feel interested in it. I move that it be referred to the Committee on Commerce.

The motion was agreed to.

Mr. CONKLING also asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 277) in addition to "An act for the relief of Obadiah B. Latham and Oliver S. Latham," approved March 3, 1863; which was read twice by its title, and referred to the Committee on Claims.

Mr. MITCHELL asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 278) for the relief of Charles W. Denton; which was read twice by its title, and referred to the Committee on Military Affairs.

Mr. DORSEY asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 279) to authorize the construction of a bridge across the Mississippi at Memphis, Tennessee; which was read twice by its title, and referred to the Committee on Commerce.

He also asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 280) making an appropriation for the improvement of the Arkansas River by removing the bar opposite Fort Smith; which was read twice by its title, and referred to the Committee on Commerce.

Mr. BAILEY asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 281) for the relief of Captain Gaines Lawson, of the United States Army; which was read twice by its title, and referred to the Committee on Military Affairs.

Mr. KIRKWOOD (by request) asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 282) for the relief of John S. Logan; which was read twice by its title, and referred to the Committee on Claims.

Mr. MERRIMON asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 283) to provide for the settlement and payment of arrearages due to certain persons for services actually done for the United States in the Southern States prior to the late civil war; which was read twice by its title, and referred to the Committee on Claims.

Mr. PADDOCK asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 284) to authorize the appointment of a commission to visit European countries and report on forestry and tree-planting; which was read twice by its title, and referred to the Committee on Agriculture.

Mr. INGALLS asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 285) granting a pension to Elizabeth D. Stone; which was read twice by its title, and referred to the Committee on Pensions.

He also asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 286) granting a pension to David Torpey; which was read twice by its title, and referred to the Committee on Pensions.

He also asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 287) granting a pension to John C. Hughes; which was read twice by its title, and referred to the Committee on Pensions.

Mr. WADLEIGH (by request) asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 288) for the relief of Gibbs & Co.; which was read twice by its title, and, together with the papers on the files relating to this case, referred to the Committee on Claims.

Mr. HAMLIN asked, and by unanimous consent obtained, leave to introduce a bill (S. No. 289) to authorize the Secretary of the Treasury to issue a register and change the name of the schooner Captain Charles Robbins to Minnie; which was read twice by its title, and referred to the Committee on Commerce.

# PAPERS WITHDRAWN AND REFERRED.

On motion of Mr. MITCHELL, it was

*Ordered*, That the petition and papers in the case of Charles W. Denton be taken from the files and referred to the Committee on Military Affairs.

On motion of Mr. CONKLING, it was

*Ordered*, That the papers which were submitted at the first session of the Forty.

fourth Congress, accompanying Senate bill 710, be taken from the files and likewise referred to the Committee on Claims.

On motion of Mr. GORDON, it was

*Ordered*, That the petition and other papers in the case of Lizzie Dixon, administratrix of the estate of A. D. Palmer, on file in the office of the Secretary of the Senate, be withdrawn and referred to the Committee on Claims.

#### NEZ PERCÉ WAR.

Mr. BOOTH submitted the following resolution; which was considered by unanimous consent, and agreed to:

*Resolved*, That, if not incompatible with the public interests, the President be, and he is hereby, requested to furnish the Senate with all the information at his command relative to the late so-called Nez Percé war, with the cause or causes of the same, the number of Indians and soldiers of the United States engaged in the war, the number of lives lost, and the probable cost of such war. Also, that he be requested to inform the Senate what disposition has been made of Chief Joseph and the warriors who surrendered with him to the forces of the United States.

#### HOUSE BILLS REFERRED.

The bill (H. R. No. 4) to provide a penalty for wanton injury to the public libraries in the Territories of the United States was read twice by its title, and referred to the Committee on the Judiciary.

The bill (H. R. No. 902) making appropriations for the support of the Army for the fiscal year ending June 30, 1878, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

The joint resolution (H. R. No. 38) authorizing the payment of Rev. John Foisal, D. D., late Chaplain of the House of Representatives, for time of his service as such, without taking the oaths prescribed by law, was read twice by its title.

Mr. WITHERS. I ask that the rules be suspended and that the Senate proceed to the immediate consideration of the joint resolution. It is a very small matter.

The VICE-PRESIDENT. Is there objection to the consideration of the resolution just read by its title?

Mr. EDMUNDS. I think it had better be referred in the regular way. From what I have heard I dare say it is perfectly right; but as a habit I do not like the way of passing a bill on the spur of the moment, however simple it is. Inasmuch as I have no possible objection to this bill, it is a very good time to make the suggestion.

The VICE-PRESIDENT. What reference is desired?

Mr. WITHERS. The Committee on Appropriations of course.

The VICE-PRESIDENT. The joint resolution will be so referred.

#### COMMITTEE SERVICE.

Mr. BOOTH. I ask the permission of the Senate to resign my position as a member of the Committee on Manufactures.

The VICE-PRESIDENT. Will the Senate excuse the Senator from California from further service upon the Committee on Manufactures? The Chair hears no objection, and he is excused.

Mr. BRUCE submitted the following resolution; which was considered by unanimous consent, and agreed to:

*Resolved*, That the name of Mr. BRUCE and that of Mr. ROLLINS be transposed on the Committee on Manufactures, and that Mr. ROLLINS be the chairman of the committee.

#### PACIFIC RAILROAD LINES.

Mr. CHAFFEE. If there is no other morning business, I desire to call up the resolution I offered a few days ago.

The VICE-PRESIDENT. The resolution will be reported for the information of the Senate.

The CHIEF CLERK read the following resolution, submitted by Mr. CHAFFEE on the 8th instant:

Whereas Congress did provide in the act of July 1, 1862, being an act entitled "An act to aid in the construction of a railroad and telegraph line from the Missouri River to the Pacific Ocean, and to secure to the Government the use of the same for postal, military, and other purposes;" and also by the subsequent acts of July 2, 1864, March 3, 1869, and June 20, 1874, amendatory thereof, that "said railroad and branches should be operated and used for all purposes of communication, travel, and transportation, so far as the public and Government are concerned, as one connected, continuous line without any discrimination of any kind in favor of the business of any or either of said companies, or adverse to the road or business of any or either of the others;" and upon such basis and contract with the said railroad company and its branches did grant to the Union Pacific Railroad Company and branch companies large subsidies in bonds and lands of the United States, all for the purpose of aiding in the construction of said roads to be operated as aforesaid;

And whereas the said Union Pacific Railroad Company and its branch companies, being the Kansas Pacific Company, the Denver Pacific Company, the Central Pacific of California, the Burlington and Missouri River Company, and the Sioux City Branch, have heretofore neglected and still do neglect and refuse to operate their roads in accordance with said acts of Congress, but have heretofore operated and still do operate them in open violation of the same;

And whereas by reason of said defaults, and on account of the same, the Government of the United States and the public have been and still are being damaged and deprived of their just and lawful rights and privileges, as stipulated, defined, and agreed upon in said acts aforesaid: Therefore,

*Be it resolved*, That the President of the United States be, and he is hereby, requested to inform the Senate what legal impediments, if any, exist which prevent him from executing said laws in accordance with the obligations accepted and agreements made by said Union Pacific Railroad Company and branches with the United States, as stipulated and agreed upon in the several acts aforesaid.

Mr. CHAFFEE. Mr. President, I venture to ask the attention of the Senate to the subject-matter of this resolution thus early in the session, because the long-continued failure and refusal of some of these companies to operate their roads according to the compact and agreements made in the acts of incorporation work a continual and almost incalculable damage and loss to the people and the Government. In my judgment it works a greater hardship than would be entailed

by the entire loss of all the bonds loaned to the several companies, the ultimate payment of which the honorable Senator from Ohio [Mr. THURMAN] is so anxious to secure. In dealing with these corporations we are not circumscribed by the vague boundaries which hedge an implied power, but our right of supervision is given by the same acts which called them into existence. The law under which these companies were incorporated requires that the main line and branches shall be operated as one connected, continuous line of railway; that the main line shall not grow rich at the expense of the branches; that one part of the road shall not be used to the injury of another part, but that the main line and branches shall be the common recipients of popular favor, and shall enjoy the benefits which spring from an untrammelled and unrestricted trade. This, I assert, was the object sought to be reached by the several acts of Congress under which these various companies entered upon the construction of the main line and branches, and only because it was believed that the main line and branches would be thus operated did Congress venture to make the immense subsidy and munificent grants whereby some of these companies have been enriched and their roads constructed.

The relation between the Government and the great railway system of the country is a subject which must soon engage the serious consideration of Congress. The system of railroads has been so rapidly enlarged in the last few years that all former means of transportation have been completely revolutionized. The annual tonnage of four trunk lines reaching from the Atlantic seaboard to the Mississippi and Missouri River Valleys is double that of all the inland water lines of communication in the country. A commerce so vast, in the control of a few men, bodes no good to the producers and consumers, who depend on these lines of transportation to carry what the one class sells and the other buys. A day or two ago the following notice fell under my observation: "The railroad alliance!" "A giant freight combination made and to be maintained!" "Annihilation decreed against any road that traitorously cuts under." Now, Mr. President, what does this announcement mean? It means that four men or more controlling these four great trunk lines of railway have the power to mark up or mark down the price of wheat, corn, or other products of the thousands and millions of farmers in the great West, exactly to suit their avarice or pleasure. The consequence is that after the farmers have taken the risks of drought, of grasshoppers, and the many other chances incident to raising good crops, if they succeed, as has been generally the fact this year, they have then to depend entirely upon the will of less than a half dozen men, who control the means of transporting their crops to market, as to the price they are to receive, or whether they can be transported at all without loss to the producer. The uncertainty attendant upon transportation is one of the causes of the great depression in the West.

But, Mr. President, I do not intend at this time to enter upon a general discussion of the railroad situation. I simply desire to invite the attention of the Senate and the country to the manner in which the laws of Congress are set aside and ignored by the Union Pacific Railroad Company; and, further, to ascertain what remedy, if any, exists for the abuses growing out of these violations of laws.

The investigations touching the manner of constructing this road disclosed a degree of fraud and villainy that not only shocked the conscience of the country, but threatened to loosen the foundations of public and private morality. The chapter of fraud furnished by these congressional inquiries has been supplemented by another chapter of infractions of law, so glaring and inexcusable in character, that conservative and honest men are troubled with the apprehension that this great Government, so potent in subduing rebellion, will itself fall a victim to a corporation of its own creation.

The scheme of a great transcontinental railroad, with its initial point at the one hundredth meridian, extending to the Pacific Ocean, and fed by branches diverging from its eastward terminus to widely separated points on the Missouri River, was worthy of the statesmen who conceived it. To the people generally it opened up alluring prospects, because it was pregnant with the promise of new markets, rapid travel, and cheap transportation. The fact that the branches were to reach part of the rich harvests gathered in by the main line conciliated rival interests; and the West, quickened by an enterprise so vast and inspired by the promise of benefits so rich and varied in character, hailed its inauguration and celebrated its completion with bonfires and illuminations. Part of this scheme, and one of the chief elements in it, was the obligation to pro-rate mile per mile upon all the roads. Without this obligation conflicting interests could not have been satisfied, and the acts of 1862 and 1864 could not have been passed.

When the bill of 1862 was being discussed, there were but two roads completed to the Missouri River on the eastern boundary of Kansas—the Hannibal and Saint Joseph, and the Missouri Pacific; the latter terminating at Kansas City. There were no roads completed through the State of Iowa, or within two hundred miles of the Missouri River; consequently the eastern boundary of Kansas was the point which drew universal attention for the commencement of the Union Pacific Railroad, and the more northern points in Iowa were only mentioned as branches. The doubt as to the power of Congress to charter a railroad company within the limits of a State led to the fixing of the initial point on the one hundredth meridian, in Nebraska, which was then a Territory. Had this doubt not existed, it is quite certain the main line would have been what is now known as the Kansas Pacific,



and the line from Omaha to the one hundredth meridian would have been the Iowa branch. The advantages of connection at Saint Joseph with Chicago and all points east, and with the Missouri Pacific road, already completed to Kansas City, would have had a controlling influence in establishing the initial point elsewhere, had the question of power been clear and free from doubt.

I mention these facts to show why the initial point was fixed in Nebraska. The main line and all its branches were to be one connected, continuous line of railway. Section 12, act of 1862, reads:

The track upon the entire line of railroad and branches shall be of uniform width.

Why? The law answers:

So that, when completed, cars can be run from the Missouri River to the Pacific coast. \* \* \* The whole line of said railroad and branches and telegraph shall be operated and used for all purposes of communication, travel, and transportation, so far as the public and Government are concerned, as one connected, continuous line.

It was upon this compact, made for the benefit of the people, that Congress loaned these companies upward of \$64,000,000, and made such munificent grants of land to aid in the construction of the Union Pacific road and its branches. The amount of bonds issued was, for the—

Union Pacific .....	\$27,236,512
Central Pacific of California .....	25,885,120
Kansas Pacific .....	6,303,000
Central Branch of Union Pacific .....	1,600,000
Western Pacific .....	1,970,560
Sionx City and Pacific .....	1,628,320
	<hr/> 64,623,512

These bonds run thirty years from date of issue, at 6 per cent. interest, payable semi-annually. The interest is paid by the United States until the maturity of the bonds, when the principal and interest become due and payable by the several companies; so that, the whole liability of the Government up to the maturity of the bonds amounts (without the interest upon interest paid every half year) to \$189,945,833. Some provisions have been made in the acts of 1862 and 1864 for a partial payment each year by the several companies, but have not been complied with, so far as I can ascertain, in a single instance.

The two acts, those of 1862 and 1864, must be taken together in a discussion of this subject. Many very important advantages were secured by the companies in the act of 1864, in addition to those granted in the act of 1862, while scarcely any additional obligations were imposed; but the two acts must be construed as one act. (K. P. vs. Prescott, 16 Wallace, 603.) By the act of 1864 the security for the bonds issued was subordinated to an equal amount to be issued by the companies, and to be secured by first mortgage upon all the property of each company, thus making the security to the Government a second lien. This gave each company double the amount of the Government bonds granted per mile, and equal to cash at par, or nearly so. By this change the Union Pacific could realize in cash on their entire line about \$52,000 per mile, or more than the probable cost of the road and equipments. (See House Report No. 78, Forty-second Congress, third session, page 17.)

By the act of 1864 the land grant was doubled—all the roads receiving over thirty-one million acres, or more than the area of seven entire States of this Union, and more than the whole area of New York or Pennsylvania or Ohio. Of this amount the Union Pacific Company received over twelve million acres, from which up to December 31, 1875, that company had sold 1,200,000 acres at an average price of \$4.47 per acre, or \$5,364,000. At this rate the land grant alone would pay the whole entire cost of the road. These lands are an absolute gift to the several companies. By the act of 1864 the exception of mineral lands was so modified as to allow the companies to take coal and iron lands. This was of immense value to the Union Pacific Company, especially on the western half of their road. The act of 1862 provided—

That all compensation for services rendered for the Government shall be applied to the payment of said bonds and interest, until the whole amount is fully paid.

By the act of 1864 this amount was reduced one-half, so that only one-half the amount due the companies from the Government for services rendered is to be applied to the payment of the bonds and interest. Many other advantages were given to these companies by the act of 1864.

Let me inquire what were the corresponding obligations imposed for the benefit of the Government and the people. Section 18 of the act of 1862 reads—

Congress may at any time, having due regard for the rights of said companies named herein, add to, alter, amend or repeal this act.

"Having due regard for the rights of said companies, may add to," &c. It was for these valuable considerations, given by the Government, that these companies agreed that this qualification to add to, alter, and amend should be enlarged into an absolute power to alter, amend, or repeal, as in the act of 1864. Why not? The companies were getting from the Government more than enough to build and equip their roads, and they could well afford to give this absolute power to Congress.

While the theory of the act of 1862 was clearly that the main line and branches should pro-rate, mile per mile, as one connected, contin-

nous line, as provided in section 12 of the act of 1862, it will be seen that full force and effect are given that section by referring to section 15 of the act of 1864. The companies are required to do what? Not only to operate their respective roads as "one connected, continuous line," but, as the law says, so that—

In such operation and use, to afford and secure to each equal advantages and facilities as to rates, time, and transportation, without any discrimination of any kind in favor of the road or business of any or either of said companies, or adverse to the road or business of any or either of the others.

The only construction that can be given to these words is, that all the branches should pro-rate per mile with the main line, for in no other way can they have equal advantages and facilities as to rates, time, and transportation. Does anybody suppose this act of incorporation would ever have been granted upon any other conditions? To hold otherwise would be to contradict the original theory and object of the act.

Of what use is a connection of these branch lines with the main line without this provision? Why did the Government grant them aid in bonds and lands if they were not entitled to pro-rate with the main line? For it would be an utter impossibility for them ever to repay the Government for the bonds issued them, unless they were to share in the business of a through line; and to-day, because of the unlawful discriminations and refusal of the Union Pacific Company to pro-rate with the Kansas Pacific, that road has passed into the hands of receivers upon motion of the first-mortgage bondholders for default in interest. On this account all the bonds advanced the Kansas Pacific by the Government must be totally lost unless a remedy is provided. The original amount loaned that company was \$6,303,000. Adding the interest the amount at present is about \$9,000,000. At the maturity of the bonds the liability of the Government, and which will have to be paid when due, will be \$17,648,400, less the amount for services rendered up to the time the road will be sold by the receivers. At least \$15,000,000 will have been taken from the Treasury by the refusal of the Union Pacific Company to operate their road according to law. It has become a doubtful question among the people whether this Government possesses the power requisite to compel this Union Pacific Company to comply with any of the obligations of their contract, or with any law of Congress, or decision of a court. So far this company has successfully defied the power of the three co-ordinate branches of this Government. The Supreme Court decided in the Omaha bridge case that the bridge was part of the connected, continuous line of road, yet we find that company issuing coupon tickets separately at the rate of fifty cents per passenger and \$10 per car for crossing the bridge; we find them openly and wantonly refusing to operate their road as required by their act of incorporation; we find them resisting the payment to the Government of the 5 per cent. of net proceeds of the road.

While the branch roads are thus made bankrupt, the Union Pacific, by illegally monopolizing all the through traffic at bonanza rates, are enabled to pay not only interest on over \$52,000,000 of bonds, over and above the bonds of the United States, but a dividend of 8 per cent. per annum on over \$36,000,000 of stock, besides investing large amounts annually in constructing other roads. It should be borne in mind that a large part of these bonds issued by the Union Pacific Company were distributed as dividends to the company in constructing the road, and the stock never was paid for in cash as required by law, but was paid for at about thirty cents on the dollar in "road making" at enormous profits. (See H. R. Reports No. 440, Forty-fourth Congress.)

The gross earnings of the Union Pacific Railroad for the year ending June 30, 1874, were \$10,246,760; for 1875, \$11,522,021; for 1876, \$12,113,990; for 1877, \$13,719,343. The net earnings for 1874 were \$5,069,789; for 1875, \$5,373,655; for 1876, \$6,666,171; for 1877, \$8,317,091; being an increase over the year 1874 of net earnings of \$3,227,303. This statement shows that the whole expense of operating the road is a little less than 40 per cent.—a less ratio for operating expenses than for any eastern road.

That it was the design of Congress to provide that the main line and branches were to pro-rate with each other and all have equal advantages in communication over their several lines, and that the immense subsidy given the Union Pacific Company was not for the benefit of the company at the expense of the public, but for the benefit of the Government and public, I refer to the following extracts from the law incorporating said companies. Section 18 of the act of 1862 says:

And the better to accomplish the object of this act, namely, to promote the public interest and welfare by the construction of said railroad and telegraph line, &c.

The people's money was appropriated to construct these roads for the public good and for the benefit of the people. The branch lines were to enjoy equal advantages with the main line; all the roads were to be operated as one line of railway. Section 7, act of 1862, reads:

Provided, That in fixing the point of connection of the main trunk with the eastern connections, it shall be fixed at the most practicable point for the construction of the Iowa and Missouri branches.

Why fixed at the most practicable point, except for the interest of the public and to enable them to be operated as one road? Section 14, act of 1862, reads:

And be it further enacted, That the said Union Pacific Railroad Company is hereby authorized and required to construct a single line of railroad and telegraph from a point on the western boundary of the State of Iowa, to be fixed by the President

of the United States, upon the most direct and practicable route, to be subject to his approval, so as to form a connection with the lines of said company at some point on the one hundredth meridian of longitude aforesaid from the point of commencement on the western boundary of the State of Iowa, upon the same terms and conditions in all respects as are contained in this act for the construction of the said railroad and telegraph first mentioned.

I quote these extracts of the law to show that the theory and design of the acts of incorporation, viz: that the main line and branches should be operated together as one line, have never been lost sight of in any of the acts. This idea is expressed or implied in almost every section. Lines of railway from other States and Territories were authorized to be constructed upon the same conditions of equal facilities of transportation, travel, &c. Section 17, act of 1864, provides that—

Whenever a line of railroad shall be completed through the States of Iowa or Minnesota to Sioux City, such company, now organized or that may hereafter be organized under the laws of Iowa, Minnesota, Dakota, or Nebraska, as the President of the United States, by its request, may designate or approve for that purpose, shall construct and operate a line of railway and telegraph from Sioux City, upon the most direct and practicable route, to such a point on and so as to connect with the Iowa branch of the Union Pacific Railroad from Omaha, or the Union Pacific Railroad, as such company may select, and on the same terms and conditions as are provided in this act and the act to which this is an amendment, for the construction of the said Union Pacific Railroad and telegraph line and branches.

The object was to promote the public good by giving all parts of the country east of the one hundredth meridian of longitude equal facilities of travel over all these branches connecting with the main line at points west of Omaha.

Mr. President, this is not a controversy between railroad companies. The issue rises far above the conflicting interests of the roads. It involves the good faith of the corporations to the Government and to the whole people of the nation. It is a question of whether the laws of the United States are to be sustained or violated, and whether obligations incurred in accepting subsidies are to be fulfilled.

The Union Pacific is that part of the main line reaching from Omaha, in Nebraska, to Ogden, in Utah a distance of 1,032 miles. The Kansas Pacific, with the Denver Pacific, is one branch starting on the Missouri River at Kansas City, in Missouri, and connecting via Denver with the Union Pacific at Cheyenne, in the Territory of Wyoming. There can be no controversy as to the rights of the Kansas Pacific as a branch line. By the act of July 3, 1866, the Kansas Pacific was authorized to connect with the Union Pacific at a point not more than 50 miles westwardly from the meridian of Denver. Section 2 of the act of March 3, 1869, provides—

That all the provisions of law for the operation of the Union Pacific Railroad, its branches, and connections as a continuous line without discrimination, shall apply the same as if the road from Denver to Cheyenne had been constructed by the said Kansas Pacific Railroad Company.

The distance from Kansas City to Cheyenne by this branch is 742 miles. The Kansas Pacific Company received United States bonds amounting to \$6,303,000, or less than \$9,000 per mile, while the Union Pacific received about \$27,000 per mile for the whole distance of 1,032 miles from Omaha to Ogden.

It is claimed by the Union Pacific Company that it is unfair to be compelled to pro-rate mile per mile on the western half of its road, because the grades are higher and the operation of the road more costly. If this were true, it would present no reason for non-compliance with the law, to which all companies agreed. It is true that the Union Pacific Company received double subsidy, to wit, \$32,000 per mile for a large portion of the western half of its road, and treble subsidy, or \$48,000 per mile, for the most difficult part; so that, as I said before, the average for the 1,032 miles is about \$27,000 per mile.

I hold in my hand a detailed statement of the grades on the Kansas Pacific Road from Brookville west to Denver, a distance of 436 miles, taken from the engineer's office of the Kansas Pacific Railway; also a detailed statement of the grades from the five hundred and tenth mile-post west of Omaha to Ogden, taken from the reports on file in the Interior Department, of the examining commissioners appointed by the President to examine the Union Pacific Railroad, which I will ask the reporter to incorporate in my remarks without reading.

*Grades on Kansas Pacific Railway from two hundredth mile-post west.*

[From engineer's office of Kansas Pacific Railway.]

Smoky Hill division:

	Miles.	Miles.
Level track.....	19.72	
0 to 10 feet per mile.....	37.60	
10 to 20 feet per mile.....	45.50	
20 to 30 feet per mile.....	35.20	
30 to 40 feet per mile.....	31.76	
40 to 50 feet per mile.....	19.92	
50 to 60 feet per mile.....	21.81	
60 to 70 feet per mile.....	4.64	
70 to 80 feet per mile.....	3.46	
80 to 90 feet per mile.....	0.39	
	220.00	

Denver division:

	Miles.
Level track.....	31.13
0 to 10 feet per mile.....	11.17
10 to 20 feet per mile.....	30.49
20 to 30 feet per mile.....	40.37
30 to 40 feet per mile.....	25.47
40 to 50 feet per mile.....	24.87
50 to 60 feet per mile.....	50.39
60 to 70 feet per mile.....	1.98
70 to 80 feet per mile.....	0.43
	216.30

Brookville to Denver Junction..... 436.30

*Grades on Union Pacific Railroad, as given by examining commissioners appointed by the President of the United States—taken from reports on file in Department of the Interior at Washington—from five hundred and tenth mile-post (11 miles east of Cheyenne) west.*

Sixteenth section, five hundred and tenth to five hundred and fortieth mile-post:

	Miles.
Level track.....	1.57
0 to 10 feet per mile.....	0.06
10 to 20 feet per mile.....	1.45
20 to 30 feet per mile.....	1.12
30 to 40 feet per mile.....	6.78
40 to 50 feet per mile.....	2.22
50 to 60 feet per mile.....	0.31
60 to 70 feet per mile.....	2.13
70 to 80 feet per mile.....	14.36
	30.00

Seventeenth section, five hundred and fortieth to five hundred and sixtieth mile-post:

	Miles.
Level track.....	1.79
10 to 20 feet per mile.....	0.09
30 to 40 feet per mile.....	0.63
40 to 50 feet per mile.....	0.17
50 to 60 feet per mile.....	1.45
60 to 70 feet per mile.....	0.82
70 to 80 feet per mile.....	9.91
80 to 90 feet per mile.....	5.14
	20.00

Eighteenth section, five hundred and sixtieth to five hundred and eightieth mile-post:

	Miles.
Level track.....	6.89
0 to 10 feet per mile.....	0.93
10 to 20 feet per mile.....	2.84
20 to 30 feet per mile.....	2.23
30 to 40 feet per mile.....	1.43
40 to 50 feet per mile.....	1.71
50 to 60 feet per mile.....	1.24
60 to 70 feet per mile.....	1.34
80 to 90 feet per mile.....	1.39
	20.00

Nineteenth section, five hundred and eightieth to six hundredth mile-post:

	Miles.
Level track.....	6.81
0 to 10 feet per mile.....	4.05
10 to 20 feet per mile.....	4.64
20 to 30 feet per mile.....	0.83
30 to 40 feet per mile.....	2.74
40 to 50 feet per mile.....	0.93
	20.00

Twentieth section, six hundredth to six hundred and twentieth mile-post:

	Miles.
Level track.....	3.64
0 to 10 feet per mile.....	0.70
10 to 20 feet per mile.....	1.35
20 to 30 feet per mile.....	1.42
30 to 40 feet per mile.....	6.45
40 to 50 feet per mile.....	6.44
	20.00

Twenty-first section, six hundred and twentieth to six hundred and fortieth mile-post:

	Miles.
Level track.....	3.23
0 to 20 feet per mile.....	9.22
20 to 40 feet per mile.....	6.13
40 to 60 feet per mile.....	0.22
60 to 80 feet per mile.....	1.20
	20.00

Twenty-second section, six hundred and fortieth to six hundred and sixtieth mile-post:

	Miles.
Level track.....	4.43
0 to 20 feet per mile.....	6.30
20 to 40 feet per mile.....	5.70
40 to 60 feet per mile.....	3.17
60 to 80 feet per mile.....	0.40
	20.00

Twenty-third section, six hundred and sixtieth to six hundred and eightieth mile-post:

	Miles.
Level track.....	1.46
0 to 20 feet per mile.....	9.37
20 to 40 feet per mile.....	1.69
40 to 60 feet per mile.....	7.48
	20.00

Twenty-fourth section, six hundred and eightieth to seven hundredth mile-post:

	Miles.
Level track.....	3.40
0 to 10 feet per mile.....	8.45
10 to 20 feet per mile.....	2.45
20 to 30 feet per mile.....	3.30
30 to 40 feet per mile.....	1.29
40 to 50 feet per mile.....	1.11
	20.00



## Twenty-fifth section, seven hundredth to seven hundred and twentieth mile-post:

	Miles.
Level track.....	2.95
0 to 10 feet per mile.....	5.52
10 to 20 feet per mile.....	0.97
20 to 30 feet per mile.....	5.47
30 to 40 feet per mile.....	0.97
40 to 50 feet per mile.....	0.56
50 to 60 feet per mile.....	2.96
60 to 70 feet per mile.....	0.60

20.00

## Twenty-sixth section, seven hundred and twentieth to seven hundred and fortieth mile-post:

	Miles.
Level track.....	2.77
0 to 20 feet per mile.....	5.90
20 to 40 feet per mile.....	3.33
40 to 50 feet per mile.....	2.46
50 to 60 feet per mile.....	5.13
60 to 70 feet per mile.....	0.41

20.00

## Twenty-seventh section, seven hundred and fortieth to seven hundred and sixtieth mile-post:

	Miles.
Level track.....	3.20
0 to 10 feet per mile.....	3.51
10 to 20 feet per mile.....	5.50
20 to 30 feet per mile.....	0.84
30 to 40 feet per mile.....	0.13
40 to 50 feet per mile.....	1.29
50 to 60 feet per mile.....	5.15
60 to 70 feet per mile.....	0.38

20.00

## Twenty-eighth section, seven hundred and sixtieth to seven hundred and eightieth mile-post:

	Miles.
Level track.....	4.15
0 to 10 feet per mile.....	1.53
10 to 20 feet per mile.....	2.20
20 to 30 feet per mile.....	2.22
30 to 40 feet per mile.....	4.20
40 to 50 feet per mile.....	0.55
50 to 60 feet per mile.....	5.15

20.00

## Twenty-ninth section, seven hundred and eightieth to eight hundredth mile-post:

	Miles.
Level track.....	3.21
0 to 10 feet per mile.....	10.28
10 to 20 feet per mile.....	3.18
20 to 30 feet per mile.....	1.06
30 to 40 feet per mile.....	1.04
40 to 50 feet per mile.....	1.23

20.00

## Thirtieth section, eight hundredth to eight hundred and twentieth mile-post:

	Miles.
Level track.....	6.90
0 to 10 feet per mile.....	5.85
10 to 20 feet per mile.....	3.55
20 to 30 feet per mile.....	1.50
30 to 40 feet per mile.....	1.22
40 to 60 feet per mile.....	0.98

20.00

## Thirty-first section, eight hundred and twentieth to eight hundred and sixtieth mile-post:

	Miles.
Level track.....	10.54
0 to 10 feet per mile.....	10.78
10 to 20 feet per mile.....	4.05
20 to 30 feet per mile.....	2.51
40 to 60 feet per mile.....	7.72
60 to 70 feet per mile.....	4.40

40.00

## Thirty-second section, eight hundred and sixtieth to eight hundred and eightieth mile-post:

	Miles.
Level track.....	6.66
0 to 10 feet per mile.....	3.40
10 to 20 feet per mile.....	3.71
20 to 30 feet per mile.....	2.31
30 to 40 feet per mile.....	1.26
40 to 60 feet per mile.....	2.66

20.00

## Thirty-third section, eight hundred and eightieth to nine hundredth mile-post:

	Miles.
Level track.....	4.30
0 to 20 feet per mile.....	8.42
20 to 30 feet per mile.....	3.48
30 to 40 feet per mile.....	1.70
40 to 60 feet per mile.....	2.10

20.00

## Thirty-fourth section, nine hundredth to nine hundred and twentieth mile-post:

	Miles.
Level track.....	7.54
0 to 10 feet per mile.....	1.98
10 to 20 feet per mile.....	3.66
20 to 30 feet per mile.....	5.48
30 to 40 feet per mile.....	0.00
40 to 60 feet per mile.....	1.34

20.00

\* Since modified.

## Thirty-fifth section, nine hundred and twentieth to nine hundred and fortieth mile-post:

	Miles.
Level track.....	0.26
0 to 10 feet per mile.....	2.74
10 to 20 feet per mile.....	2.90
20 to 30 feet per mile.....	1.70
30 to 40 feet per mile.....	0.62
40 to 50 feet per mile.....	0.95
50 to 60 feet per mile.....	10.83

20.00

## Thirty-sixth section, nine hundred and fortieth to nine hundred and sixtieth mile-post:

	Miles.
Level track.....	2.85
0 to 20 feet per mile.....	0.45
20 to 30 feet per mile.....	2.85
30 to 40 feet per mile.....	9.95
50 to 60 feet per mile.....	3.90

20.00

## Thirty-seventh section, nine hundred and sixtieth to nine hundred and eightieth mile-post:

	Miles.
Level track.....	0.19
0 to 10 feet per mile.....	3.68
10 to 20 feet per mile.....	4.20
0 to 30 feet per mile.....	1.27
0 to 40 feet per mile.....	1.20
50 to 60 feet per mile.....	3.68
80 to 90 feet per mile.....	5.78

20.00

## Thirty-eighth section, nine hundred and eightieth to one thousandth mile-post:

	Miles.
Level track.....	0.30
20 to 30 feet per mile.....	6.33
30 to 40 feet per mile.....	3.97
40 to 50 feet per mile.....	1.74
50 to 60 feet per mile.....	3.81
60 to 70 feet per mile.....	3.85

20.00

## Thirty-ninth section, one thousandth to one thousand and twentieth mile-post:

	Miles.
Level track.....	0.30
0 to 10 feet per mile.....	10.28
10 to 20 feet per mile.....	3.18
20 to 30 feet per mile.....	1.06
30 to 40 feet per mile.....	1.04
40 to 50 feet per mile.....	1.23

The length of grades not given in report of examining commission.

## Fortieth section, one thousand and twentieth to one thousand and fortieth mile-post:

	Miles.
Level track.....	1.600
0 to 10 feet per mile.....	3.040
10 to 20 feet per mile.....	1.695
20 to 30 feet per mile.....	5.910
30 to 40 feet per mile.....	2.225
60 to 70 feet per mile.....	2.074
80 to 90 feet per mile.....	2.434
Ascending west:	
30 to 40 feet per mile.....	1.022

20.000

These statements show that the Union Pacific in a distance of 510.18 miles has 90.64 miles of level track, or 17.8 per cent. The Kansas Pacific, in a distance of 436.30 miles, has 50.85 miles of level track, or 11.7 per cent. The aggregate length of the western parts of both roads being 946.48 miles, if the level track were equally proportioned, the length of level track on the Union Pacific would be only 76.26 miles, instead of 90.64 miles; and on the Kansas Pacific 65.23 miles, instead of only 50.85 miles.

Of level track and grades up to 20 feet per mile, the Union Pacific has 245.43 miles, or 48.1 per cent., and the Kansas Pacific only 175.61 miles, or 40.2 per cent. If these grades were equally proportioned, the Union Pacific would have only 226.95 miles, instead of 245.43, and the share of the Kansas Pacific would be increased to 194.09 miles.

*Grades 30 to 60 feet.*—Of these the Union Pacific has 208.14 miles, or 40.8 per cent., and the Kansas Pacific has 249.79 miles, or 57.2 per cent. If these grades were equally proportioned, the share of the Union Pacific would be increased to 246.84 miles and the Kansas Pacific would have only 211.09 miles, instead of 249.79 miles.

*Grades 70 to 90 feet.*—Of these the Union Pacific has 56.61 miles, or 10.9 per cent., and the Kansas Pacific 10.90 miles, or 2.5 per cent. Equally proportioned, the Union Pacific would have 36.39 miles and the Kansas Pacific 31.12 miles.

These facts show that the Union Pacific has much the larger proportion of level track and grades up to 20 feet per mile, and that in grades 30 to 60 feet it is also greatly superior, its proportion of these last grades being nearly one-third less than that of the Kansas Pacific. The slight excess of grades of 70 to 90 feet on the Union Pacific is thus more than balanced by its superiority in level track and all grades up to 60 feet. In cost of operation, therefore, if grades alone are considered, the Union Pacific has greatly the advantage over the Kansas Pacific.

If fuel be taken into consideration, the advantages are found to be still greater on the side of the Union Pacific. Coal is abundant, cheap, and convenient along the western part of its line, while it must be brought long distances, at great cost, to the line of the Kan-

sas Pacific, and is subject to much deterioration. From the last annual report of the Government directors we find that coal is placed on cars on the western half of the road for \$1.29½ per ton, which is equivalent to wood at less than \$1 per cord.

In material for road-bed, the Union Pacific has also greatly the advantage, and its track is kept up at less comparative cost than that of almost any other railroad in the United States.

These unimpeachable facts demonstrate that the pretense of the Union Pacific Railroad that the operating expenses on its western portion are so great as to require and justify its enormous tariff between Cheyenne and Ogden is entirely false. Such pretense is not sustained either by its grades, the cost of its fuel, or the character of the road-bed.

I call the attention of the Senate to the following report also, for the purpose of showing the grades and alignment of the Union Pacific Railroad, from an authority which I dare say no Senator will doubt:

*Extracts from the report, dated November 23, 1863, of General G. K. Warren, of United States Engineer Corps, and Jacob Blickensderfer, jr., of Ohio, and James Barnes, of Massachusetts, civil engineers, who were appointed as a special commission by the President to examine the Union Pacific Railroad.*

The line by Evans's Pass was adopted, and it may be noted that here the plains reach their greatest elevation and the Black Hills their lowest depression. Both north and south the mountains are higher and the plains at their base lower than on this line.

The summit on the Black Hills is the highest point on the line, and is passed at an elevation of 8,235 feet, with grades of 80 feet, ascending from Crow Creek, and 90 feet, descending to Laramie Plains.

The summit between Laramie Plains and Rock Creek is 7,169 feet, and is passed with a maximum grade of 32 feet per mile.

The railroad keeps near Rock Creek till its junction with the Medicine Bow River, crossing a spur in one place, thereby gaining and losing 125 feet, but with grades not exceeding 25 feet per mile.

The road from the Medicine Bow River ascends nearly continuously over a sandy country, with no well-defined valley, reaching Brown's Summit in the Rattlesnake Hills at an elevation of 7,125 feet. This summit is passed with a maximum grade of 66 feet per mile. The road descends in the valley of Mary's Creek, which is followed to its junction with the North Platte.

Crossing the Platte at an elevation of 6,477 feet, and pursuing a course generally very direct, the road begins to ascend and continues to do so with somewhat slight descents till we reach another considerable summit at an elevation of 6,907 feet, which is passed with a maximum grade of 45 feet per mile.

The road now enters a basin, which has no other drainage, descends to an elevation of 6,635 feet, and, continuing very direct, passes out of this basin at Dodge's Summit, (elevation, 7,100 feet;) maximum grades on this summit 60 feet per mile. The road next crosses Red Desert Basin, descending to elevation at 6,650 feet, and reaches the next summit at elevation 6,791, which is passed with maximum grades of 53 feet per mile.

The road now descends to the valley of Bitter Creek with moderate grades. There are some undulations, and at one place for a short distance the grade is 90 feet per mile, but it is designed to reduce this to 53 feet per mile.

The road crosses Green River just above the mouth of Bitter Creek at an elevation of 6,078 feet. Green River is followed up a few miles, and the road then goes westward a few miles across a ridge 6,400 feet elevation, and descends to the margin of Black's Fork at elevation 6,154 feet. This last summit is passed with a maximum grade of 61 feet to the mile.

The road now descends Black's Fork with undulating grades, whose maximum is 53 feet per mile, to the junction of the Muddy Fork, and at the time of our examination, October 30, [1863,] this was the end of the track.

The location is continued up the Muddy Fork to the rim of the Great Salt Lake basin, reaching it at an elevation of 7,460 feet. The maximum grades are to be 61 feet per mile. The line descends along Sulphur Creek to Bear River, follows down this to an elevation of 6,677 feet, and then turning up Yellow Creek, reaches Reed's Summit with easy grades at an elevation of 6,806 feet.

The descent into Echo Cañon is made with maximum grades of 90 feet per mile. The line follows down Echo Cañon to the Weber River, and continues down this to the Valley of the Great Salt Lake, coming out of the Wasatch Mountains at the lower end of the Weber Cañon, at an elevation of 4,570 feet, and with a maximum grade of 90 feet per mile.

This [Promontory] range is passed with grades ascending westward of 80 feet per mile, starting at an elevation of 4,300 feet and reaching a summit of 4,961 feet, from which descending grades of 53 feet per mile again bring the location down to the elevation of 4,315 feet at the head of the [Salt] Lake.

In the valleys of the streams from Omaha throughout the line to the head of the Great Salt Lake the grades are low, and in the preceding summary they have not been specially noted.

Care was generally taken in the location to hold all the elevation gained at any place in approaching a summit, and so to adjust the grades as to enable the road to be properly divided into working divisions. Very little ascent and descent in the whole line has been used up, except in passing summits that it was impossible to avoid. The elevation at Omaha is 964 feet; at the head of the Great Salt Lake 4,315 feet. The sum of the ascents going west is 12,935 feet, and the consequent sum of the descents is 9,625 feet.

The construction of the road in regard to the amount and character of the excavations and embankments has been remarkably easy. Between Omaha and Granite Cañon, a distance of 535 miles, there was not a yard of rock-excavation, and the natural surface itself, over a great portion of it, would have permitted nearly practicable grades. From Granite Cañon westward to the [present] end of the track (89 miles) the work is less than on eastern roads of the same length, and the most difficult parts are light compared with roads in the Alleghany Mountains. There is but one tunnel on the whole distance, which is at Mary's Creek, 220 feet in length. Minimum curve 955 feet radius.

The general route for the line is exceedingly well located, crossing the Rocky Mountain ranges at some of the most favorable passes on the continent, and possessing capabilities for easy grades and favorable alignment unsurpassed by any other railroad line on similarly elevated grounds.

Mr. President, as a matter of fact there is no other road in the United States that is operated for less than 40 per cent. of its gross earnings. The gross earnings on all the roads in the United States for the year 1875 (71,759 miles) were \$503,065,505, net \$185,506,433. This shows the average cost of operation to be over 60 per cent. (Poor's Manual, 1876-77.)

If they say it costs more to operate the western half of their road

than the eastern half, I present these figures which show to the contrary. But should this claim be true, I answer that this company received from the Government \$32,000 and \$48,000 per mile for all of this part of their road. Should all of their statements about grades, fuel, &c., be true, and it did cost double as much to operate the western part of the road, their agreement made with the Government by accepting the charter with a stipulation and condition requiring them all to operate their roads, main line and branches, as one connected, continuous road, without any discrimination for or against each other, forever bars them from such a plea. A continual failure, neglect, and refusal to operate their roads according to the specifications in the act of incorporation works a forfeiture of their corporate rights and franchises. This is a well-settled rule of law, and I hold it to be the duty of the Government to take notice of such failure and refusal and apply the remedy. Millions of the people of this country are wronged and injured by the wanton defiance of law practiced daily and for years by the Union Pacific Railroad Company.

Some of the great States of the West have protested against it, and have memorialized Congress to compel all these companies to pro-rate according to law. In January, 1874, by unanimous vote, the Legislature of Missouri adopted a preamble and resolutions upon this subject. They still remain upon the files of the Senate unsatisfied and unheeded. I read the conclusion of the preamble and resolution.

Whereas the people of the State of Missouri are largely interested in commerce and intercourse with the vast and rapidly developing regions traversed by the Union Pacific Railroad and branches and, together with the people of adjacent States, are entitled to all the benefits of the uniform rates and choice of routes which were intended and provided for in the acts of Congress organizing and subsidizing said railroads: Therefore,

*Resolved by the senate, (the house of representatives concurring therein,)* That our Senators be instructed and our Representatives in Congress be requested to urge upon the consideration of their respective Houses such legislation as will secure to the people of the United States those equal advantages and facilities as to rates, time, and transportation on the Union Pacific Railroad, and the several branches thereof, which are reserved and guaranteed to them as a chief part of the consideration to be given by the companies for the grant of lands and bonds so generously given to them by Congress.

The Legislature of Illinois, on the 31st of March, in the same year, adopted a similar preamble and resolution.

In the Legislature of Kansas, February 4, same year, the following resolutions were passed:

1. That the Union Pacific Railroad Company, by its continued and persistent violation of law in its refusal to recognize the Kansas Pacific, formerly the Union Pacific Railway, eastern division as one of the branches contemplated in the original act of July, 1862, and the subsequent amendments thereto, and by its further refusal to grant unto the said Kansas Pacific or Union Pacific Railway, eastern division, all the privileges, immunities, and benefits as provided for, has not only injured the business of that road, but seriously retarded and injured the commercial and agricultural interests of the State of Kansas, by compelling said road to advance their rates of transportation of freight and passengers within the State, on account of its being cut off from its legitimate portion of through business.

2. That we earnestly request the Congress of the United States to take such measures as will at an early day compel the Union Pacific Railroad Company to afford the same facilities for the transportation of freight and passengers, both in regard to rate, time, and transportation, as is contemplated by law, without discrimination or injury to the said Kansas Pacific, formerly the Union Pacific Railway, eastern division.

3. That our Senators be instructed and our Members of Congress requested to bring this matter before the Congress of the United States at the earliest practicable moment, and that they urge an immediate investigation into the facts of the case, in order that such unjust discrimination shall cease and the conditions of the law be fulfilled.

Mr. President, it requires no stretch of vision to enable any one to see how these unjust discriminations are practiced upon the people by this company. By refusing to pro-rate and give equal advantages to the branch lines as required by the act of incorporation, all that part of the country north or south of a direct railroad connection with the eastern terminus of the main line is compelled to make connection at Omaha; for the tariff rates for passengers and freight are more from any point west of Omaha, at the point of connection of any branch, than from Omaha to Ogden. These unjust, illegal, and prohibitory discriminations are very severely felt by the people of Colorado, Kansas, Missouri, and all States south of the Ohio River.

As I said before, it is not a controversy between individuals and the railroads, or one road with another. If it were, the Union Pacific would continue to be, as it has so far been, complete master of the situation. Law is a matter of not the slightest importance to them unless it is favorable to their interests. Congress enacted the law of June 20, 1874, to protect the public against these unjust and unlawful discriminations. It makes it a misdemeanor for any officer or agent to refuse equal rates, &c., and the punishment is a fine of \$1,000 and imprisonment not less than six months. It authorizes any person or company aggrieved to institute proceedings, &c., but what progress can an individual or bankrupt company make against a corporation whose net profits exceed \$8,000,000 per annum? Nothing but the strong arm of this Government can apply the remedy and compel a due observance of the law. It is the right and duty of the Government to proceed in this matter. Let the public know whether any corporation can successfully defy the law and Government of these United States. Let us know whether we have a Government able and willing to protect the people in their rights and privileges.

The obligations imposed by Congress have been and still are totally disregarded by the Union Pacific Company, and in retaliation and for self-defense, the Kansas Company has used the Denver Pacific to shut out the main line from the State of Colorado. While these com-



panies are quarreling over this question, the people of the country are still compelled to pay these exorbitant rates. The young and vigorous State which I have the honor to in part represent in this Chamber, is practically embargoed by the refusal of these roads to comply with the law. No article of commerce raised or manufactured, can be transported west of Cheyenne without paying more for freight, even for 57 miles, than is charged from Omaha to Ogden, a distance of 1,032 miles. I select a few examples of discrimination from late tariff rates by the car-load of ten tons. On bacon the charges from Cheyenne to Ogden exceed those from Omaha to Ogden \$45; for beans, \$35; for mess-beef, \$81; coal-oil, \$81; grain, \$88; hides, \$213.50; lard, \$71.50; lumber, \$70; powder, \$108; sugar, \$81. Excess of charges in a single train of fourteen cars for 516 miles over 1,032 miles is \$1,054.40. Neither Kansas, Colorado, nor Missouri can ship bacon, mess-beef, grain, live stock, &c., via Cheyenne, to any of the western States or Territories, and all are entirely shut out from the markets of Utah, Montana, Nevada, and other regions. Like discriminations are made by the Union Pacific Company in freight traffic by the hundred weight.

These rates are simply prohibitory of any shipments from the line of the Kansas Pacific to points on the Union Pacific west of Cheyenne. They are intended to compel all commerce with the region west of Cheyenne to traverse the entire line of the Union Pacific Railroad.

On all freight traffic from Sacramento and San Francisco, intended for points on the Kansas Pacific Railway, or via that road to points east or south of its eastern terminus, and on all traffic destined to the Pacific Coast, the same system of destructive discrimination is practiced. On ale and beer, bacon, bitters, canned goods, candles, coal-oil, dried fruit, hardware, iron and nails, liquors, (in wood,) stoves, and sugar, for example, the charge is greater between Cheyenne and San Francisco than between Omaha and San Francisco. The Central Pacific Railroad (from Ogden west) charges the same rates, whether the goods are from Omaha or Cheyenne.

On through passenger fares the rates are from Omaha to Ogden, first-class, \$54; emigrant, \$21.60; from Cheyenne, one-half the distance, it is first-class, \$46.50, emigrant, \$46.50, so that no passenger can go west to California or go east from California via Kansas Pacific branch without paying an overcharge of \$17.50 on first-class tickets.

There is a large emigrant travel from the seaboard cities westward, on which the emigrant rate from New York to San Francisco is \$60, of which the Union Pacific receives \$21.60 from Omaha to Ogden.

On the same class of business coming from the Kansas Pacific the Union Pacific charges a fare of \$46.50 between Cheyenne and Ogden, which is \$24.90 more for 516 miles than for 1,032 miles.

The mere statement of the preceding facts is enough, without argument, to show that the rates are intended to destroy all commerce which does not pass over the entire line of the Union Pacific Railroad; and that, if we may judge by its tariffs, neither passengers nor shippers have any rights that the Union Pacific Railroad is bound to respect.

The commerce between California and Colorado is already large and is constantly increasing, notwithstanding these villainous discriminations in freight by the Union Pacific Company. During the years 1875-76, the crops in Colorado were nearly all destroyed by grasshoppers, and our people had to depend on California and other States to supply the deficiency. Potatoes were purchased in Texas and shipped to Denver, a distance of over two thousand miles, cheaper than they could be had from Ogden, in Utah, about one-quarter the distance. On cabbage by the car-load the charges from Sacramento to Denver are \$515, distributed as follows: Sacramento to Ogden, 743 miles, \$195.50; Ogden to Cheyenne, 516 miles, \$229.50; Cheyenne to Denver, 106 miles, \$90. One firm in Denver purchased in California last year 160 car-loads of fruit, the freight rates being more to Denver than to Chicago. In car-load lots the rates from San Francisco per 100 pounds to Chicago are \$1.50; to Saint Louis, \$1.50; to New York, \$1.50; to Cincinnati, \$1.60; to Denver, \$1.94, or forty-four cents per 100 pounds more to Denver, being 1,000 miles less distance than the nearest of the other points named. The rate on bottled beer from Chicago to San Francisco in car-load lots is \$2 per 100 pounds, via the Union Pacific Railroad, distance about 2,400 miles. On one car-load of ten tons this would amount to \$400. This is the published tariff rate of the Union Pacific Railroad Company, yet we find them charging for one car-load of bottled beer, in May last, \$315 freight from Cheyenne to Laramie, only 57 miles west of the former place. This car-load came from the Kansas Pacific Railway and was delivered to the Union Pacific at Cheyenne. I hold in my hand the original freight-receipt of the Union Pacific Company, to show the truth of this statement. These illegal and outrageous discriminations are made to compel all shippers west to traverse the entire line of the Union Pacific Company. Although the Union Pacific skirts our northern boundary nearly 400 miles, and the Kansas branch traverses the State over 300 miles, the people of the State are thus, in open defiance of law, deprived of all the benefits of a through line, and to all persons traveling across the continent Colorado is a forbidden land.

During the month of July last it became necessary for the Government to send the Second Regiment of Infantry from Georgia to San Francisco. They went via the Kansas Pacific road to Cheyenne. From Cheyenne to Ogden, five hundred and sixteen miles, the Union Pacific Company charged \$46.50 per capita, or nine cents per mile, being the same rate for five hundred and sixteen miles as for ten

hundred and thirty-two miles. This account is unadjusted, and the papers are in the Quartermaster-General's Office now, pending settlement. This is in open violation of the acts of incorporation in regard to the transportation of troops and munitions of war.

Mr. President, I desire to discuss this subject fairly and candidly. I am a friend to railroads. They are the great promoters of civilization. When subsidized by the Government so lavishly with the money of the people I contend they ought to be operated for the benefit of the people; and especially when such stipulations are made and agreed upon as a condition of subsidy. Strip this question of all sophistry and state the plain, unvarnished facts and what do we find in regard to the conduct of the Union Pacific Company? First, we find not one dollar was ever risked in the payment for stock subscribed which was required to be paid in money by law. Second, we find the whole cost of construction to be in round numbers \$50,000,000. Third, we find the first mortgage bonds issued by the company and the bonds of the United States amounting together in round numbers to \$54,000,000, a sum fully equal to the whole cost of the construction of the road. Fourth, we find a stock and bonded debt account amounting to upwards of \$113,000,000, or a profit to the company above the cost of construction of about \$63,000,000, including the stock and junior bonds issued at par value. It must be borne in mind that through the aid of the Credit Mobilier of America the company itself constructed the road, and these immense profits were distributed as dividends between the stockholders. Income bonds and land-grant bonds were issued by the company and sold as low as 60 per cent., and the stock was taken at 30 per cent. in "road making," so that the net profits at cash value appeared to be "at least \$23,000,000."

In House Report No. 78, Forty-second Congress, third session, page 17, the committee say:

It appears, then, speaking in round numbers, that the cost of the road was \$50,000,000, which cost was wholly reimbursed from the proceeds of the Government bonds and first-mortgage bonds; and that from the stock, the income, and land-grant bonds, the builders received in cash value at least \$23,000,000 as profit, being a percentage of about 48 per cent. on the entire cost.

Also see House Report No. 77, third session of Forty-second Congress; also Report No. 440, first session, Forty-fourth Congress.

This, sir, is the company that agreed to operate their road as one connected continuous line with all the branches, so that—

in such operation and use to afford and secure to each equal advantages and facilities as to rates, time, and transportation, without any discrimination of any kind in favor of the road or business of any or either of said companies, or adverse to the road or business of any or either of the others.

Having successfully violated the law and defied the Government thus far, they propose to continue, and thus monopolize the through traffic of this entire continent. The president of the Union Pacific Company, in making his report to the stockholders, dated Boston, March 8, 1876, says:

Its coal traffic to-day, in its infancy, controls almost the entire fuel trade from the Missouri River to the Pacific coast, and as the manufacturing, furnaces, mills, and other powers become necessary, the traffic in this one product cannot to-day be estimated.

Again, he says:

And that for over one thousand miles long east and west, and three hundred miles wide north and south, are tributary to this one great artery.

If the Government *did* subsidize this company for the purpose of enriching it, and *not* to promote the public good and welfare of the people, as the law declares, then this ideal picture of a great monopoly, to which all the people of this great nation must pay tribute, is worthy of its master. But he is not satisfied with the control of the through traffic of this nation only; he expects to be able, to use his words, "to hold the great bulk of the travel and freight for the Pacific coast and for China and Japan and other ports in the Pacific Ocean." (See same report.)

Mr. President, I think I have shown that these roads are not operated according to the acts incorporating them; that they are operated in direct, open, and willful violation of the compact between them and the Government; that the object for which they were incorporated, and for which the Government expended so many millions of dollars and donated such an empire of lands, has been completely defeated, and that by reason of such violation of law the Government will eventually lose in one instance about \$15,000,000, unless a speedy remedy is provided. Now, sir, what is the remedy? No one can deny the power and authority of Congress to alter, amend, or repeal the act of incorporation absolutely and outright, for that was one of the conditions upon which the immense enlargement of the advantages and benefits granted these companies by the act of 1864 was imposed. The right to alter, amend, and repeal in the act of 1862 was restricted and conditioned, but in the act of 1864 it is without condition, and this is a part of the compact. Section 17 of the act of 1862 provides—

That if said roads are not completed, so as to form a continuous line of railroad ready for use, from the Missouri River to the navigable waters of the Sacramento River in California, by the 1st day of July, 1876, the whole of said railroads before mentioned, and to be constructed under this act, together with all their furniture, fixtures, rolling-stock, machine-shops, lands, tenements, and hereditaments, and property of every description, kind, and character, shall be forfeited to, and be taken possession of, by the United States.

How completed? "So as to form a continuous line of railroad ready for use," &c., says the law. It was completed in 1869 so as to obtain the bonds to be loaned by the United States when completed, but not completed so as to be liable to pay the Government 5 per cent. on



the net earnings of the road until five years afterward. By the terms of the charter the companies were to receive the subsidy bonds as they completed each section of forty miles, and by the terms of the same act were required when the roads were completed to pay 5 per cent. of net earnings to the Government until all the subsidy bonds and interest were fully paid by the companies.

By the same construction of the law I suppose the Union Pacific Company would claim they were not compelled to operate their road as required by law until July 1, 1876, as that is the date fixed by section 17 that these roads shall be completed, "so as to form one continuous line of railroad ready for use," &c.

More than one year has elapsed since that time, so that no excuse can be given for further default. It is a well-settled principle of law that an act of private incorporation is a contract between the Legislature and the corporation, and equally a well-settled principle of law that when corporations do not act up to the end or design for which they were incorporated their charters are forfeited. Who, then, can doubt that when specifications and conditions are imposed and openly and defiantly disregarded during a term of years, that the power is lodged with, and it is the duty of, the Government either to compel a due observance of the law on the part of such defaulting companies, or by the proper action at law to declare their charters forfeited and take immediate possession of their property of every kind and nature. In support of this position I refer to the following authorities:

High's Extraordinary Legal Remedies, volume on mandamus, quo warranto, and prohibition, page 41:

A corporate franchise is a species of incorporeal hereditament, in the nature of a special privilege or immunity, proceeding from the sovereign power and subsisting in the hands of a body-politic, owing its origin either to express grant or to prescription which presupposes a grant. It follows, therefore, that the sovereign power has the right at all times to inquire into the method of user of such franchise, or the title by which it is held, and to declare a forfeiture for misuser or non-user, if sufficient cause appear, or to render judgment of ouster if the parties assuming to exercise the franchises have no title thereto. And it may be stated, as a general rule, that wherever there has been a misuser or non-user of corporate franchises, which are of the very essence of the contract between the sovereign power and the corporation, and the acts complained of have been repeated and willful, they constitute just ground for a forfeiture in proceedings upon an information.

Commonwealth vs. The Commercial Bank, 29 Pa. State, 383, and see People vs. Kingston and Middleton Turnpike, 23 Wendell, 193:

The extent of misuser necessary to work a forfeiture is very clearly stated in the opinion of the court by Judge Lewis, as follows:

These acts are expressly prohibited in the fundamental articles.

The question then arises, do these constant and willful violations of the fundamental conditions upon which the charter was granted entitle the Commonwealth to demand its forfeiture? The question is not whether a single act, or even a series of acts of misuser, through inadvertence or mistake, may work a forfeiture, but whether the constant and willful violation of these important conditions of the grant produce that effect? Mr. Justice Story, in delivering the judgment of the Supreme Court of the United States, *Mumma vs. Potomac Company*, held that—

"A corporation, by the very terms and nature of its political existence, is subject to dissolution by forfeiture of its franchises for willful misuser and non-user. (See 8 Peters's Report, page 287.)"

Many years before that decision was announced the same principle was fully recognized by the same high authority in *Truett et al. vs. Taylor et al.*, 9 Cranch, 43, where the right of forfeiture for misuser or non-user was held to be the common law of the land and a tacit condition annexed to the creation of every corporation. It is now well settled by numerous authorities that it is a tacit condition of a grant of incorporation that the grantees shall act up to the end or design for which they were incorporated; and hence, through neglect or abuse of its franchises, a corporation may forfeit its charter, as for condition broken, or for a breach of trust. (See *Angell & Ames on Corporations*, paragraph 776, and the cases there cited.) In the case of *The Attorney-General vs. The Petersburg and Roanoke Railroad Company*, 6 Iredell, 461, it was held the omission of an express duty prescribed by charter is a cause of forfeiture, and that as implied powers are as much protected by law as those which are expressed, implied duties are equally obligatory with duties expressed and their breach is visited by the same consequences.

It may be affirmed as a general principle that where there has been a misuser or a non-user in regard to matters which are of the essence of the contract between the corporation and the State, and the acts or omissions complained of have been repeated and willful, they constitute a just ground of forfeiture.

State Bank vs. The State, (see No. 1, Blackford's Reports, page 279):

The existence of the corporation depends on the implied condition that it will not violate its charter. . . . The president and directors of the corporation become the agents of the stockholder, and if they violate the conditions on which he enjoys this privilege, his privilege is immediately subject to forfeiture by this act of his agents. Nor will the regard which the Constitution has for private property secure such property from annihilation by a dissolution of the corporation. So that we see nothing in the Constitution to prevent the seizure of those franchises, let the effect upon private property be what it may. And there can be no doubt but that this judgment, so far as it authorizes a seizure of the franchises into the custody of the State, is warranted by law. When it appears that the liberty has been once granted, and its forfeiture by misuser or non-user, the judgment shall be that it be seized into the king's hands. (Year Book, 15 edition, page 4, cited in 2 Kyd on Corporations, 402.) And such appears to be the law at present.

Angell & Ames, paragraph 803, say:

The duties assigned by an act of incorporation are conditions annexed to the grant of the franchise conferred; hence non-compliance with the requirements of an act incorporating a turnpike company, as to the construction of the road, is *per se* a misuser forfeiting the privileges and franchises of the company. Indeed, the non-performance of a particular act required by the charter is a cause of forfeiture, &c. (*Att'y Gen'l vs. Petersburg R. Company*, 6 Iredell, 456.)

Precedents:

Angell & Ames, page 22:

Private corporations, on the other hand, are created by an act of the Legislature, which, in connection with its acceptance, is regarded as a compact, and one which,

so long as the body corporate faithfully observes, the Legislature is constitutionally restrained from impairing.

Private corporations are in the nature of a contract; this is a well-settled principle of law.

Angell & Ames, paragraph 81:

It was once doubted whether the *being* of a corporation could be forfeited by a misapplication of the powers intrusted to it; but it is now well settled that it is a tacit condition of a grant of incorporation that they shall act up to the end or design for which they were incorporated, and hence through neglect or abuse of its franchise a corporation may forfeit its charter as for condition broken or for a breach of trust.

Terrett and others vs. Taylor and others, (see 9 Cranch's Report, 51:)

A private corporation created by the Legislature may lose its franchises by a misuser or a non-user of them; and they may be resumed by the Government under a judicial judgment upon a *quo warranto* to ascertain and enforce the forfeiture. This is the common law of the land, and is a tacit condition annexed to the creation of every such corporation.

Dartmouth College vs. Woodward, (see 4 Wheaton, 658 and 659:)

The charter of a corporation, says Mr. Justice Blackstone, may be forfeited through negligence or abuse of its franchises, in which case the law judges that the body-politic has broken the condition upon which it was incorporated, and thereupon the corporation is void.

The Chesapeake and Ohio Canal Company vs. The Baltimore and Ohio Railroad Company, (see 4 Gill. and Johnson's Reports, 4 and 5.)

A corporation may forfeit its charter by non-use, of its franchises; but it is well known that such forfeiture can only be enforced by judicial proceedings instituted for that purpose at the instance of the Government by the forfeiture of its charter through abuse or neglect of its franchises, as for a condition broken, there being a tacit condition in every such grant that the corporation shall act up to the end of its institution.

Commonwealth vs. The Union Fire and Marine Insurance Company, in Newburyport, Massachusetts, (see 2 Mass. Reports, 230 and 233:)

We are well satisfied that a corporation, as well when created by charter under the seal of the Commonwealth, as by statute of the Legislature, may by non-feasance or malfeasance forfeit its franchises and that by judgment on an information the Commonwealth may seize them. And if the allegations stated in the motion for a ruling in this case were true, and the Commonwealth had caused an information to be filed and prosecuted for the purpose of seizing the corporate franchises for such a malfeasance, judgment for those causes might have been rendered for the Commonwealth.

But an information for the purpose of dissolving the corporation or of seizing its franchise cannot be prosecuted but by authority of the Commonwealth, to be exercised by the Legislature, or by the attorney or solicitor general, acting under its direction or *ex officio* in its behalf, for the Commonwealth may waive any breaches of any condition, expressed or implied, on which the corporation was created; and we cannot give judgment for the seizure by the Commonwealth of the franchises of any corporation, unless the Commonwealth be a party in interest to the suit and thus assenting to the judgment.

I contend that this Government has the right to declare the charter of any company organized by act of Congress, and subsidized by Congress, forfeited for willful violations of conditions implied or expressed in said charter, and I contend, in the cases referred to, it is the duty of the Executive branch of the Government to do so, unless legal impediments exist to prevent such immediate action. If it shall be found that the legal officer of the Government is not authorized, and the fourth section of the act of April 10, 1869, does not continue special authority in him, to investigate whether or not the charter and all the franchises of the Union Pacific Railroad Company and other defaulting companies have not been forfeited, then I shall urge upon this Congress to provide such authority and direction, to the end that the people of this country may no longer be denied the rights and privileges so justly due them.

I have thus attempted, in my feeble way, to give utterance and voice to the complaints of the people on the subject of these railroad extortions. The hour has arrived for the Government to take action, if it does not intend to abandon the people to the rapacity of these railroad corporations. The question is a simple one; no amount of sophistry can becloud it; no veneering can cover or alter its features. Shall railroads built by the people's money be operated in the interests of the people? Shall the will of the nation, expressed in its laws, be heard or stifled? Shall corporations which have mercilessly plundered States and communities compel the Government to surrender, or shall the Government vindicate its power by compelling its creatures to act legally and justly?

Mr. President, I ask for the present consideration of the resolution.

Mr. SAUNDERS. Mr. President, I hold in my hand a dispatch I received a few moments ago from my town of Omaha, which I should like to have read for the information of the Senate.

The VICE-PRESIDENT. The paper will be read.

The Chief Clerk read as follows:

OMAHA, November 12, 1877.

To ALVIN SAUNDERS:

The question whether the Kansas Pacific, Denver Pacific, and Burlington and Missouri River are branches of the Union Pacific, and what their rights are in respect to prorating, is now pending before Judge Dillon, and will be argued on Thursday. An early decision may be expected. I hope there will be no legislation by Congress while the judicial question is pending in the court.

A. J. POPPLETON.

Mr. SAUNDERS. I will state that Mr. Poppleton is the attorney for the Union Pacific Railroad, and there is no doubt that this information is correct. The case is known all over the country. There are a large number of people who believe that this is a legal question rather than a question requiring action by Congress; and inasmuch as the matter is now before the courts, and will probably be decided



before any action can be taken here, I hope no further steps will be taken here, but that a little time will be given at least to hear the result of the trial in court. If the question should be pressed for action now, evidently those connected with the main line will want to be heard. For the purpose of giving time to let us hear of the action of the court, I move that this resolution be laid on the table.

The VICE-PRESIDENT. The Senator from Nebraska moves to lay the resolution on the table—

Mr. CHAFFEE. I hope that will not be done. This is a mere inquiry of the President.

The VICE-PRESIDENT. The motion is not debatable.

Mr. CHAFFEE. Unless some Senator signifies his desire to speak on the resolution, I trust it will be considered now.

The VICE-PRESIDENT. The motion to lay on the table is in order and is not debatable.

Mr. SAUNDERS. I will simply answer the question of the Senator that I do wish to say something on it, but am not prepared to do so this morning, because I want to examine the figures he has presented.

Mr. CHAFFEE. Certainly, then I am perfectly willing to let it lie aside if the Senator from Nebraska desires to speak on it.

The VICE-PRESIDENT. The resolution goes over.

#### JOINT RESOLUTIONS INTRODUCED.

Mr. CAMERON, of Wisconsin, asked, and by unanimous consent obtained, leave to introduce a joint resolution (S. R. No. 4) to aid the Winnebago Indians of Wisconsin to obtain subsistence by agricultural pursuits, and to promote their civilization; which was read twice by its title, and referred to the Committee on Indian Affairs.

Mr. CAMERON, of Pennsylvania, asked, and by unanimous consent obtained, leave to introduce a joint resolution (S. R. No. 5) authorizing Rear-Admiral William Reynolds, of the United States Navy, to accept certain presents tendered him by Kings of Siam; which was read twice by its title, and referred to the Committee on Foreign Relations.

#### STATUE OF GENERAL GREENE.

Mr. ANTHONY asked, and by unanimous consent obtained, leave to introduce a joint resolution (S. R. No. 6) fixing a site for the equestrian statue of General Greene; which was read twice by its title.

Mr. ANTHONY. I ask for the present consideration of the joint resolution. This is a statue heretofore ordered by Congress which has been completed. It is the opinion of members of the Committee on Public Buildings and Grounds and of the artist that the intersection of Maryland and Massachusetts avenues on the east of the Capitol is the most eligible site.

The joint resolution was read at length, as follows:

*Resolved*, That the statue of Major-General Nathaniel Greene, ordered by Congress, be erected at the intersection of Maryland and Massachusetts avenues.

Mr. DAWES. I would inquire of the Senator from Rhode Island if the matter has been heretofore under consideration by the Committee on Public Grounds so that at any time they have passed upon it?

Mr. ANTHONY. I am not aware that it has been formally referred to them.

Mr. DAWES. I do not know but that the site named is precisely the proper place; and if it has been before the committee heretofore, I might be entirely satisfied.

Mr. ANTHONY. I think it has not been.

Mr. DAWES. Would it not be well to have it before the committee?

Mr. ANTHONY. I have no objection.

Mr. MORRILL. I hope the chairman of the Committee on Public Buildings and Grounds will not object to the passage of the resolution at the present moment.

Mr. DAWES. I have no objection if the Senator from Vermont, who has been so long at the head of that committee, has considered the subject. I have no opinion of my own.

Mr. MORRILL. I will say that in company with the artist and some others I have gone all over the city for the purpose of finding an appropriate place for this statue. On the whole, it was considered by the artist himself that the place proposed by the Senator from Rhode Island is the most fit and proper for the location of this statue, which will be a large equestrian one, and I think honorable to the artist and to the country. This place is two or three squares from the Capitol, in plain sight of the center of the Capitol, and a large square, yet unimproved, although curbed, and will be a very conspicuous object on Massachusetts avenue, which is destined to be perhaps the grand boulevard of the city when the Baltimore and Ohio Railroad depot shall be removed to the north of Massachusetts avenue, as has been long contemplated. I believe that the Senate would agree unanimously to this place which has been selected by the artist, and I hope there will be no objection to it.

Mr. SAULSBURY. I desire to ask the Senator from Vermont if the question of location has been before the Committee on Public Buildings and Grounds?

Mr. MORRILL. I believe by existing law it was provided that the Committee on Public Buildings and Grounds should be permitted to select a place upon the Capitol grounds, but we find no place upon the Capitol grounds that we deem appropriate for the object, and therefore, as I have said, upon consultation with the artist, I have been all

over the city, nearly, to find a proper place, and came to the conclusion that this was the best place in the city for it.

Mr. DAWES. My object in making the inquiry was to see that these statues, which are for the adornment of the Capital, should really get their ultimate position in the best possible places; and it is obvious that unless there be some consideration more than is given in open Senate upon the day a resolution is offered, there would be likely to be a mistake, not in this particular instance that I had any suspicion of, and I desired to know whether the Committee on Public Buildings and Grounds had given any consideration to the question of a suitable place. If the Senator from Vermont has made up his mind about it from careful consideration, I have no desire to say anything further or do more than have a proper precedent established.

Mr. CONKLING. What is the pending motion, Mr. President?

The VICE-PRESIDENT. The parliamentary question would be, the joint resolution having been read twice, whether it shall be engrossed and read a third time.

Mr. CONKLING. Is this joint resolution reported by a committee?

Mr. ANTHONY. It is not.

Mr. CONKLING. Without meaning to oppose the joint resolution at all, I should be glad for one to have it printed and lie over. I think it ought to go to a committee. I should like to know at least where this locality is, which I am not able to determine by looking at the joint resolution.

The VICE-PRESIDENT. The joint resolution goes over under the rule.

Mr. ANTHONY. I move that the joint resolution be referred to the Committee on Public Buildings and Grounds instead of lying over.

The VICE-PRESIDENT. The Chair hears no objection, and that order is made.

#### CORRECTION OF A BILL.

Mr. SPENCER. On the 6th of November I introduced a bill (S. No. 214) for the relief of George V. Hebb. The bill was referred to the Committee on Claims. I notice that in the printed copy of the bill the name is George V. Webb. I move that the record be changed so as to make it "Hebb."

The VICE-PRESIDENT. That correction will be made.

#### ACCOUNTS OF THE TREASURY DEPARTMENT.

Mr. DAVIS, of West Virginia. I understand that to-morrow the Senator from Texas [Mr. MAXEY] is to address the Senate on a resolution which he offered a day or two ago. On Thursday morning I shall ask the Senate to listen to me for some brief explanation of the discrepancies, &c., in the Treasury Department, on the resolution I introduced some days ago.

#### EXECUTIVE SESSION.

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

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

## HOUSE OF REPRESENTATIVES.

TUESDAY, November 13, 1877.

The House met at twelve o'clock m. Prayer by Rev. DAVID WILLS, D. D., of Washington, District of Columbia.

The Journal of yesterday was read and approved.

#### MESSAGE FROM THE PRESIDENT.

Two messages in writing, from the President of the United States, were communicated to the House by Mr. PRUDEN, one of his secretaries.

#### ORDER OF BUSINESS.

Mr. BLOUNT. I desire to move to go into Committee of the Whole.

Mr. SCALES. I ask the gentleman to yield to me to introduce a bill simply for reference.

Mr. BLOUNT. I will yield for that purpose.

#### F. F. CULVER.

Mr. SCALES, by unanimous consent, introduced a bill (H. R. No. 1476) for the relief of F. F. Culver; which was read a first and second time, referred to the Committee on Indian Affairs, and ordered to be printed.

#### EDWARD GALLAHER.

Mr. STEPHENS, of Georgia, by unanimous consent, introduced a bill (H. R. No. 1477) for the relief of Edward Gallaher; which was read a first and second time, referred to the Committee on War Claims, and ordered to be printed.

#### CHEAP LAND AND WATER TRANSPORTATION.

Mr. BANKS, by unanimous consent, introduced a bill (H. R. No.

1478) to extend, facilitate, and cheapen land and water transportation of freight and passengers, and to promote industry and labor without further appropriation of public property or increase of public debt; which was read a first and second time, referred to the Committee of Ways and Means, and ordered to be printed.

REAR-ADMIRAL JOHN J. ALMY.

Mr. EAMES, by unanimous consent, introduced a joint resolution (H. R. No. 47) authorizing Rear-Admiral John J. Almy, United States Navy, to accept a decoration from the King of the Hawaiian Islands; which was read a first and second time, referred to the Committee on Foreign Affairs, and ordered to be printed.

JAMES M. JOHNS.

Mr. BURDICK. I ask unanimous consent to submit for reference at this time a resolution which I send to the Clerk's desk.

The Clerk read as follows:

*Resolved*, That the Clerk of the House of Representatives be, and he is hereby, authorized and directed to pay to James M. Johns the sum of \$300 for services as messenger from the 4th day of December, 1876, to the 4th day of March, 1877, to be paid out of the contingent fund of the House of Representatives.

Mr. BURDICK. I move that that resolution be referred to the Committee of Claims.

The SPEAKER. The Chair suggests that it should go to the Committee of Accounts.

Mr. BURDICK. I ask its reference to the Committee of Claims, because it relates to a claim that accrued during the last Congress.

The SPEAKER. It proposes to make a payment out of the contingent fund of the House, and for that reason it should go to the Committee of Accounts.

Mr. BURDICK. I have no objection.

The resolution was accordingly referred to the Committee of Accounts.

A. B. ROWDEN.

Mr. EDEN, by unanimous consent, reported back from the Committee on War Claims the petition of A. B. Rowden, of Meigs County, Tennessee, late second lieutenant Eleventh Tennessee Cavalry, for compensation for service; moved that the committee be discharged from the further consideration of the same, and that it be referred to the Committee on Military Affairs.

The motion was agreed to.

FRANK M. SHELL.

Mr. WILLIS, of Kentucky, by unanimous consent, submitted the following resolution; which was referred to the Committee on the Rules:

*Resolved*, That Frank M. Shell be, and he is hereby, appointed a messenger of the House of Representatives for the Forty-fifth Congress with an annual salary of \$1,200 to be paid out of the contingent fund of the House, for service in the Special Committee on the Revision of the Electoral Law, the Special Committee on Ventilation, and such other special committees as may be ordered by the House.

A. D. COOKE & CO.

Mr. WAIT, by unanimous consent, introduced a bill (H. R. No. 1479) for the relief of A. D. Cooke & Co., by the remission of a forfeiture and payment of a claim; which was read a first and second time, referred to the Committee of Claims, and ordered to be printed.

IMPROVEMENT OF POTOMAC RIVER.

Mr. WALSH, by unanimous consent, submitted the following resolution; which was referred to the Committee on Commerce:

*Resolved*, That the Secretary of War be, and he is hereby, requested to ascertain the probable cost of the removal of the rocks in the channel of the Potomac River between Georgetown, District of Columbia, and the new outlet-locks of the Chesapeake and Ohio Canal above said Georgetown, and report the same before the close of the present session of Congress.

G. J. HOUSTON.

Mr. CALDWELL, of Kentucky, by unanimous consent, submitted the following resolution; which was referred to the Committee of Accounts:

*Resolved*, That the Clerk of the House of Representatives be, and he is hereby, directed to pay to G. J. Houston the sum of \$295.33 $\frac{1}{2}$  out of the contingent fund, balance due him for services rendered as laborer in the Doorkeeper's department of the House of Representatives during the second session of the Forty-fourth Congress.

DIGEST OF QUESTIONS OF ORDER, ETC.

Mr. SPRINGER, by unanimous consent, submitted the following resolution; which was referred, under the law, to the Committee on Printing:

*Resolved*, That 2,000 copies of the volume of Questions of Order decided in the Organization of the House as compiled and revised by the journal clerk, be printed for the use of the House.

JOHN M. BUTLER.

Mr. GLOVER, by unanimous consent, submitted the following resolution; which was referred to the Committee of Accounts:

*Resolved*, That the Clerk of the House of Representatives be, and he is hereby, authorized to pay out of the contingent fund of the House the sum of \$348 to John M. Butler, of Washington, District of Columbia, for labor and services performed in assorting and classifying public papers and property of the House and as custodian of the same by the direction of a select committee of the House, from September 1 to November 26, 1876.

H. T. BURROWS.

Mr. FULLER, by unanimous consent, submitted the following resolution; which was referred to the Committee of Accounts:

*Resolved*, That the Clerk of the House be, and he is hereby, authorized and directed to pay to H. T. Burrows, for services in the Doorkeeper's department, compensation at the rate of \$3.60 per diem, from August 15, 1876, to October 27, 1876; the same to be paid out of the contingent fund of the House.

BEAUFORT C. LEE.

Mr. HARTRIDGE, by unanimous consent, submitted the following resolution; which was referred to the Committee of Accounts:

*Resolved*, That the Clerk of the House of Representatives pay Beaufort C. Lee for services rendered in the Doorkeeper's department from March 1 to October 15, 1877, at the rate of \$720 per annum.

JOHN WHITTAKER.

Mr. REAGAN, by unanimous consent, reported back from the Committee on Commerce a bill (H. R. No. 1232) authorizing the Secretary of the Treasury to adjust the claim of John Whittaker against the United States of America; moved that the committee be discharged from its further consideration and that it be referred to the Committee of Claims.

The motion was agreed to.

DEED-OF-TRUST SALES IN DISTRICT OF COLUMBIA.

Mr. CALKINS, by unanimous consent, introduced (by request) a bill (H. R. No. 1480) to prevent the sale of real estate in the District of Columbia by virtue of any power in a mortgage or deed of trust and to authorize a foreclosure and sale by decree of court; which was read a first and second time, referred to the Committee on the Judiciary, and ordered to be printed.

PRIVATE LAND CLAIMS.

Mr. ITTNER, by unanimous consent, introduced a bill (H. R. No. 1481) to provide for ascertaining and settling private land claims in certain States and Territories; which was read a first and second time, referred to the Committee on Private Land Claims, and ordered to be printed.

LEVI J. FRIEL.

Mr. NEAL, by unanimous consent, introduced a bill (H. R. No. 1482) to authorize the Secretary of the Interior to place upon the pension-roll Levi J. Friel, late private Company K, Seventy-seventh Regiment Ohio Volunteer Infantry; which was read a first and second time, referred to the Committee on Invalid Pensions, and ordered to be printed.

PORTSMOUTH, OHIO, A PORT OF ENTRY.

Mr. NEAL also, by unanimous consent, presented a memorial of the city council, board of trade, and citizens of Portsmouth, Ohio, praying that said city be made a port of entry, and for other purposes; which was referred to the Committee on Commerce, and ordered to be printed.

THOMAS LOWRY.

Mr. SHALLENBERGER, by unanimous consent, introduced a bill (H. R. No. 1483) granting a pension to Thomas Lowry, late a sergeant of Company A, One hundred and forty-seventh Regiment Pennsylvania Volunteers; which was read a first and second time, referred to the Committee on Invalid Pensions, and ordered to be printed.

SIGNAL SERVICE.

Mr. CLAFLIN, by unanimous consent, presented a resolution of the National Board of Trade, in regard to the Signal Service; which was referred to the Committee on Commerce, and ordered to be printed.

HELP TO IMMIGRANT LABORERS.

Mr. WHITE, of Pennsylvania, by unanimous consent, submitted the following preamble and resolution; which were referred to the Committee on Public Lands, and ordered to be printed:

Whereas a large portion of the laboring population of the country, particularly in Pennsylvania, is unemployed and has determined to engage in agricultural pursuits by immigrating to the West and settling on the public lands; and

Whereas a large portion of such people have sent their petitions to Congress reciting their desire to so immigrate and their inability to do so for want of transportation and the necessary implements of husbandry, and asking assistance of the Government: Therefore,

*Resolved*, That the Committee on Public Lands be, and is hereby, instructed to consider and report what assistance can be given by the Government to such citizens who desire to immigrate to the West to take up a homestead and engage in agricultural pursuits, and that such committee report at as early a day as practicable by bill or otherwise.

Mr. WHITE, of Pennsylvania. I also present a petition to accompany that resolution.

The SPEAKER. The petition will be presented and referred at the desk under the rules.

Mr. WRIGHT. To what committee has that matter been referred?

The SPEAKER. To the Committee on Public Lands, of which the gentleman himself is a member.

Mr. WRIGHT. That is where it ought to go, and I will try to take care of it.

WITHDRAWAL OF NATIONAL-BANK CIRCULATION.

Mr. TOWNSEND, of Illinois. I ask unanimous consent to submit for action at this time the following resolution.

The Clerk read as follows:

*Resolved*, That the Committee on Banking and Currency be instructed to inquire into the expediency of withdrawing the national-bank circulation and winding up



the national banks, and in lieu of said circulation providing the country with greenbacks or other currency of similar character; and that they report by bill or otherwise.

Mr. MAISH. I object to the consideration of the resolution at this time.

Mr. TOWNSHEND, of Illinois. Let it go, then, to the Committee on Banking and Currency.

The resolution was so referred.

#### CHANGE OF REFERENCE.

On motion of Mr. DAVIS, of North Carolina, by unanimous consent, the Committee of Claims was discharged from the further consideration of the following cases, and the same were referred to the Committee on War Claims:

A bill (H. R. No. 1022) for the benefit of Nathan G. Wells, of Russell County, Kentucky;

A bill (H. R. No. 625) for the relief of Josiah Cunningham;

A bill (H. R. No. 724) for the relief of Eva Vansant, Henry Carleton, and Mand Carleton, children of General James H. Carleton;

A bill (H. R. No. 1023) for the benefit of William D. Walford, of Russell County, Kentucky;

A bill (H. R. No. 969) for the relief of Balaam A. Bridges, of Barton County, Georgia; and

A bill (H. R. No. 1928) for the relief of Elias B. Moore.

#### JOAB SPENCER AND JAMES MEAD.

On motion of Mr. DAVIS, of North Carolina, also, by unanimous consent, the same committee was discharged from the further consideration of the bill (H. R. No. 819) for the relief of Joab Spencer and James Mead, for supplies furnished the Kansas tribe of Indians; and the same was referred to the Committee on Indian Affairs.

#### V. H. McCORMICK.

On motion of Mr. DAVIS, of North Carolina, also, by unanimous consent, the same committee was discharged from the further consideration of a resolution authorizing compensation to V. H. McCormick, special messenger at Washington to the Committee on the Freedman's Savings and Trust Company; and the same was referred to the Committee of Accounts.

#### REPORT OF MONETARY COMMISSION.

Mr. BLAND. I ask unanimous consent to submit the following resolution for action at this time.

Mr. BLOUNT. I do not yield to anything that will give rise to debate.

Mr. BLAND. I ask the gentleman to hear the resolution read; it is a matter of some importance.

Mr. BLOUNT. I am willing to have it read.

The Clerk read as follows:

*Resolved*, That there be printed for the use of this House 10,000 additional copies of the report of the monetary commission authorized by joint resolution of August 15, 1876, together with the papers accompanying the same, as now printed by order of the Senate without the evidence.

The SPEAKER. That must go to the Joint Committee on Printing, under the rules.

Mr. BLAND. I ask unanimous consent to consider it now.

Mr. HEWITT, of New York. I object.

The SPEAKER. Does the gentleman ask to have the resolution referred to the Committee on Printing?

Mr. BLAND. I do not.

#### ALLARD & CROZIER.

Mr. BOONE, by unanimous consent, introduced a bill (H. R. No. 1484) for the relief of Allard & Crozier, of McCracken County, Kentucky; which was read a first and second time, referred to the Committee on War Claims, and ordered to be printed.

#### W. H. SLACK.

Mr. BOONE also, by unanimous consent, introduced a bill (H. R. No. 1485) for the relief of W. H. Slack, of McCracken County, Kentucky; which was read a first and second time, referred to the Committee on War Claims, and ordered to be printed.

#### W. S. WARRICK.

Mr. BOONE also, by unanimous consent, submitted the following resolution; which was referred to the Committee of Accounts:

*Resolved*, That the Clerk of the House be, and he is hereby, authorized and directed to pay to W. S. Warrick, out of the contingent fund of the House, \$17.50 for services as page of the House of Representatives from October 15, 1877, to October 22, 1877.

#### SAVINGS INSTITUTIONS.

Mr. WILLIS, of New York. I ask unanimous consent to present the memorial of the Board of Trade and Transportation of the city of New York, for the appointment of a joint commission to investigate our system of savings institutions; and I ask that it be referred to the Committee on Banking and Currency and printed in the CONGRESSIONAL RECORD.

Mr. FOSTER. I object to the printing.

Mr. WILLIS, of New York. I think if the memorial is read, there will be no objection. I ask that it be read.

The SPEAKER. The objection made is to printing in the RECORD. Mr. WILLIS, of New York. I respectfully ask that the memorial be read.

The SPEAKER. That does not put it in the RECORD. The gentleman from Ohio objects to its going into the RECORD.

Mr. FOSTER. I object to the printing of all such things. We are now too much lumbering up the RECORD.

Mr. WILLIS, of New York. I ask unanimous consent to withdraw the memorial.

The SPEAKER. The gentleman has that privilege.

#### MRS. MAGGIE A. ELLIOTT.

Mr. RIDDLE, by unanimous consent, introduced a bill (H. R. No. 1486) for the relief of Mrs. Maggie A. Elliott, of Sumner County, Tennessee; which was read a first and second time, referred to the Committee on War Claims, and ordered to be printed.

#### MESSAGES FROM THE PRESIDENT.

The SPEAKER. The Chair lays before the House a communication from the President of the United States.

The Clerk read as follows:

#### To the House of Representatives:

In answer to the resolution of the House of Representatives of the 1st instant, I transmit herewith reports from the Secretary of State and the Secretary of War; with their accompanying papers.

R. B. HAYES.

WASHINGTON, November 12, 1877.

Mr. SCHLEICHER. I move that the message of the President and the accompanying documents be referred to the Committee on Foreign Affairs, and that they be printed.

The motion was agreed to.

The SPEAKER. The chair also lays before the House another message from the President.

The Clerk read as follows:

#### To the House of Representatives:

In answer to the resolution of the House of Representatives of the 5th instant, I transmit herewith reports from the Secretary of State and the Secretary of the Treasury, with their accompanying documents.

R. B. HAYES.

WASHINGTON, November 12, 1877.

Mr. WOOD. I move that the message and the accompanying documents be referred to the Committee of Ways and Means, and that they be printed.

The motion was agreed to.

#### NAVY DEFICIENCY BILL.

Mr. FOSTER. I call for the regular order.

The SPEAKER. The gentleman from Ohio demands the regular order, which is the motion of the gentleman from Georgia, [Mr. BLOUNT.] The gentleman from Georgia will please state his motion.

Mr. BLOUNT. I move that the House resolve itself into Committee of the Whole on the state of the Union, for the purpose of considering the bill (H. R. No. 1220) to provide for certain deficiencies in the pay of the Navy and the pay of the Marine Corps, and for other purposes; and pending that motion I move that all general debate on the bill be limited to two hours.

The question being taken on the motion to limit general debate to two hours, it was agreed to.

Mr. BLOUNT. I move to reconsider the vote just taken, and also move that the motion to reconsider be laid upon the table.

The latter motion was agreed to.

The motion that the House resolve itself into Committee of the Whole was agreed to.

The House accordingly resolved itself into Committee of the Whole on the state of the Union, (Mr. BLACKBURN in the chair,) and proceeded to consider the bill (H. R. No. 1220) to provide for certain deficiencies in the pay of the Navy and the pay of the Marine Corps, and for other purposes.

The CHAIRMAN. By order of the House, general debate on the bill is limited to two hours. The Clerk will report the bill by its title.

The bill was read by its title.

Mr. BLOUNT. I move that the first reading of the bill be dispensed with.

There was no objection, and it was so ordered.

Mr. BLOUNT. Mr. Chairman, I am somewhat surprised that the Secretary of the Navy should designate the deficiencies in the present bill as belonging to the last quarter of the last fiscal year. There are certain facts and certain statutes regulating the administration of the Navy, which I trust the House will bear with me in presenting.

For several years during the administration of the Navy Department under Secretary Robeson it will be found that the estimates made for the pay of the Navy were \$6,500,000. Such is the case for 1872, 1873, and 1874. In 1875 the estimates were \$6,600,000. Suddenly when the House becomes democratic we are at once informed that it requires \$7,600,000 to pay eighty-five hundred men. For 1878 the estimates are \$7,300,000.

The amount appropriated by the House in 1872 for pay of the Navy was \$6,500,000; in 1873, \$6,250,000; in 1874, \$6,250,000, on the regular bill, with \$300,000 additional extraordinary expenses for pay of the Navy during our trouble, or anticipated trouble, with Spain. In 1875 \$6,250,000 were appropriated. It will be seen that up to this period, up to the period when the democratic party came in possession of this House, by the estimates from the Department and by the appropriation bills, \$6,250,000 were deemed adequate for the pay of the Navy.

In the second volume of the CONGRESSIONAL RECORD for 1873-'74, on this very subject, the distinguished gentleman from Ohio, [Mr. GARFIELD,] then chairman of the Committee on Appropriations, used the following language:

Also, in this letter, he said:  
"I am enlisting men to supply and fill up the crews of all our vessels."  
What does that mean? Manifestly that our Navy, which was already enlisted to its full complement, was afloat on the sea, and that the Secretary was putting more ships in commission, and was enlisting men to fill up the crews of those new vessels thus put in commission; a plain, palpable statement that he was then filling up the naval force beyond the limit fixed in the law. Nobody was taken by surprise. Everybody understood it. Everybody approved it, except those who claimed that the administration had not gone far enough.

The Committee on Appropriations considered that letter and called the Secretary to explain more fully the situation, to show for what purpose the four millions would be needed. The Secretary gave us the statement of the repairs he had ordered, of the supplies he had purchased, and of the sum he would need to reimburse the several bureaus for the expenditures required by the trouble with Spain.

I now call the especial attention of the House to this:

Among other sums he asked for \$300,000 for the pay of enlisted men. In the bill reported by the committee, and passed by the House on the 13th of December, the first item was "for pay of Navy, \$300,000." Was that a surprise to the gentleman? There was no need of \$300,000, except for the purpose of paying more men than were already provided for by law. In our naval appropriation act of last year, we had appropriated for the pay of eighty-five hundred men. Gentlemen will see this in the language of the Book of Estimates, page 77, where *enough* was asked and granted to pay the full quota of men. Why, then, did we appropriate \$300,000 more if it was not for these very extra men that the Secretary said in his letter he was then enlisting in the Navy?

My colleague on the committee from Maine [Mr. HALE] used the following language in that same discussion, and which will be found on page 494 of the same volume:

Mr. Chairman, the committee in making up this bill has planted itself on this position: Wherever any part of the \$4,000,000 appropriated in December last enters into the improvement of the regular cruising Navy which we are to keep up in time of peace, corresponding deduction has been made in the appropriations for the coming year. Wherever stores derived from that appropriation have accumulated in any of the bureaus that can be used in the ordinary naval service, such amounts have been deducted. Wherever enterprises that have been begun can be dispensed with, they have been cut off. Wherever there has been found too large civil force in the Department, in its navy yards, the committee has put the knife to these establishments and has cut them down. I give some of the details as to different bureaus. Here are the figures for the present and next year, showing the reductions in the different bureaus:

Bureau, &c.	1873-'74.	1874-'75.	Reduction.
Pay	\$6,250,000	\$6,250,000	
Contingent	100,000	100,000	
Navigation	325,900	199,350	\$126,550
Ordnance	633,516	455,000	178,516
Equipment and Recruiting	1,500,030	1,100,000	400,000
Contingent	125,000	75,000	50,000
Yards and Docks	900,000	800,000	100,000
Naval Asylum	58,478	53,273	5,205
Medicine and Surgery	90,000	60,000	30,000
Provisions and Clothing	1,592,600	1,330,000	262,600
Contingent	75,000	50,000	25,000
Construction and Repair	3,500,000	3,300,000	200,000
Steam-Engineering	2,300,000	1,500,000	800,000
Naval Academy			34,000
Marine Corps	1,145,267	877,606	267,670
			2,474,832
Civil establishment	255,000	153,000	102,000
Hospitals	65,263	99,161	26,107
			2,602,939

The Pay Department is a matter fixed by law; that, of course, has not been interfered with. All these are reductions in the running expenses of the Department, inclusive.

Now, Mr. Chairman, in view of these facts, the Committee on Appropriations were somewhat astounded when suddenly after a lapse of years we were told that it required \$7,600,000 for the pay of the Navy. The present Speaker of the House, the gentleman from Maine, [Mr. HALE,] and myself visited the Navy Department for the purpose of consulting with the Secretary in regard to the estimates upon the item of "Pay of the Navy." We were told that they could get along with \$6,250,000. That is the same amount which had been appropriated the year before.

In this very same bill we reduce the number of men to the extent of one thousand men, making it seven thousand five hundred instead of eight thousand five hundred, and we still supposed that we had been very liberal. In view, however, of the fact that the amount was far below the estimates, and expecting to be interrogated on this floor as to the discrepancy, I asked how this could be accomplished. I was told that there were officers on sea service and on shore duty who could be withdrawn and put on less pay, and also that some officers could be placed on furlough pay. I then inquired if that was not an obnoxious arrangement. I had the response that it had been the practice, and that it was a right practice.

I then asked the question whether, this being true and looking to the facts, there could not be a further reduction. I received the answer that the amount could be reduced \$1,000,000 more. The bill was in this House at the time providing for \$6,250,000; and then there was a still further reduction of \$500,000, one-half the Secretary's estimate. After this had been done and after Congress had adjourned

an order was published by the Secretary of the Navy the purpose of which was to excite the Navy against the majority side of this House

[General Orders No. 216.]

NAVY DEPARTMENT,  
Washington, August 12, 1876.

The estimates made for "pay of the Navy" for the current year were \$7,600,000. To keep the personnel of the Navy properly employed to meet the best interests of the service and of the country, this amount was, in the opinion of the Department, actually required, as will appear from the estimates submitted and the statements made up in the office of the Fourth Auditor of the Treasury, where all naval accounts are finally settled. The Representatives of the people in Congress have, however, determined that this sum was not necessary, upon the express grounds (see explanation of conference report on naval appropriation bill) "that by a very rigid enforcement of a somewhat disused power on the part of the Secretary of the Navy to furlough officers, instead of having them under the heads of 'other duty' or 'waiting orders,' a very considerable reduction could be made," and they therefore "give the Secretary of the Navy the disagreeable duty of putting officers upon furlough, when they can be spared from the actual needs of the service, at the same time saying that if it should be found by experiment that it is impossible to get through the fiscal year, we at another session of Congress will perhaps make it right." (Congressional Record, June 30, page 16.)

In pursuance of this policy, Congress appropriated for the current year for the "pay" of the Navy to be administered upon this plan, and also reduced by cutting off one thousand from its former complement of eighty-five hundred men, the sum of \$5,750,000, or nearly \$2,000,000 less than the amount of the estimates. Under these circumstances the Department, although entertaining different views, feels bound to make in good faith the effort to bring the actual expenses of this branch of the service as near as possible to the amount appropriated by Congress. This can only be done by reducing the number of officers employed to those absolutely needed to meet the daily pressing requirements of the service, and by putting those unemployed upon the lowest pay recognized by the provisions of existing laws.

It is indeed a "disagreeable duty" for the Secretary to be obliged to put so many well-deserving officers in a position reserved of late years solely for the useless and undeserving, and perhaps to reduce the pay of some gallant men below what is actually necessary for the support of their families. But he has no other alternative, except that of refusing to carry out the expressed will of the Representatives of the people.

Congress will be asked, at its next session, to remedy to the deserving the evil which is thus done them, and in the mean time it will be understood that this order neither imputes any wrong to, nor involves the disgrace of, any such officer; but that it is simply an effort to meet, as near as may be, the requirements of public law, binding alike upon the Department and the service.

It is therefore ordered that—

I. Until further orders, officers relieved from sea-going vessels, and having made a cruise or part of a cruise, will have as many months "leave" or "waiting orders," dating from the day of their detachment in any port of the United States, or if detached abroad, from the date of their arrival in the first port of the United States, as that cruise or part of a cruise has been in years, with a proportionate "leave" for a fraction of a year of such service. At the expiration of their "leave" or "waiting orders," such officers will thereafter be regarded as on "furlough," and are, by virtue of this order, so placed on "furlough," and will be so paid by disbursing officers without further instructions from the Department.

II. Officers relieved from shore stations, harbor-ships, or special duty will have one month's "leave" or "waiting orders," dating from the day of their detachment, at the expiration of which they will be regarded as on "furlough," and are, by virtue of this order, so placed on "furlough," and will be so paid by disbursing officers without further instructions from the Department.

III. All officers not on duty on the 1st of September next, and who are not affected by either of the two preceding paragraphs, will be regarded as on "furlough," and are, by virtue of this order, so placed on "furlough" from that date, and will thereafter be so paid by disbursing officers without further instructions from the Department.

IV. The foregoing applies only to the active list of the Navy, the pay of retired officers being fixed by special provision of law.

GEO. M. ROBESON,  
Secretary of the Navy.

Then we came to the next session, when we made an appropriation of \$6,250,000, and the estimate was \$7,300,000.

We had the estimates for previous years, the appropriation bills for the preceding year, the statement of the gentleman from Ohio [Mr. GARFIELD] on this floor, of the chairman of the Committee on Naval Affairs, [Mr. WHITTHORNE,] and of the Admiral of the Navy himself, to the effect that this was ample for the purpose of pay of the Navy, and so we determined to fix it at that amount.

Mr. EDEN. What was the difference in the force of the Navy?

Mr. BLOUNT. We had then, and have had since the democratic party assumed control of this House, one thousand men less than we had in previous years. But, sir, we were told to take the Naval Register, and it was a simple matter of addition as to what was required to pay the Navy. That we declined to accept in view of the various evidences that it was incorrect, and in view further of the fact that we had reduced the number of men. We are told that the number of cruising vessels would necessarily be reduced. We believed that many men were doing sea duty, that many men were doing shore duty, that many men were engaged in civil duties around the capital and at the Naval Academy, whose services could be dispensed with. So we expected that by a reduction of this appropriation we would compel a different administration of this Department. This was our hope.

But, Mr. Chairman, as I stated at the outset of my remarks, I was somewhat surprised that the present Secretary of the Navy should claim that this deficiency of \$2,000,000 belonged to the last fiscal year. It will be found that when the last session of the last Congress adjourned we voted for the pay of the Navy \$5,700,000; we voted in a deficiency bill \$1,000,000 more, and then voted, under an amendment of the gentleman from Tennessee, [Mr. WHITTHORNE,] according to the estimate of the Department, half a million dollars more, making an aggregate of \$7,250,000 for the purpose of paying the Navy for the last fiscal year. We voted every dollar estimated for the Navy save \$50,000, and yet the country is to be taught that the deficiency grew out of a failure on the part of the House to appropriate a sufficient sum of money.



The chairman of the committee asks me if our appropriations were equal to the estimates. I say that they were \$50,000 short of the estimate, and \$50,000 only. The estimates were made from the Navy Register at a time when the Navy was being paid higher than at any other period. If, sir, the statement of the former Secretary of the Navy be true, that we have failed to make proper appropriations and that the absolute requirements of the service were \$7,600,000, then I say that he, in violation of law designed especially to prevent it, has taken from the Treasury of the United States a large sum of money.

Mr. ATKINS. Will my colleague on the committee allow me to ask him a question just there?

Mr. BLOUNT. Certainly.

Mr. ATKINS. Was not that appropriation made upon the basis of sea pay, and was not the amount appropriated actually paid out on the basis of shore pay or waiting-orders pay, thereby paying out much less than was appropriated?

Mr. BLOUNT. Necessarily every year a part of the money goes for sea pay and a part for shore duty or waiting-orders pay. A number of the officers are cruising and others are on duty at home. This Register shows where the officers and men are at the time, and the estimates are made up upon the several grades of pay.

Mr. ATKINS. Another question: Were not more men put upon shore pay or waiting-orders pay than ever before or than was usual?

Mr. BLOUNT. That is true. The Secretary of the Navy withdrew the iron-clad vessels that had been cruising, and they were collected down about Port Royal. The officers who had before been upon sea pay were reduced to shore-duty pay. In that way he represented that he was carrying out the purpose of this House in reducing expenditures. If he had done that, then the necessary result would have been a reduction of the expenditures of much more than \$50,000.

I desire to call attention to some extracts from the report of the Secretary of the Navy in regard to these deficiencies, and to say that I do not concur in all the statements therein contained:

The present deficiency in the fund for the "Pay of the Navy" has been continuing from year to year, running back to the time of the late war, when both estimates and appropriations were necessarily made upon vague and unreliable information. Consequently it is not chargeable to any one year, but to a series of years, and has been occasioned both by insufficient estimates and insufficient appropriations; the latter having been for eight out of the last nine years considerably less than the estimates.

The amount annually due to the officers and enlisted men of the Navy is settled by statute, and the Department has no control over it. It has no such discretion as will enable it to economize in the annual expenditure, even if it should consider it desirable to do so. The amount annually necessary is capable of ascertainment by arithmetical calculation, subject only to such variations as do not materially affect the aggregate, and which may, from time to time, be provided for with reasonable and approximate accuracy by appropriations for contingencies. In order to place this fund in the condition desired, so that the annual appropriations therefor could be advisedly made by Congress, withholding the payments for the months of April, May, and June was absolutely unavoidable, unless a portion of the appropriation for the present year had been applied to that purpose. I have already stated the reasons which, in my judgment, rendered this inexpedient, and may add, with propriety, that if it had not been done the deficiency would only have been chargeable to the present year, where it does not properly belong, instead of to the last year, where it does belong. The officers and men of the Navy have submitted to this course with a cheerfulness which indicates their respect for and confidence in the Government, notwithstanding it has subjected them to great inconvenience, and, in some instances, to hardships.

Such is the statement of the present Secretary of the Navy as to this deficiency. I said a few moments ago that the last Secretary of the Navy had taken from the Treasury a sum amounting to seven or eight millions of dollars in defiance of the law. For the purpose of supporting my statement, I call attention to the law regulating that matter, and which will be found on page 251, volume 16, of the Statutes at Large:

That all balances of appropriations contained in the annual appropriation bills and made specifically for the service of any fiscal year, and remaining unexpended at the expiration of such fiscal year, shall only be applied to the payment of expenses properly incurred during that year, or to the fulfillment of contracts properly made within that year; and such balances not needed for the said purposes shall be carried to the surplus fund: *Provided*, That this section shall not apply to appropriations known as permanent or indefinite appropriations.

I stop here simply to say that the pay of the Navy does not belong to what are known as permanent or indefinite appropriations. Sections 6 and 7 provide:

SEC. 6. 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 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 shall appear that such balances will not be required for this purpose, then the Secretary may include such balances in his warrant, whether the head of the proper Department shall have certified that it may be carried into the general Treasury or not. But no appropriation for the payment of the interest or principal of the public debt, or to which Congress may have given a longer duration of law, shall be thus treated.

SEC. 7. That it shall not be lawful for any Department of the Government to expend in any one fiscal year any sum in excess of appropriations made by Congress for that fiscal year, or to involve the Government in any contract for the future payment of money in excess of such appropriations.

In 1874 this law was modified under the following circumstances: It was found that under the operation of this law a portion of the appropriation for pay of the Navy went back into the Treasury at the end of two years. Now, the officers of the Navy were off on vessels, absent for three years, and by the time of their return the appropriation made for their pay was covered back into the Treasury. To avoid that difficulty the law was modified, as will be found by re-

ferring to page 110, volume 18, of the Statutes at Large, which is as follows:

SEC. 5. That from and after the 1st day of July, 1874, and of each year thereafter, the Secretary of the Treasury shall cause all unexpended balances of appropriations which shall have remained upon the books of the Treasury for two fiscal years to be carried to the surplus fund and covered into the Treasury: *Provided*, That this provision shall not apply to permanent specific appropriations, appropriations for rivers and harbors, light-houses, fortifications, public buildings, or the pay of the Navy and Marine Corps; but the appropriations named in this proviso shall continue available until otherwise ordered by Congress, and this provision shall not apply to any unexpended balance of the appropriation made by the act approved December 21, 1871, for expenses that may be incurred under articles 1 to 9 of the treaty with Great Britain concluded May 8, 1871, which balance the act approved March 3, 1873, authorized to be expended to enable the President to fulfill the stipulations contained in the twentieth, twenty-second, twenty-third, twenty-fourth, and twenty-fifth articles of said treaty: *And provided further*, That this section shall not operate to prevent the fulfillment of contracts existing at the date of the passage of this act; and the Secretary of the Treasury shall, at the beginning of each session, report to Congress, with his annual estimates, any balances of appropriations for specific objects affected by this section that may need to be re-appropriated.

It will be seen, therefore, that the simple purpose of this law was to prevent the pay of those who are absent on long cruises from being covered into the Treasury. Yet the present Secretary of the Navy tells us that an appropriation for one year has been taken for another year, and so on, running back through a series of years, until the deficiency has reached up to an amount exceeding \$2,000,000.

In my judgment it must be plain to the mind of any man that such use of this money was improper, was unlawful, was in violation of the palpable purpose of Congress, which was that such things should not be done by any Department of this Government. Taking the most charitable view of it, it seems to have been the design to have it appear that the Navy Department was being administered for a less sum of money, by many millions of dollars, than is actually expended. This unlawful proceeding was permitted to go on for years and years by gentlemen on the other side of the House. It may have been ignorantly or it may have been for the purpose of concealing from the country what they were actually expending. I call attention here to a statement showing how differently that Department was administered before the war for several years and showing that the expenditures for all those years was under the appropriation:

*Amounts appropriated and expended for pay of the Navy for years as given below.*

Years.	Appropriated.	Expended.
1857.....	\$3,421,718 00	\$3,200,597 65
1858.....	3,855,450 00	3,528,879 61
1859.....	3,805,405 00	3,404,210 45
1860.....	3,930,439 00	4,167,874 70

NOVEMBER 6, 1877.

We are told by the Secretary of the Navy (and I ask the attention of my friend from Maine to this statement, which doubtless he has seen already) that, besides the deficiencies for pay of the Navy, naval hospital fund, and pay of the Marine Corps, there are deficiencies due for construction and repair arising out of contracts with individuals for clothing, steam machinery, timber, &c., for the last fiscal year; but he remarks:

It is deemed most advisable to reserve an estimate for these for communication at the approaching regular session of Congress, when detailed statements may be properly made and when their relation to the general and current expenses can be more readily explained.

Now, in this case there is no pretense of excuse such as there has been in regard to the pay of the Navy; and I ask, in the face of this law, how these deficiencies have arisen. I am very sure that my friend from Maine does not approve the creation of such deficiencies. On page 494 of the CONGRESSIONAL RECORD for 1874 that gentleman says:

A gentleman at my right, Mr. Chairman, asks what guarantee we have that all this will not come back as a deficiency.

That guarantee, I tell him, I have already stated to the House—that the Secretary of the Navy will make his garment according to the cloth we give him, as he has thus far always done.

I want my friend to see from this report how that Secretary has deviated from the guarantee he gave to the House and I want him to see how that Secretary has deviated from the law that should have governed him in his administration of the Department. He has disregarded that law utterly. From information which I will not now state, but which will be satisfactory to both sides of the House, I am convinced that the appropriations made for different bureaus have been used indiscriminately and in gross violation of the law of the land. Why, sir, to illustrate by this very bill, here comes in a deficiency for pay of the Marine Corps; yet taking the estimate for the last two fiscal years and also the appropriation bills it will be found that we gave every dollar that the law allowed. How has this deficiency arisen? The money has been taken—I say it by authority—the money has been taken and used for some other purpose.

We come then to the amount due Seligman Brothers. This is the amount, in addition to what appears upon the pay-roll, paid on drafts, &c. As to "miscellaneous items upon arrears of pay," these are owing to the fact that, pending cruises, officers are entitled to



promotion and cannot at the time have an opportunity to be examined. This allowance has always been made. The deficiency in the naval-hospital fund has arisen because it is made up by a charge of twenty cents a month deducted regularly from the pay of officers and seamen; and as money enough has not been appropriated, it is alleged that the deficiency has been caused in that way. Hence we have regarded this as a matter about which it would be improper to raise any question.

I desire to say just here that we found the officers and men had not been paid to the amount stated by the Secretary. We believe that there has been mismanagement of that Department. But these men have done the service; they are entitled under the law to their pay; many of them are greatly in need of it; and as it is due we thought it our duty promptly to report a bill providing the money to pay them. The payment of this money will not prevent an investigation into the management of that Department, while a refusal to make this appropriation would be an outrage such as the committee were not willing to propose should be inflicted upon these men.

In regard to these deficiencies for pay, clothing, construction and repair, steam-engineering, and in every other direction in which a deficiency has occurred, I for one believe that we owe it to the people of this country to press relentlessly an investigation as to the origin of these deficiencies and to resort to all means in our power for remedy or punishment. This will not be at all prevented or obstructed by any action we have taken in reporting this bill. There has been some unfavorable comment growing out of the natural differences of opinion which obtain among men as to our conduct. This we naturally expected; but we are willing, after having been heard, to await the judgment of the country as to whether it was right that we should proceed as we have done.

Mr. EDEN. I wish to ask the gentleman whether there are not some means to prevent this misappropriation of the public money.

Mr. BLOUNT. Mr. Chairman, I have read enough of law enacted by the Congress of the United States to furnish all necessary restrictions on any public official, no matter over what Department he may preside or what place of trust he may occupy. The whole ground is already covered by legislation. The only further remedy is in the moral sense of the people which should hold to a just accountability those who have been permitting for years this improper use of the funds in the Treasury. I know of no other remedy.

So far as concerns the expenses in the Judicial Department, they explain themselves; and so also with the Interior Department. If any explanation upon those heads should be desired, I prefer to make it when we reach the debate under the five-minutes rule.

I now yield ten minutes to the gentleman from Virginia, [Mr. GOODE.]

Mr. GOODE. Mr. Chairman, the bill now under consideration is, I believe, in exact accordance with the recommendation of the Secretary of the Navy. In his report of October 9, addressed to the President, he recommended the appropriation of \$2,003,861.27 to cover certain deficiencies in the pay of the Navy and the pay of the Marine Corps, and this bill appropriates that amount for those purposes. The Committee on Naval Affairs of this House, in the first meeting after their organization, unanimously adopted a resolution recommending that the Committee on Appropriations report a bill covering those deficiencies without any unnecessary delay. I am gratified to observe the Committee on Appropriations responded promptly to that suggestion.

It may be very profitable, and in my judgment, Mr. Chairman, it will be profitable, to make the investigation referred to by my friend from Georgia, [Mr. BLOUNT.] There are two committees of this House now claiming the right to make that investigation. I hope at the proper time the inquiry may be prosecuted fearlessly and impartially, and that the responsibility may be placed wherever it belongs. But, sir, I desire to say this; that, whatever may be thought of the responsibility properly attaching to the Forty-fourth Congress and the late Secretary of the Navy in regard to this deficiency, however much men may differ upon the question whether the blame ought to be visited on the late Congress or the late Secretary of the Navy, there is one proposition upon which, I trust, we can all agree at this time, and that is we are bound now by every consideration of fairness and of justice to make an appropriation to meet this deficiency in the pay of the Navy with the least possible delay.

Representing as I do, Mr. Chairman, a navy-yard district, and thrown as I am in constant association with the officers and men of the Navy, I happen to know something of the privations and hardships to which they have been subjected. A large number of them have been compelled to borrow money called for by the necessities of themselves and their families, and to borrow it at a high rate of interest; and that rate they must continue to pay until this Congress shall come to their relief by making the necessary appropriation. They have thus been subjected to loss which many of them could not afford to meet, and which none of them ought to have been required to meet. They have been subjected to the tender mercies of the money-lenders, notwithstanding this Government justly owed them the money for services actually performed.

Mr. ATKINS. Will the gentleman tell why they were not paid?

Mr. GOODE. Mr. Chairman, I have said I preferred now not to go into that investigation. I am not prepared to say why they were not paid. I have my own opinion, but I have not investigated it as the

gentleman from Georgia [Mr. BLOUNT] has. But what I wish to submit is this: Let this appropriation be made and let that investigation be prosecuted. I am prepared to go as far as he who goes farthest in making an investigation. We have two committees ambitious of the honor of making that investigation, and I hope the House will clothe one of them at least with the proper authority on that subject.

It is said by some the deficiency has grown up because of the failure of Congress to make appropriation. The Secretary of the Navy says he prefers to charge it as a deficiency of last year. In another part of his report he says it is a deficiency which has grown up in a long series of years past. The gentleman from Georgia, who has made a careful investigation of it, tells us the responsibility ought to be placed on the late Secretary of the Navy. I trust that investigation will be made, and made fearlessly and impartially, and that the responsibility will be placed where it properly belongs. But what I desire to suggest now is, that these officers and these men of the Navy ought not to be held responsible for it. They have suffered from it and have been compelled to submit to the tender mercies of money-lenders while the pay has been due them for services actually performed to this Government.

I wish to say another thing, Mr. Chairman, and I feel that it is due to the officers and men of the Navy that, notwithstanding this, they have not vexed the public ear with unseemly complaints, but have gone forward in the performance of their duty, and, in the language of the Secretary, have thus indicated their respect for and confidence in the Government. This loss should not be visited upon the officers and men of the Navy, but Congress should come promptly and speedily to their relief, and then, at our leisure, we may investigate the question of responsibility.

One other remark; my friend from Georgia has joined issue with the Secretary of the Navy in regard to the statement contained in this report that this deficiency was properly due to the last fiscal year. I desire to say, however that may be, there are some other sentiments contained in that report of the Secretary of the Navy to which I am sure my friend representing the Committee on Appropriations will give his cordial support. In my judgment they are entitled to the approbation of good men in all parties who desire to restore the Government to the standard of honesty, simplicity, and economy.

What does the Secretary tell us? He tells us that these difficulties attending the administration of the Navy Department have arisen—how? Have arisen from the diversion of funds appropriated to special objects by law and used in expenditure upon other and different objects. He tells us that such a procedure will enable the Secretary of the Navy to substitute his official discretion for the requirements of law; and there being no legal limit to such discretion, the Secretary of the Navy would be governed by his own will and pleasure as to whether any deficiencies shall exist or not.

[Here the hammer fell.]

Mr. GOODE. Just one word, Mr. Chairman. The Secretary of the Navy says he is unwilling to take the responsibility of administering the Department of the Navy in this way, and he prefers, while he remains in office, to be governed strictly by the law of Congress. Now, I repeat, Mr. Chairman—and I am sure my friend will accord with me in that—I repeat that such a sentiment as that ought to receive the sanction of both sides of this House.

Mr. BLOUNT. I do not propose to occupy further at this time the remainder of my hour, but reserve it.

Mr. HALE. This House is very anxious, I take it, to pass these appropriation bills. We have been here now four weeks and more and have just passed the Army bill. The wants of the men in the Army and Navy have been pressing. The gentleman from Virginia [Mr. GOODE] who has just taken his seat has in strong and fitting terms characterized the condition of the officers and men in the Navy who have been knocking at our doors for their just dues. That is what we have come here for—to pay them. The called session became necessary in consequence of the failure to pass the Army appropriation bill. The need of the Navy is like that of the Army. And now, at the end of four weeks or more, I should not take up a moment of the time of this House upon this bill if nothing had been said more than has fallen from the lips of the gentleman from Virginia who has just taken his seat, or if what had been said had been in what I believe the legitimate direction of discussion upon this bill as he has stated it.

The Committee on Appropriations have reported the bill which I have before me by the hand of the gentleman from Georgia, [Mr. BLOUNT.] It admits what no man gainsays, that more than \$2,000,000 are due to the officers and men of the Navy who are suffering for their money. Naturally what would be expected, what no doubt was expected, was an exposition to the Committee of the Whole now sitting of the reasons why \$2,000,000 are appropriated here of the money drawn from the people by taxation as a deficiency. Naturally we had a right to expect that some explanation would be given to the committee and to the country why the Committee on Appropriations have reported this bill; why there has been this deficiency; why this appropriation is necessary. But the gentleman reporting the bill has failed to give anything of that kind.

He reports the bill and asks the money and forthwith launches into a tirade against the late Secretary of the Navy and declares that



that official has been guilty during his administration of some vague, undescribed violation of law, and that therefore now the Committee on Appropriations recommends \$2,000,000 to meet the deficiency caused by the wickedness—for that is not too strong a word to be used after listening to the gentleman from Georgia—of the late Secretary of the Navy. And the gentleman has been pleased to allude to a better time; to the present time, when, as he says, this matter is brought before the scrutiny of a democratic House that shall make known all that is bad in high places and build up, I suppose, all that is good in low places. He has also referred to a better day when there were no deficiencies, in a former democratic administration that he has referred to.

Now, sir, this bill does not legitimately involve any political issue. It does not legitimately involve any political discussion. It does not legitimately involve any comparison between the record of one party and the record of another. The gentleman from Virginia, [Mr. GOODE,] with his high sense of what is appropriate, has recognized this and has said nothing touching political or personal comparisons.

But the gentleman who reports this bill, failing to give us a particle of information how it is that this large deficiency has resulted, has gone out of his way—I repeat it, has gone out of his way—to make an attack on the late Secretary of the Navy, declaring that through his wrong this deficiency has arisen.

Why, sir, some credit must be given to honorable and responsible men who are at the head of the great Departments of the Government. The gentleman himself has failed to read even recent documents. Has he looked at the message of the President of the United States, accompanying which is a very clear and intelligent report upon this deficiency from the present Secretary of the Navy, who has not been in office long enough yet to be attacked and abused and outraged? Has he read the report or the letter covering all of these things, by which he should have explained to the House why this deficiency has arisen? I have not time to go over the whole document, but I read from page 3, and I call the special attention of the members to the document itself, which is "House Executive Document No. 3, Forty-fifth Congress, first session." It is the message of the President of the United States which sends these deficiencies, and accompanying it is an elaborate statement of how these deficiencies have occurred. And upon page 3 the present Secretary of the Navy, who I see from this document has given careful and studious attention to this subject, and has gone into it root and branch, and has presented it in an exceedingly clear and convincing way—on page 3 he says what I will read. I wonder if the gentleman from Georgia has failed to read it.

Mr. BLOUNT. I will state that I read it very carefully and I read a part of it to the House. The gentleman seems to think that nobody reads any document but himself.

Mr. HALE. I saw nothing and heard nothing in the remarks of the gentleman from Georgia that indicated that he had read this report at all; but, on the other hand, his charges were directly in the face of the conclusions arrived at by the present Secretary of the Navy, after careful and faithful attention. This is what he says:

The present deficiency in the fund for the "Pay of the Navy" has been continuing from year to year, running back to the time of the late war, when both estimates and appropriations were necessarily made upon vague and unreliable information. Consequently it is not chargeable to any one year, but to a series of years, and has been occasioned both by insufficient estimates and insufficient appropriations, the latter having been for eight out of the last nine years considerably less than the estimates.

I am glad to be able to say that the present Secretary of the Navy, in examining into this matter, has not fallen into the error, which so many men in all places fall into, of laying the blame at the door of his immediate predecessor. But, in analyzing these deficiencies and tracing each item to its proper source, he has been able, in the words which I have just read here, to say that that predecessor is by no means responsible for the condition in which the pay fund of the Navy was found in March last.

Now, it may be that some gentlemen here—and perhaps in this I encroach somewhat upon the prerogatives of the gentleman introducing and reporting this bill—perhaps some gentlemen here may possibly have some curiosity to know how it is that a deficiency in the Navy pay appropriation can run back for years, because, upon this question of appropriations, upon the question when they terminate, upon the question when the unexpended balances shall be turned into the Treasury and cease to be available in the Department or bureau for which the appropriation was made, there has been much legislation; there has been much modifying legislation. In the session of 1869-'70, the Dawes law, so known, was passed by Congress and received the assent of the Executive, providing in general effect that unexpended balances should be turned into the Treasury. And why? Because it was found that, after the years of the war and of large appropriations, all the Departments and bureaus, besides their annual appropriations, were coming and going upon balances that they found on their books. Mr. DAWES, then chairman of the Committee on Appropriations, discovered that that practice took away from Congress its right to scrutinize and regulate the amount of money to be expended, and so he passed this bill, or Congress passed it for him, declaring that unexpended balances should be turned into the Treasury. That act has been modified at different times. It has been modified in order to conform to previous constructions, given to different funds. It was modified in 1874, when it was declared that the provision rel-

ative to turning over unexpended balances "should not apply to permanent specific appropriations for rivers and harbors, for light-houses and fortifications, or public buildings, or pay of the Navy and Marine Corps."

This is found in the act of June 20, 1874. I have read from the act itself. There was nothing innovating in that, so far as the pay fund of the Navy was concerned. It was not an amplification of a previous construction, but it was in accordance with a previous construction in the Comptroller's Office in reference to the pay of the Navy. It had for long years been considered a continuing fund.

Now, I do not mean to be caught upon words; I do not mean that any gentleman shall declare that I have said that the fund for the pay of the Navy is by virtue of this clause a "permanent" fund.

Mr. BLOUNT. Will the gentleman allow me to interrupt him?

Mr. HALE. Oh, certainly.

Mr. BLOUNT. The gentleman seems very familiar with the report of the present Secretary of the Navy. I would ask him if the report of the present Secretary of the Navy and the practice he proposes do not indicate clearly that the Secretary of the Navy does not take the view of this matter that the gentleman does, and that he does not construe the statutes, to which he has referred, as the gentleman does?

Mr. HALE. No, sir; I do not understand anything of the kind. I understand that there is nothing in the letter, and I read it very carefully, that conflicts with what I now say.

Now, as I was saying when I was interrupted, I do not mean that any gentleman shall say that I am here asserting that the pay of the Navy is a "permanent" appropriation. It is not a permanent appropriation technically, such as, for instance, the appropriation made for the payment of the interest on the national debt. That is made a "permanent" appropriation, in order to take the whole subject-matter out of the fluctuations that might arise from yearly discussion. That is a "permanent" appropriation. The pay of the Navy is not such, and I do not claim that it is such.

The statute of 1874, showing what were the previous and subsequent interpretations in the Comptroller's Office, where at last we have to go for interpretations of law affecting appropriations, makes the pay of the Navy a continuing fund; that I affirm and assert with confidence. I affirm and assert that the pay of the Navy has never been considered by the Secretary of the Navy or by any comptroller as anything other than a continuing fund.

I am aware that in the letter of the present Secretary of the Navy, which I hold before me, in departing from the old practice and in taking up what I admit is a better practice, he refers to this as a question of doubt, and declines to act further upon it. But I am now referring to the law as I have read it, which in terms takes the pay of the Navy out of the general provisions of the "Dawes" act for covering into the Treasury unexpended balances of appropriation, and puts it with other funds that do not go back into the Treasury.

Mr. BLOUNT. Will the gentleman allow me—

The CHAIRMAN. Does the gentleman from Maine [Mr. HALE] yield to the gentleman from Georgia, [Mr. BLOUNT?]

Mr. HALE. I am bound to yield, if he wishes to again interrupt me.

Mr. BLOUNT. I do not desire to interrupt the gentleman.

Mr. CLYMER. I desire to ask the gentleman a question.

Mr. HALE. Very well.

Mr. CLYMER. The gentleman refers to the act of 1869.

Mr. HALE. It was an act passed during the session of 1869 and 1870.

Mr. CLYMER. Then, between 1869 or 1870 and 1874 it was clearly illegal for the Secretary of the Navy to use the fund after the time had expired fixed by that act for covering it back into the Treasury.

Mr. HALE. From 1869 to 1874 the accounting officers of the Department acted upon the old construction that the pay of the Navy was a continuing fund. This act of 1874 was not in contravention of any construction, but only put into a clear and distinct form what had been the constant and uninterrupted practice of the accounting officers. It was the same from 1869 to 1874, when the declaration was made in terms.

Now, how does it happen that, starting on this basis, with the pay of the Navy a continuing fund from year to year, not to be turned into the Treasury, deficiencies may accumulate from year to year? If gentlemen will read the whole of this document, No. 3, they will see how the present Secretary of the Navy has explained it. In brief it is this: For years it has been the practice at the beginning of each fiscal year—the paymasters being in every quarter of the globe—for those paymasters to have deposited with them or credited to them immense sums of money from the pay fund. I say immense, because sometimes in the beginning of the year nearly one half the pay appropriation will be placed to the credit of the different paymasters who are with the different squadrons upon the seas in every quarter of the globe.

Now, as a matter of convenience these paymasters have been allowed to pay out of this pay fund, from month to month and from year to year, payments which did not legitimately come upon it. For instance, if a vessel needs repairs and \$25,000 needs to be expended upon the vessel for that purpose, if the paymaster has to his credit \$100,000, he would expend that \$25,000 for the repairs and charge it to his pay fund. If the equipment fund needed \$10,000, or



if the Ordnance Bureau needs an expenditure, the paymaster would pay it out of the pay fund. If a pestilence broke out among the crew and medical stores were needed, the paymaster would pay for them out of that pay fund, and by so much would he reduce the fund.

Now, when these accounts all come back, in settling in the Treasury, all of the different charges which have been paid out of the pay fund and applied to other sources are accredited back to that pay fund, and the appropriation for whose use they were taken is charged with so much of the amount as came from the pay fund and is obliged to pay back that amount. But the truth has been that until lately accounts have not been settled until the end of a long voyage.

One of the monstrous innovations of the late Secretary of the Navy, that bad man about whom some of my friends can never seem to lash themselves into sufficient rage, has been that he has reduced the time of settlement, and instead of leaving it as formerly to be made once a voyage, he required it to be made once in three months. Now, if he had been an extravagant man or a corrupt man or desirous of squandering the pay of the Navy and misappropriating it, he certainly would have preferred a three years' lease of time during which he could carry on this misappropriation, rather than to have the stern reckoning which the quarterly settlements would bring.

It has so happened that when the accounts came back at the end of the three years' cruise for settlement in the Treasury Department, when they came to credit the pay fund with the money which was due from the other bureaus and which had been expended abroad for them by the paymaster, the appropriations for those bureaus had in many cases run out, their money was all gone, had been expended for steam-engineering, for building and fitting up the vessels, for recruiting, for equipment, for construction and repair, and there was no money to pay back to the pay fund that which had been taken out of it. So deficiencies came that could not be made up and have not been made up.

Mr. PRICE. In the line of the gentleman's argument let me ask whether it is not true, and whether it does not occur very frequently, that a vessel, for instance, comes into a Mediterranean port with a mast or some of the spars gone, and that vessel is repaired in that Mediterranean port. Does not the paymaster on that vessel draw his check or draft on the fund in London and pay for those repairs out of the pay fund?

Mr. HALE. That has been the practice generally followed for thirty years.

Mr. PRICE. Always.

Mr. HALE. Followed not only in the last Secretary's administration, not only in that of his predecessor, not only during the war, not only for ten years or twenty years before the war, but it has always been the practice. I cannot state the fact in better terms than to state it as a proposition which everybody who has looked into this question carefully has found out, that for years the pay fund of the Navy of the United States has been made the pack-horse upon which everything has ridden; and when the reckoning day came, when the time came for paying back what has been used for every other bureau, it has been found time and again that the funds of those bureaus had all been expended, that there was not a dollar left, and so the pay fund had to suffer. Thus it happened all the time that the old appropriations which had come over from the war were being lessened, were being drawn upon for the benefit of various bureaus or subdivisions of the Navy Department.

Now, my friend from Georgia, [Mr. BLOUNT,] upon another point connected with this matter, says it is singular that on estimates and appropriations so much smaller than what are at present sent in, the Navy has been able to run; and he wonders why it is that \$6,500,000 was all that was estimated for during a republican House, but when a democratic House came in the estimates sprang up to \$7,300,000 or \$7,600,000. Why, Mr. Chairman, that is a subject which I think the gentleman must have gone over in his mind time and again. Has he forgotten that time and again there has been presented to his mind this consideration: that year by year as the naval pay fund was being depleted by payments to other bureaus which never could pay back—while in consequence of this the old balances of appropriations were being drawn upon, the time must come when there would be none of those balances left?

The present Secretary of the Navy, in his analysis and investigation of this fund, has discovered this and has referred to it in this letter. At last the point has been reached where all the old balances have been expended and used up; there is nothing of that kind left. Then there comes a House of Representatives that cuts down the appropriations for the Navy Department away below even the estimates of the Secretary of the Navy, who before that had been able to get along with the amount appropriated and the old balances, notwithstanding the drafts made upon him. But when the old balances ceased he needed appropriations larger even than his previous estimates, and so he comes in and asks for 1876-'77, \$7,600,000; but he is given only \$5,700,000. For the year 1877-'78 he asks for \$7,300,000 and is given first \$5,750,000 and afterward a deficiency appropriation of a million dollars, with a fund of \$225,000 indefinite appropriation on furlough pay. This is why both estimates have gone up and why the deficiency is so large now. It is that the old balances are gone and that the last House during both sessions failed to make the appropriations asked for.

Now, I do not say that this practice of making the pay fund (to use my figure again) the pack-horse upon which all other bureaus shall be carried is a good one. I do not think it is. It is like many other things that have been regarded as imperative. Some day or other there comes somebody who rakes up the matter and finds a better way than the old way. I believe it is a good thing that the present Secretary of the Navy has looked this question squarely in the face; has declined, even at the expense of great hardship to officers and men in the Navy, to go forward and apply the principles which are fairly applicable to a continuing fund, but has said "I shut down here and now; I will not allow the pay fund to be encroached upon by other funds; and whenever I am brought to a square standstill, there I put my foot and make my statement to Congress, leaving the remedy there." That is what the present Secretary has done. I wish that the former Secretary, when he came in in 1839, had looked at this matter in the same way, had adopted the same rule, although at that time he had the authority to which I have alluded, to use old appropriations, and was going on doing his best to pay off the officers and men of the Navy from year to year, as every predecessor of his had done.

Now, Mr. Chairman, that is all there is of all this pother about the deficiency bill and this charge of bad conduct and extravagance as deserving renewed investigation against the old Secretary of the Navy. He has gone out of office; he is a private citizen, with the same rights and the same merits that any man would have as a private citizen. There can be no motive in defending him upon this floor except the natural instinctive feeling that any man must have when an unprovoked assault is made upon an American citizen who has his rights and who cannot be heard here. I say to the gentleman from Georgia, I say to any member of this House, no matter who he may be, who is talking about the extravagance and bad conduct of the former Secretary of the Navy in relation to this pay fund, that he can scrutinize from cellar to garret every dollar of appropriation that has been given during the seven years of the administration of the late Secretary for the pay of the Navy, and there cannot be found a single dollar of all the millions of money that passed through his hands that has been appropriated to any purpose outside of the maintenance of the American Navy in a proper manner.

I say there cannot be found in any year a dollar of diversion of any fund to any other purpose, excepting under the practice or custom he inherited and which came down to him from both republican and democratic administrations. I have a list here showing where the \$6,975,000 appropriated during the last year for uses of the pay of the Navy have gone, for every month of the year, from July, 1876, down to the end of his term of office, giving in detail, month by month, the disbursements or drafts in favor of disbursing officers. And, so far from there being any diversion of money to an improper purpose, every dollar of it has been drawn upon for the disbursing officers, the pay officers who are nominated by the President and confirmed by the Senate. And in this case more than \$700,000 have gone to the benefit, as in every year before, of other bureaus of the Navy Department.

Now, if this is the case, Mr. Chairman, if these deficiencies arise in this way, if they come by inheritance, though it may not be the best way; if the Secretary in carrying out what he found his predecessors had adopted—in following the practice of his predecessors, has been honest and straightforward, as the figures on investigation of the records of the Fourth Auditor's Office will demonstrate, I appeal to gentlemen here whether this is the place, now when we are called upon to pay a debt which everybody admits to be due—whether this is the time and place for an attack upon him—whether this is the place for charges upon him of gross misconduct and mismanagement?

Mr. GLOVER. Will the gentleman indulge me in one question?

Mr. HALE. Yes, sir.

Mr. GLOVER. I wish to ask the gentleman from Maine whether he considers the amount of money ordered by the Secretary of the Navy to be paid over to Jay Cooke & Co., London, through the hands of the paymaster there, was a proper disbursement of the public funds of the Navy—an amount of money for which there had to be given, I believe, security upon his private estate?

Mr. HALE. That matter, Mr. Chairman, was all gone over by a committee specially appointed in the last Congress. The whole subject-matter came before the House and the whole conduct of the late Secretary of the Navy was investigated. It was transferred from investigating committees to the law committee of this House, which, upon deliberately considering the facts, taking into account every charge made against the late Secretary reported—I do not know what the technical form was, but it was in effect that they be discharged from the further consideration of the subject.

I say in reference to all other matter, as well as in reference to those matters coming into this bill, every act of the Secretary of the Navy in raising money, in depositing money, in drawing drafts, was for the purpose of paying the officers and men to whom the money belonged, and any act of his in reference to taking security of property was only for the purpose of making the claim of the Government stronger; and in the end it was made stronger, and the Government received dollar for dollar. Whether it has been all wound up and the last dollar paid I do not know; but the last time I had occasion to look into the matter to which the gentleman from Missouri has referred, the security taken by the Secretary of the Navy



had resulted, not in loss to the Government, but in paying dollar for dollar. I do not know that anybody claims that this affair, about which great concern was had in the last Congress, resulted in the loss to the Government of a single dollar, or that the Government will lose out of the transaction a single dollar.

The gentleman from Georgia has complained that when the House made small appropriations it had the right to expect the Navy would be reduced. If that was not the language that was the idea. The gentleman must consider that the failure to appropriate money here does not cut down the naval establishment any more than such failure cuts down the Army establishment. The naval establishment is a creation of the whole Government—of the laws and the Constitution under which we live. It is an establishment that is provided for by the statutes. Every man in that establishment, be he admiral, commodore, captain, or ensign, or private, or swabber upon the deck, every man who is employed and has a right to be employed under the law, has the right to his money. He has the same right to his pay as the man who works for a farmer in the western fields, or the mechanic in the work-shops of New England and Pennsylvania. A failure of this or both Houses to appropriate for either of those regular establishments does not, Mr. Chairman, reduce them one iota.

In order to reduce, it is necessary for the appropriate committee to report a bill, and I take it from the indications in the House it will not be long before some bill dismantling the Navy—some bill cutting down both branches of the service and reducing them largely, will be pushed through. If such bills are passed and approved, then any one outside of that reduction cannot claim a dollar.

I dissent here and now from the proposition that because Congress fails to appropriate for the Army or the Navy, therefore the number of the officers and men shall be reduced. No head of a Department under such circumstances would have any more right to turn out an officer of the Army duly appointed and commissioned, or of the Navy, than any naval or Army officer would have with a file of soldiers to come in here and take the gentleman from Georgia from his seat and take him out of the House.

There is a vested right that those men have, all of them, privates and officers, to every dollar that the law declares they shall have; and niggardly appropriations, neither in the Army nor in the Navy, reduce this force one single man; and we may as well understand that now as be troubling ourselves with those considerations further. Until the Army is reduced and the Navy reduced by act of Congress duly consented to and passed, the administrators of both those branches of the service must keep up their respective establishments, and cannot turn out a single officer either in the Army or the Navy. Pretty much all the expenses comes from the officers. This reduction of a few men that has been referred to by the gentleman from Georgia—this reduction of a thousand men—makes very little difference in the amount in the main that is to be appropriated. The reduction must come from the dismantling of the establishment of officers, from a change in the form and number of regiments in the Army, and a reduction or abolition of grades and commands in the Navy.

Mr. CLYMER. Will the gentleman yield to me for a question?

Mr. HALE. Certainly.

Mr. CLYMER. Do we not stop construction by failing to make appropriations?

Mr. HALE. Undoubtedly.

Mr. CLYMER. Then, Congress having failed to make appropriations for construction, if constructors wish to go on and make extravagant outlays, should these be made by the Secretary of the Navy without warrant of law?

Mr. HALE. No, sir; and they have not been made.

Mr. CLYMER. It has been proved that they have been made.

Mr. HALE. I am glad to have the opportunity of saying, in consequence of what has been stated by the gentleman from Pennsylvania—although not apropos to the discussion, it has been a good deal in the newspapers since last spring—he will not find that naval contractors who have gone on and spent money on naval vessels outside of the appropriations have had any warrant, either from the Secretary or from the Attorney-General, except to go at their own risk and depend entirely upon whether or not Congress shall sanction their act and pay their bill. He will find that they were in fact notified that they must depend entirely on Congress, and that they had no authority to make those expenditures. In due time I will read to the gentleman and show to him the authority given by the Secretary of the Navy, backed up by the opinion of the Attorney-General, in which both of those officers kept themselves strictly within the law, and the contractors to-day are at the mercy of Congress and have no other remedy. So much for that. When the proper time comes it will be more fully explained than I have explained it now.

Mr. CLYMER. We will see.

Mr. HALE. I now yield to the gentleman from Ohio, [Mr. DANFORD.]

Mr. DANFORD. Mr. Chairman, I shall detain the committee but a moment. We have a deficiency bill from the Navy Department amounting to a little more than \$2,000,000, the greater portion of it arising from a deficiency in the pay fund of the Navy.

The gentleman from Georgia [Mr. BLOUNT] who reports this bill to the House is disposed to charge this deficiency to a misapplication of funds on the part of the late Secretary of the Navy. The present

Secretary, who has had this matter under consideration evidently for months—it was one of the matters that he met certainly very early in his administration of the Navy—is disposed to attribute this deficiency to other reasons. I desire to read again a very short extract from the letter of the Secretary, accompanying the message of the President:

The present deficiency in the fund for the "Pay of the Navy" has been continuing from year to year, running back to the time of the late war, when both estimates and appropriations were necessarily made upon vague and unreliable information. Consequently it is not chargeable to any one year, but to a series of years, and has been occasioned both by insufficient estimates and insufficient appropriations, the latter having been for eight out of the last nine years considerably less than the estimates.

Now, Mr. Chairman, I am disposed to think that the Secretary, after having given his consideration to the deficiency in his Department, is right. We know the fact to be that the accounts of the Navy Department are kept in one of the bureaus of the Treasury: in the Fourth Auditor's Office. In fact the Secretary, in this very letter, calls attention to this. He says:

The pay-rolls of the Navy, on file in the office of the Fourth Auditor, show that there is now due, for the aforesaid last quarter of the last year, the sum of \$1,446,688.16, for which it is necessary to ask an appropriation by Congress.

Now, take the proposition of the gentleman from Georgia, [Mr. BLOUNT,] that this deficiency is occasioned by a transfer of funds appropriated for pay of the Navy to construction and repairs. How is that a possibility?

Mr. BLOUNT. Will the gentleman allow me here to address to him an inquiry?

Mr. DANFORD. Certainly.

Mr. BLOUNT. I think the gentleman does me injustice. I did not say this fund was diverted for construction and repairs.

Mr. DANFORD. Certainly not. The gentleman did not say this fund was diverted to construction and repairs; but the inference from his speech to the committee was that there had been a diversion from pay to other funds. Now how is this possible? There is appropriated by Congress from time to time for construction and repairs, for steam-engineering, and for other purposes in the Navy a fixed and definite sum for each year. These accounts are kept in the Fourth Auditor's Office, and it is impossible for any bureau of the Navy Department to go to the extent of a single dollar beyond the appropriations made specially for the bureau in any particular year. It is not possible for the accounts to be settled in the Fourth Auditor's Office in such a manner as to take permanently from the pay of the Navy and apply to any other bureau a single dollar, except by a corrupt collusion between the officers of the Navy and that bureau. Let the investigation be made again. Let it be made thoroughly and fully. And undoubtedly a committee of this House will be enabled by an investigation of the accounts kept in that office—the Fourth Auditor's—to determine whether any such thing has happened as is intimated upon this floor. As has been said the calculation is one of dollars and cents as to the amount required year by year for the pay of the Navy.

Mr. EDEN. Will the gentleman from Ohio inform the committee what was the amount required for the pay of the Navy for the last fiscal year?

Mr. DANFORD. I have not the estimate made for the last session of the Forty-fourth Congress, but I have the estimate made for the first session.

Mr. EDEN. I am not asking for the estimates. I am asking from the gentleman's own figures, if he can tell the amount required for this purpose during the last fiscal year.

Mr. DANFORD. I can only tell from the estimates submitted by the Department. I remember very well that at the first session of the Forty-fourth Congress the estimate was between \$7,200,000 and \$7,300,000. I remember also that the House arbitrarily cut the figures down to \$5,700,000. That is my recollection, and, in my judgment, this matter is susceptible of demonstration. If these fraudulent practices have been going on for a series of years, it is a matter susceptible of demonstration by a committee of the House. If there has been any diversion of funds or any improper use of a single dollar appropriated to pay the Navy, that matter can be shown.

I would only remark further that this was a subject of investigation by the Committee on Naval Affairs in the last Congress; that they had before them witnesses from the Fourth Auditor's Office, took their testimony, and it is a matter of record. We made volumes upon that investigation and the committee were unable to discover any such fraudulent transfer of funds as has been charged here to-day. Let there be another committee appointed, as suggested by the gentleman from Virginia, [Mr. GOODE,] and let them try their skill in this matter of investigation.

[Here the hammer fell.]

Mr. BLOUNT. Has the time of the gentleman from Maine [Mr. HALE] expired?

The CHAIRMAN. The Chair would state that the time allotted for debate has not yet expired.

Mr. HALE. How much time have I left?

The CHAIRMAN. Eight minutes.

Mr. HEWITT, of New York. Will the gentleman yield the balance of his time to me, although if there is any gentleman upon the other side of the House who desires to occupy the time I do not wish him to do so.

The CHAIRMAN. The Chair would state for the information of



the gentleman that there are eight minutes left of the time of the gentleman from Maine, and then fifteen minutes of the time of the gentleman from Georgia, [Mr. BLOUNT.]

Mr. HALE. The gentleman from Massachusetts [Mr. BANKS] wishes the eight minutes remaining of my time, and if the gentleman from Georgia will agree to yield a portion of his time to the gentleman from New York, I shall be glad.

Mr. HEWITT, of New York. Very well.

Mr. HALE. I yield now to the gentleman from Massachusetts, [Mr. BANKS.]

Mr. BANKS. Mr. Chairman, it is greatly to the credit of the Secretary of the Navy that all parties and all interests concur in the integrity and wisdom which is manifested in the administration of his Department. The language which he has used in his report shows that he is sound in judgment and exceptionally clear and comprehensive in his methods and that he is not likely to enter upon extensive business affairs where there has been no money appropriated for them. But I venture to say that, in my opinion at least, however correct it may be, as no doubt it is in principle, he will very soon suspend the operations of the Navy Department in many important matters if he adheres to that resolution. In saying this I do not intend to question in the slightest degree the expediency and justice of the rule by which the Secretary is now and has been governed since he assumed the duties of his office. Heartily I concur with all those who have spoken so eloquently in his praise. It would be well for us and for the country if the administration of all Departments of the Government were governed by it. But there must be a radical change in the methods and processes of legislation before that reform can be accomplished. It is here, in the House, that we must look, in some measure, for the origin of the evils of which we complain with justice, and the means of correcting them.

The system upon which the House is accustomed to do its business makes it impossible that any Department of the Government could be administered for a series of years without entrenching upon the rule which the honorable Secretary has laid down for the government of his Department. Take, for example, what he says himself on the second page of his report of October 9, in relation to the appropriations made by the last Congress for last year's service.

Having adopted the rule thus indicated—

He says—

*I found it necessary to omit to pay the officers and men of the Navy for the last quarter of the last fiscal year. As the appropriations made by Congress were insufficient for that purpose, it was impossible to make the payments without drawing upon the appropriations for the present fiscal year in advance of the time when by law they were subject to expenditure.*

The cause of this failure of the appropriation of money "to pay the men and officers of the Navy" arose from our manner of doing business. The Committee on Naval Affairs is coeval in its creation with that of Military Affairs and Foreign Affairs. It was authorized and appointed as soon as the important functions of government were recognized as factors in the business of legislation and administration. It has a jurisdiction upon "all matters which concern the naval establishment" and the laws upon which the Department is founded. It was the Naval Committee that among other things determined the number of officers and men necessary to the service, the salaries to be paid them, the expenditures that may from time to time be rightfully incurred, and these regulations were incorporated into the public law. Originally, the committee reported the appropriations necessary for these purposes; these principles were recognized as statute laws; the committee ceased to report appropriations of money, and the proper charges for the naval service were embraced in the naval appropriation bills. What the law directed to be paid was specified in the appropriation bill, and nothing else was included. If a change of law was thought advisable, that matter was committed to the Committee on Naval Affairs. Now, however, the Committee on Appropriations takes into its own charge matters both of expenditure and legislation. It administers the law and makes new laws in the same bill.

It may not have considered, as the Committee on Naval Affairs perhaps has done, or would have done, the necessities of the case; any system of re-organization or amendment of existing laws that might be needed. It has not time for that. All the appropriations of the Government are in the hands and under the control of this one Committee on Appropriations. They are therefore only able to make a cursory examination, and cannot take, in their hurried investigations, a thorough and complete survey of the questions submitted to them in their varied aspects. It says, in the case before us, We do not think so much money is needed for the service of the Department as the laws authorize and the estimates call for, and we will cut them down. That was not merely the practice of the last Congress; it has been the practice for the last ten or twelve years. Each session we have seen this committee, upon a mere caprice, an arbitrary resolution of its own, without any very careful reference to the condition of affairs or of the necessities of the Government, or whether the amount they proposed to appropriate was sufficient or not, cut down the estimates of appropriation 10, 20, or 30 per cent.

An election may be pending and there may be excitement among the people about the extent of the expenditures of the Government, and to meet that condition of things the Committee on Appropriations cut down the appropriations 20 or 30 per cent., and their recommen-

dations are sustained by the Committee of the Whole and by the House. The laws are made upon the recommendation of one committee and the appropriations are made by another; without careful adhesion to the letter of the law, the laws and the appropriations under the law must be in conflict with each other, as in this case. The laws specify the exact sums to be paid to officers and men. The appropriation provides that a different and less sum may be paid to them; and the law and appropriation are both inoperative. And when any Department of the Government is administered under laws made by one power and under appropriations made by another, the Department must suspend its operations or there must be a deficiency.

Well, sir, the Departments of the Government cannot stop. The Government may suspend some part of its functions, perhaps; but there are other functions that cannot be suspended. It must move on. In a period of peace there may be a condition of affairs under which it will be compelled to move on. In time of war it must always go on. It must make such preparation for defense and for meeting the enemy as may be necessary, law or no law, appropriation or no appropriation. The public safety is the highest law. Therefore there is, and in such cases there must be, a deficiency, and under such a method of legislation as I have described there always will be deficiencies, as there has been every year for the last twenty years.

The Committee on Appropriations takes into consideration all the expenditures of every Department of the Government, very properly I have no doubt, and exercises that power very wisely. But the effect of that method will be, and must be, that from time to time, under the influences of which I have spoken and with appropriations diminished without a due consideration of the law or of the necessities of the Government, deficiencies will be caused by those diminished appropriations every year.

The proper way to avoid this would be to restrict the Committee on Appropriations to that duty which until very lately the rules of the House confided to them; that is, the appropriations of moneys authorized and required by the public statutes of the land for the service of the Government, which admit of no debate and which the committee would have no right to change. Then deficiencies would cease. If the Committee on Appropriations were limited to that duty and the other standing committees of the House were authorized to consider what changes were necessary from time to time for the re-organization of the Departments or the improvement of the public service, what salaries should be paid, what expenditures incurred, and when it was necessary to change the appropriations in accordance with the change of laws which they recommend, then the whole thing would be brought within the control of the House, and if there were a deficiency there would be somebody to blame for it. But, as at present conducted, no Department of the Government can be administered for any considerable period of time without either creating deficiencies of appropriations or the neglect of some interest and the suspension of some important function of the Government.

Take the case suggested by the honorable gentleman from Missouri [Mr. GLOVER] in regard to the action of the late Secretary of the Navy concerning the supply of money to maintain the public credit and meet the legitimate demands upon the Government in foreign countries which had not been appropriated by Congress according to the terms of the law. This seems to present a strong case of malfeasance in office. It looks indeed like an offense against the laws, justifying inquiry, and perhaps censure. And it has been many times investigated. If I recollect aright, in that case the Secretary of the Navy acted under the orders of the President and with the concurrence of the Secretary of the Treasury. The President is supposed to know what is required to protect, to maintain the interests of the Government, and is in some measure responsible to Congress for what is done by himself and by his subordinates. The Secretary of the Treasury is supposed to understand pretty well what is required in regard to the financial interests of the Government. The President, with the concurrence of the Secretary of the Treasury, ordered the Secretary of the Navy to do a certain act for which it is now attempted to hold him to an exclusive and sole responsibility.

According to the theory of our Government as it was originally administered, the heads of the Departments were not absolutely responsible to Congress, certainly not when they acted under the orders of the President of the United States. Until a very recent date the head of an Executive Department was never called upon to furnish information to Congress. The call was always made upon the President, upon the theory that the Cabinet officers were responsible to him, and the President to Congress. There was an exception made with regard to the Secretary of the Treasury in some cases. If the Secretary disobeys a law or commits a crime, of course he is responsible and may be removed and punished as other officers are. But if within the line of his duty, as in this case, the President of the United States orders the Secretary of the Navy to perform a certain act, he can hardly be held responsible to Congress and punished for the performance of that act as if he were a criminal.

This is what I desired to say: that the large jurisdiction of the Committee on Appropriations, of which I do not complain, takes from the ordinary committees of the House many of the duties and much of the jurisdiction belonging to them, and which if we are to have a good government must be exercised by them.

The consequence is, that from the conflict between two committees



upon the same subject there have been deficiencies, there will be deficiencies, and there never can be an administration of the Government without deficiencies, unless some function or some department of the Government shall suspend the performance of its duties. But, as with other gentlemen, I commend heartily the Secretary of the Navy for his most commendable efforts to reform these abuses, and wish him abundant success with all the credit that may belong to him for so great an improvement in the public service.

[Here the hammer fell.]

Mr. BLOUNT. How much time have I left?

The CHAIRMAN. Fifteen minutes.

Mr. BLOUNT. I am somewhat surprised at the style adopted by the gentleman from Maine [Mr. HALE] in reviewing my presentation of this bill to the House. The RECORD will show that the statements made by the gentleman for the purpose of refuting my argument were not true. I will not say that he purposely stated that which was not true; but he certainly made statements which were very unjust. But for this I would not again have asked the attention of this committee.

The gentleman may understand that my method of conducting a bill in this House, or of conducting a discussion, is not based upon any study of him or his manner. I prefer to conduct it in my own way, and I certainly shall conform to my own judgment. I do not wonder that the gentleman should have taken umbrage—should have lost his amiability. His answer to the positions taken by me is incomplete. He has avoided those positions by raising new issues and addressing himself to them.

For instance, the gentleman referred to the letter of the Secretary of the Navy, and in his courteous manner and with his high sense of the proprieties of debate, he intimated that I had not read it, although I had read from it the very language which he himself shortly afterward proceeded to read. The difference between the gentleman and myself, so far as that report is concerned, lies in this fact: I state that so far as my knowledge of the present Secretary is concerned he has my respect, and he has it for the reason that he repudiates the very practices which the gentleman has been defending, and the inference is that he is going back to legal methods in administering the Department of the Navy. The gentleman cannot so understand it.

As to any purpose of reflecting upon the present Secretary of the Navy, I am as free from it as is the gentleman himself. I am not capable, as the gentleman seems to be, of sanctioning both administrations of the Navy Department, however antagonistic—of sanctioning anything that may happen to be done by his own party—nor am I prepared to adopt as absolute verity the statements even of the present Secretary of the Navy. The statements I have made have been based upon authority: upon the statement of expenditures made up at the Treasury Department and authorized by law.

Gentlemen have sought to get away from the position I have taken in saying that the pay fund of the Navy has been misappropriated by taking the appropriation for one year and using it for another year, by going into an explanation of an entirely different matter. They say that the Navy pay fund, or a large portion of it, is deposited abroad, and is drawn upon for various purposes of the Navy abroad, for equipment, for recruiting, and for other expenses, but that it comes back again and the accounts are re-adjusted to the pay of the Navy.

I have made no objection to that; but the remark which I did make and which gentlemen have evaded by adopting this method of meeting it is that the appropriations under the head of "Pay of the Navy" made for a particular year have in violation of law been used for several different years. And the explanation that the gentleman has made does not reach the point.

As to the law, the gentleman from Maine says that some time in 1869 a certain law was passed which he states by way of construction, but which he does not read. I have read this law to the House; and I submit to the House and the country whether or not the construction I have placed upon it is not the necessary and inevitable construction. I know outside of this report that it is the construction of the present Secretary of the Navy, whose method of administration is not new save as it is a method of conforming to law; that is all.

But the gentleman's answer to me as to the construction of these statutes he does not make himself; he goes to the Comptroller of the Treasury, and tells what that officer thinks about it. Is this Congress supinely to sit here and take the construction of the Comptroller of the Treasury upon the laws that it has made for the purpose of restraining the Departments and preventing constructions that were wrong?

The gentleman intimates that I have been illiberal in referring to the ex-Secretary of the Navy who has passed out of office; that it is illiberal to review the conduct of that gentleman, who is now a private American citizen. Sir, I take it that that proposition will be accepted by nobody. Here has been a misuse of the public money, as I have clearly shown, and arising from it we have these deficiencies. The country is clamoring to know something of this method of administration. I am not the only person inside or outside of this Hall who is illiberal enough to want to know why the former Secretary of the Navy has been using the public money improperly.

But, sir, the gentleman went on to say—and I hope every person

in this House understood him distinctly—that he would venture to assure my friend and colleague on the committee, the gentleman from Pennsylvania, [Mr. CLYMER,] that while there had been repairs upon vessels, while there had been various expenditures in the several bureaus of the service, he would guarantee that the Secretary of the Navy had told the parties, "I cannot authorize it; if you go on and do the work you must do it at your own risk and rely upon Congress to pay you." This is the dodge with which we are met today. The Congress of the United States has tried to hold down these expenditures, and we have gone on in this winking and blinking way between the Secretary of the Navy and the contractors; and this is his vindication before the American people.

Again, sir, let me mention one fact which occurred last winter in regard to the item of clothing for the Navy Department, a fact which justifies me in some little suspicion as to the way things were managed. I went to the Bureau of Clothing, for which an appropriation had been asked. I saw the officer in charge of that bureau who had just returned from Europe. I asked him as to the need for clothing for the bureau. He produced his clothing bill, and said to me, "Sir, I have clothing enough under nearly every item of clothing for three years to come." But while he was saying this a clerk stepped up and said to him, "You had better not say that to Mr. BLOUNT, for we owe \$80,000 for clothing in New York." They had gone on and contracted for clothing when they had then enough for nearly three years. The Department did not get that appropriation; and the present Secretary of the Navy tells me that he does not need a dollar for that item.

Now, sir, if it is improper when the people's money is being consumed in this manner to talk about the ex-Secretary of the Navy and to refer to the maladministration of the Government—if it is in violation of good taste for me to do this, then I am guilty; but I will not permit the gentleman from Maine to try me. These things go before the American people. In the midst of the distress of this land, in the midst of the paralysis of business and the cry of labor for relief, I for one see no remedy except in reducing expenditures and reforming legislation. I for one shall resort to this method rather than peeping over bayonets with distrust at the men who make up the bone and sinew of this land and are the basis of its industries and wealth.

The Clerk then proceeded to read the bill by clauses, for amendment; and it was read through.

Mr. BLOUNT. I move that the committee rise and report the bill to the House.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. BLACKBURN reported that the Committee of the Whole on the state of the Union had under consideration the Union generally, and particularly the bill (H. R. No. 1220) to provide for certain deficiencies in the pay of the Navy and the pay of the Marine Corps, and for other purposes; and had directed him to report the same without amendment, and with a recommendation that it pass.

Mr. BLOUNT demanded 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. BLOUNT 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.

#### OFFICE ROOMS.

The SPEAKER, by unanimous consent, laid before the House a letter from the Secretary of War, transmitting papers relating to office rooms required for the State, War, and Navy building, and Public Buildings and Grounds, in compliance with law of March 3, 1877; which was referred to the Committee on Appropriations.

#### ANNAPOLIS AND ELKRIDGE RAILROAD CLAIM.

The SPEAKER also, by unanimous consent, laid before the House a letter from the Secretary of War, transmitting papers in the case of the claim of the Annapolis and Elkridge Railroad Company against the United States for its occupation by the military authorities in 1861; which were referred to the Committee on War Claims.

#### REPEAL OF THE RESUMPTION CLAUSE.

Mr. EWING. I call for the regular order of business.

The SPEAKER. The regular order of business is the consideration of the bill, (H. R. No. 805,) reported by the gentleman from Ohio [Mr. EWING] from the Committee on Banking and Currency, to repeal the third section of the act entitled "An act to provide for the resumption of specie payments."

Mr. EDEN. I ask the gentleman to yield to me to offer an amendment.

Mr. EWING. I will yield for that purpose.

Mr. EDEN. I propose the following amendment as a substitute for the bill:

Strike out all after the enacting clause and in lieu thereof insert the following: That section 3 of the act entitled "An act to provide for the resumption of specie payment," approved January 14, 1875, be, and the same is hereby, repealed: *Provided*, That after the passage of this act there shall be no further issue of the circulating notes of national-banking associations, except to replace such as may



be worn out, mutilated, or destroyed; and all provisions of law inconsistent with the provisions of this act are hereby repealed.

Mr. CHITTENDEN. Mr. Speaker, I send to the Clerk's desk a memorial of the Board of Trade and an amendment in the form of a substitute, which I ask may be read and printed in connection with my remarks.

The Clerk read as follows:

MEMORIAL.

The memorial of the National Board of Trade to the honorable the Senate and House of Representatives of the United States in Congress assembled.

The undersigned beg leave respectfully to represent unto your honorable bodies that the National Board of Trade, at its late annual meeting, having under its consideration the question of the resumption of specie payments by the Government and people of the United States, adopted the following resolution, to wit:

"Resolved, That in the opinion of the National Board of Trade, Congress has omitted to pass the necessary measures to carry the resumption act into effect, and it therefore recommends that Congress should enact a law authorizing the funding of the legal-tender notes in bonds running forty years, and bearing 4 per cent. interest per annum, payable quarterly, to an amount not exceeding \$10,000,000 per month, until the legal-tender notes shall be at par with coin."

Respectfully submitted, by order and on behalf of the national board of trade.

FREDERICK FRALEY,  
President, Philadelphia.

CHARLES RANDOLPH,  
Secretary, Chicago.  
WASHINGTON, 1877.

Mr. CHITTENDEN. Now let the Clerk read the amendment I propose as a substitute for the pending bill.

The Clerk read as follows:

Strike out all after the enacting clause and in lieu thereof insert the following: Whereas the legal-tender notes of the United States, when first issued, were, by a provision of the act authorizing them, fundable at the option of holders into bonds of the United States bearing 6 per cent. annual interest;

And whereas but for such provision for funding neither the Secretary of the Treasury nor either House of Congress would have consented to their issue;

And whereas the exigencies of a prolonged civil war led to the temporary withdrawal of the said funding provision of the legal-tender act;

And whereas the Government of the United States is solemnly and firmly bound, by act of Congress, approved January 14, 1875, to provide for the redemption in coin of its legal-tender notes on and after the 1st day of January, 1879;

And whereas the United States must, like all other debtors, public or private, provide for and pay all its honest obligations to the extent of its means and resources, or be discredited and dishonored: Therefore,

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be, and is hereby, authorized to withdraw, as soon as the necessary preparations can be made, the legal-tender notes of the United States, whenever presented by the holders thereof, and issue therefor, dollar for dollar of face-value, coupon or registered bonds of the United States in the spirit of the original legal-tender act: *Provided*, That the bonds authorized by this act shall be payable in gold at the expiration of forty years from the 1st day of January, 1877, and bear interest at the rate of 4 per cent. per annum, payable quarterly in gold.

SEC. 2. That the bonds authorized by this act shall be available for deposit in the Treasury of the United States for banking purposes under the various provisions of law relating to national banks.

SEC. 3. That the legal-tender notes received in exchange for bonds under this act shall be destroyed, under such regulations as the Secretary of the Treasury may prescribe.

SEC. 4. That all laws inconsistent with this act are hereby repealed.

Mr. CHITTENDEN. Mr. Speaker, I am constrained to ask the protection of the Chair against all interruptions.

Unless I am greatly mistaken, the bill we are considering means downright repudiation; just that. I hold in my hand the promise of my Government to pay me \$10. The date of payment is fixed by law upon the statute-book. The Government must keep faith with me; failing in that, it becomes the leader of all defaulters and repudiators, including towns, cities, and States. The point of honor is central and vital in this discussion. But, before coming to that, I have to brush away some strange mistakes made by the gentleman from Kansas in opening the debate.

First, I regret that the gentleman misunderstood my opinion of the resumption act. I concede that some additional legislation is necessary to make the act finally effective; but the absence of such legislation does not in the slightest degree weaken the sacred force of the obligation as it stands upon the statute-book; on the contrary it re-enforces that obligation, leaving Government absolutely without excuse.

In the second place, I am sorry that the gentleman from Kansas was green enough to take into his confidences that monster of inflation, who told him that there were four hundred thousand street paupers in the metropolis. The history of all paper-money delusions on earth will be searched in vain for the equal of that fellow.

Finally, I deeply regret that after all his patient and profound study of finance the gentleman seems to have discovered that the commercial distress and shrinkage of values under which the country groans have been brought about by enforced contraction of the currency under the resumption act of 1875. I beg leave to say to the gentleman from Kansas, and to all unfortunates who roam over the highways and by-ways of the nation, preaching his doctrines to the great injury of honest people, that the resumption act is no more responsible for the present sufferings of New York and Kansas than it is for the frozen feet of the Turks in the Shipka Pass; not a bit more!

It is high time for members of Congress and all men of sense to drop and renounce forever all such nonsense. We have records which no man's ingenuity or audacity can change which enforce and establish our position.

As late as the 20th of October last, or about three weeks ago, there

were more greenbacks in use than at any time from 1868 to 1873; more than when we were building ten thousand miles of railroads per annum and otherwise living and scheming as if all the reserved resources of this continent could be developed for the aggrandizement of our generation.

We have to-day in use only about a million and a half less than we had when we constructed those sham fortunes which crazed the whole nation prior to the great explosion in 1873.

No man outside of jail will deny these statements of fact.

Now place along-side the foregoing facts the following: For about eight years prior to 1873, the brain power, labor power, and money power of the country, joined by the land-giving power of Congress, were to an uncommon extent devoted to railroad industries. It amounted to a railroad mania. These industries suddenly collapsed. The capital invested was lost. A very large proportion of the labor of the country was displaced. It was violently switched off its track and plunged into a deep pit of enforced idleness and waiting. There it has remained; there it is now. Of course the power of the people to consume and pay for the products of labor is immensely crippled. Enterprise is dead. Incomes have disappeared. Wages are reduced. The volume of business is diminished. Prices have fallen. We have sharp contraction on all sides, and in all things, by the force of laws as immutable as the law of gravitation, the greenback currency only excepted! It has required just four years to get rid of the new emission of twenty-six millions issued after the crash of 1873 by a freak of legislation which history has already located in a lunatic asylum.

Take three men, where you find them, who have for a long time enjoyed and shared a daily ration of a dozen bottles of good brandy. Take away one man and continue the same ration, and what will become of the other two men if compelled to drink half a dozen bottles apiece daily?

The answer to that question will throw vivid light upon the existing currency illusion, and the argument is not impaired by the fact that the two victims clamor wildly for another ration!

Nobody ever can compute the cost of the fatal issue of twenty-six millions of greenbacks in 1873 to which I have just referred. The most serious and distressing disappointments and disasters of the last three years are directly traceable to that act of lunacy, and the end is not yet!

But, says the gentleman from the West, the banks have contracted their currency! Why not? Government has no more right to say how many notes the bank shall circulate than it has to enact how many acres a farmer shall cultivate. The banks are equally free to expand and are now expanding their currency. The national-bank act admits of such expansion to the full amount of the bonded debt: say \$2,000,000,000. Expansion is profit, contraction is loss. Is it not tolerably certain that under such a system there will be all the currency out that can be used honestly and properly?

But the gentleman shouts again he can get no money in the West! They are mistaken. I know how it is myself, for I have been there.

You have money instantly at command for everything you raise which the world wants.

You and I both want money to resurrect our old and wild investments which we do not deserve to get and never can borrow on lands and improvements which have cost us four or five times their value.

Let me explain what I mean, so that it may be clearly understood by every man from the North or South, East or West, who will take the trouble to give me a moment's attention.

All Congressmen of our time have heard of Du Luth.

I know a man who belongs to the class frequently denounced in these Halls with fluent and ignorant rhetoric as "bondholders," who was foolish enough, soon after the eloquent gentleman from Kentucky made himself and Du Luth famous forevermore, to send out there and buy a corner lot, on a portion of which he built a house for homes and business purposes.

The total expenditure in cash eight years ago was \$10,000, leaving a slice of land unimproved.

The property has cost its owner, including interest and taxes and deducting income to the present time, more than \$15,000. He is willing to sell it all for \$2,500. The dreadful banks will not loan a cent on it. Why should they? And yet there is plenty of money in Du Luth to-day to buy every horse, bushel of wheat, and prairie chicken brought to market.

This case, Mr. Speaker, truthfully suggests the real trouble we have to deal with. There are thousands just like it in the city and State of New York. No shouting of demagogues, no paper money device is equal to the exigency upon us. It is cruel mockery and damnable wickedness to hide the truth any longer from the people. It is a crime against the omnipotent forces of nature, which with boundless generosity invite the nation to patient industry, uprightness, and frugal living, for us to try to conceal our scars or cure our disease as with a garment of irredeemable paper money, or with silver dollars worth but ninety-two cents a piece! That was the price on Monday week; they are two cents cheaper to-day.

In the case I have cited, the sufferer bought no more than he could pay for. He simply threw to the winds his own in a ridiculous wild venture. If he had bought more and mortgaged the whole to some luckless bank, he himself would have been in the poor-house to-day and not here.

My one practical observation is, that the limitation of our paper



currency should be, and will be in the end, left to adjust itself under a free banking system, guided by the eager, intelligent, and aggressive enterprise of our people.

There is but one alternative, namely: An exclusive greenback currency, subject at all times to the caprice of Congress.

If any one asks me what policy will lead to, I refer them sorrowfully to the startling vote given here on Monday for the silver bill.

And now, Mr. Speaker, I come closer to the bill before the House. I make no reflections. I concede that its authors are my peers; but I denounce their work as hurtful, discreditable, and without excuse. The issue presented admits of no compromise. There is no way to average honesty with dishonesty. There is no neutral ground between right and wrong. The popular notion that it is the duty of law-makers to do the best they can with questions which divide the public judgment, does not apply here.

It is apparent to the whole country and to the civilized commerce of mankind, since the votes of Monday, November 4, that an irredeemable-paper-money delusion has done its perfect work in the minds and purposes of a large majority of the popular branch of our National Legislature, and that it remains for the people to arouse themselves to know the truth and save their priceless heritage from a bondage only less terrible than human slavery itself.

I lay it down, Mr. Speaker, as a proposition firmly rooted in the deepest convictions of every thoughtful and upright citizen, that the national integrity shall not be sacrificed, and I declare to you, to my constituents, and to the people of the whole country, that there never has been a day in American history since the days of colonial dependence when our national honor and welfare were so imperiled as now. Say not that this is an extravagant and heated statement. What have we witnessed? What did this House of Representatives do on Monday, November 4? It passed a currency bill, which involves the one we are now considering, without a syllable of debate, which, if enacted into law, is estimated to take twenty millions, more or less, from the hard earnings of the depositors in savings banks alone in the State of New York, and which will otherwise, in the event supposed, result in disasters and loss to every State in the Union which no man can measure or estimate. Let me say here that I have reason to think that at least half a million of men in the Empire State are prepared to send their protest to Congress against the silver abomination, in the name of common honesty.

Why this frantic haste? There was never such a proceeding here before, involving so much. I am assured by those who served here, when the gentlemen who now rule the House and the country were on the other side of the Potomac with their guns, that no such hurried proceedings were tolerated. What is the meaning of it?

It has been intimated that the silver and anti-resumption bills are the sullen reverberation of the late Ohio election. It is said that eighty thousand republican machine politicians refused to vote in Ohio because their own upright leader kept his promises faithfully to the country, and that repeal and ruin are the penalty to be exacted by the successful democracy.

I cut the following from a late Baltimore paper which throws a little light, perhaps, on my inquiry:

I have come, he said, to tell the laboring-men of Baltimore and of the eighteenth ward that I stand here to-night in the face of that history, now made, but not yet written, by which the democratic party has fulfilled its promise of being a party in the interest of the whole people. In my last speech to you I sought to convince you that your depressed condition was due to the legislation of the republican party, and that prosperity would only return to you when the shackles thus imposed were stricken from you. [Applause.] I tell you now that by the action of the democratic Congress this morning these shackles have been stricken from you. It has declared that there shall no longer be one money for the banker and the bondholder and another for the people. It will now go further and will to-morrow morning pass the bill for the repeal of the noxious resumption act. [Applause.]

Again, from the same paper and the same speech:

We have commenced by the resumption of silver; we will follow it to-morrow by the repeal of the resumption act, and we will go further and make an equalization of taxes by restoring the income tax.

We have here, it will be observed, resumption of silver secured to-day; repeal of the noxious resumption act to-morrow, (they did not get on quite so fast as promised;) and equalization of taxes by restoring the income tax shortly. The last is a little mixed, but it looks to me like a proposition to equalize things generally.

Mr. BLACKBURN. Will the gentleman allow me—

The SPEAKER. The gentleman from New York stated at the outset of his remarks that he would not permit himself to be interrupted.

Mr. BLACKBURN. I hope the gentleman will not decline to allow me to say he is using a report given in a newspaper which was never submitted to me for examination. The points, as he has quoted them and as I catch them, I here reiterate, and only express my deep regret that the resumption act has not already been repealed and those shackles already stricken off.

Mr. CHITTENDEN. Again, I find the following in a highly respectable New York paper of October 25, cut from a paper published in Missouri:

Nearly every city in the entire West is hopelessly in debt. All are moving for a compromise. If they fail in that, the next thing will be flat repudiation. Much as we regret it, this is the feeling of a majority of the people. The majority rules, and the sentiment is "compromise or repudiate." We wish it were otherwise; but it is not, and creditors may as well know the truth at once.

Here we have it, Mr. Speaker. Repudiate! That, in truth, is the word. I do not exaggerate. It comes as a rushing, mighty wind comes! We are now shaken by a wild blast of a grand currency illusion, which has swept over the plains of the South, the prairies of the West, carrying this House by storm on Monday, and threatening to engulf the national integrity!

The bill before us justifies the most serious apprehensions. It is a plain breach of contract. Its monstrous and criminal impolicy is also only equaled by the silver bill, as is perfectly apparent to all who know the present condition of the commerce of our country with other leading nations.

The currents of trade have set strongly in favor of resumption for more than two years, and now the miseries of two great nations engaged in war unite, as by a special providence, to assure the restoration of our currency to a gold standard.

It is almost universally believed by men most largely and intimately connected with our foreign exchanges that but for the meddling by Congress gold will cease to be merchandise in New York, and be restored to use as currency within ninety days. There is nothing improbable in this belief. The currents have all run in that direction for a long time, and it becomes more and more evident, day by day, that they will so continue to run.

Some of the promoters of this bill cannot be ignorant of the true state of things. They see that they have not a moment to spare if they are to make greenbacks forever irredeemable, as their bill, if enacted, will do. The crisis is upon them. It is now or never. With bank-notes once again at par with gold, the people will understand the case and not only insist upon maintaining the resumption act in its integrity, but also upon such other legislation as is necessary to secure the withdrawal of greenbacks slowly but surely.

It is moreover re-assuring to recall the perfect unanimity of public sentiment in respect to the true character of irredeemable paper when the legal-tender notes were first issued.

The Government, charged with the national life, in the darkest hour, without money and without credit, shut up the Constitution, and seized the only weapon within reach, as a man for want of a gun might seize dynamite and hurl it in bulk at the head of a burglar attacking his house at midnight.

Then all intelligent men in both of the great political parties deplored the use of legal-tender. The party immediately responsible for Government frankly appealed to history, warning the people against the dangers we now realize, urging them at the same time to avert such dangers by cheerful submission to taxation.

The party opposed to Government, the democratic party, strenuously opposed the issue of greenbacks to the last, and the recorded fact that when the bill of February 25, 1862, authorizing their issue passed the House of Representatives but one democrat voted for it, is a withering comment upon the present attitude of leading democrats in several States. Mr. Pendleton, then a Representative from Ohio, now a candidate for the Senate of the United States, closed a long argument in this House to show that the Constitution gave no shadow of authority for the issue of legal-tender, even though the existence of the nation depended thereon, as follows:

Let gentlemen heed this lesson of wisdom. Let them, if need be, tax the energies and wealth of the country sufficiently to restore the credit of the Government. Let them borrow whatever money in addition may be necessary—borrow to the full extent that may be necessary—and let us adhere rigidly, firmly, consistently, persistently, and to the end, to the principle of refusing to surrender that currency which the Constitution has given us, and in the maintenance of which this Government has never yet for one moment wavered.

This lesson by Mr. Pendleton is of great interest to the country and exactly fits our present circumstances.

When he first delivered it, our Constitution was in ruins; and the only question then was, How shall it be restored? All patriotic people were then struggling by all means to restore it. They succeeded. The Constitution is safe now, and every word of Mr. Pendleton's lesson may be applied with great force and advantage. Especially so, as his record as a candidate for the Presidency with his late speeches in Ohio show that he himself is a victim of the popular greenback delusion, which no longer hesitates to attack the national integrity.

Mr. Speaker, I believe that the greenback is the most powerful enemy our country has ever encountered, slavery only excepted. I wish I were master of words to express its true character. It is not money, but a device. It does not pretend to represent capital or labor. It is debt, representing the exigency of a great civil war. It is a device in its nature and in its influence on mankind, precisely like the paper-money devices of the days of our colonial dependence in the early part of the eighteenth century; of John Law's Mississippi scheme; the assignat of the French revolution, and the continental money of our own revolutionary times.

There is nothing in the history of these several paper-money delusions to warrant the belief that the greenback will ever be fully paid. On the contrary all their traditions point to repudiation, and current events point the same way. We have very recently seen Mr. Pendleton, for example, in pursuit of votes, bending to the subtle and seductive power of the greenback; and on Monday week one hundred and sixty-four members of this deliberative (!) body, in close communion with the friends of the bill we are considering, without one moment's hesitation, voted that a bit of silver worth that day

ninety-two cents and to-day about ninety cents and liable to be worth no more than eighty-five cents next week, shall henceforth be a lawful dollar in this country; and, in effect, that gold shall be known no more forever in our currency! If that is not square and downright repudiation, what is? Shall the power which so declared a lawful dollar on Monday hesitate to declare ten cents a lawful dollar when the pretext and exigency shall arise? Edmund Burke about one hundred and fifty years ago proposed an emission of base coin for the American colonies to relieve them of a currency delusion, and history repeats itself to-day in a proposition lately submitted to the Senate of the United States to issue four hundred millions of "goloid"—if any one knows what that is.

In the presence of these facts I denounce—in words I have recently uttered in another place—the greenback in place of money as a fraud. It is a sham. It familiarizes the individual and public conscience with shams. It has muddled all our springs of honest thrift and solid enterprise, confused and misled the public judgment, sapped the courage and wisdom of the Federal Treasury, and given immense comfort to demagogues.

Mr. Speaker, it cannot and will not be denied that the indications all point to the greenback as the future shibboleth and rallying cry of the most aggressive, vicious elements of society throughout the land.

How, then, shall we dispose of the greenback, and uproot the mischief of it?

The substitute I have offered for the pending bill will do it as by magic. It will do it efficiently and instantly, without alarm or harm to any one. *If adopted, gold and bank-notes will be equal in value before the executive ink is dry.* It is the original and fundamental principle underlying the legal-tender act. No other method of paying the forced loan was ever talked about by any clear-headed man of either party for years. It has ever been, and is now, advocated as the only practicable method by the most distinguished political economists and eminent merchants in our country. It has been so recognized again and again by the present Secretary of the Treasury, as it was by two of his immediate predecessors, and the principal argument we hear against it is the scandalous one that funding is unpopular.

It is well known now that President Grant spent the very last hours of his administration in an earnest effort to secure the substance of this proposed substitute to the pending bill, as the crowning achievement of his civil career.

It is easy to show that funding at 4 per cent. cannot lead to rapid or hurtful contraction. Beyond narrow limits, gold will take the place of greenbacks as they are funded. The laws of trade and untrammelled commerce can be relied upon under this simple substitute, and they will for the first time in fifteen years re-assert their authority. It will immediately utilize our present stock of merchandise of gold, converting it with all fresh gold products into active and useful currency. Can anything be more inviting or reassuring than that?

Are we to renounce the truth because it is for the moment obscured by the clamor of ignorant and selfish men? Can we restore confidence to capital by a new device? Can we hope for general employment of labor without a restoration of confidence?

Funding is no device or mere contrivance. It is the truth of straightforward common sense; precisely that, and nothing more. It stands firm as granite mountains, buttressed by the best commercial sense and highest authorities in the world.

Mr. Speaker, we are a spectacle to-day which future historians may describe with weeping and amazement.

After a dire national calamity; after the prodigious cost, waste, and suffering inseparable from fifteen years of war and irredeemable paper money, we stand in the very crisis of our distress and disaster with a boundless and brilliant starlit horizon just in front of us. The question we have to answer is this: Shall the great Government of the United States, in this supreme moment, turn away from its own appointed, feasible, and honorable remedy, after strange gods, to plunge into a new and limitless abyss of cowardice and shame? That is the question I submit.

In conclusion, Mr. Speaker, I desire to place myself in close relations with the gentleman from Ohio, [Mr. EWING.] I have four questions to ask him, which I respectfully request him to answer to his own conscience, to his people, to my people, and to the people of the whole country, whenever he shall speak for his bill on this floor.

First. If I owe the gentleman a sum of money, which I have promised by note of hand to pay on the 1st day of January, 1879, can I, with plenty of means, send him formal notice to-morrow that I will not pay him, and return here to meet honest men, unveiled?

Second. Here again is a promise to pay \$10 by the Government of the United States. The day for its payment has been fixed by law. How can the Government give me notice that it will not pay me, without disgrace and shame?

Third. Can this great Government afford to risk even a constructive imputation of dishonesty?

Fourth. How and why is it that all well-dressed gamblers, defaulters, and repudiators in this broad land applaud to the echo the gentleman's bill?

I ask permission to print as a postscript to my remarks a brief and decisive utterance of my distinguished colleague [Mr. HEWITT] in

favor of funding the greenbacks, which I cut from a letter of his written for the press a few months ago; and also some historical scraps referring to our earliest paper-money delusion which are of interest to all who desire to investigate the subject:

The legal-tender notes are an overdue debt; it is a disgrace to the people of this country that the payment of this debt should not have been made long since. If the original privilege of funding these notes in 6 per cent. bonds had not been repealed, the debt would have been paid within twelve months after the close of the war.

And again:

To-day, if they were made fundable in a 4½ per cent. currency bond, they would all be paid and might all be canceled within twelve months.

[From Mr. Bancroft's history.]

The credit of the colonies was invoked in behalf of borrowers. The first emissions of provincial paper had their origin in the immediate necessities of Government.

In 1712 South Carolina issued at a low rate of interest on the mortgage of lands "a bank" of £48,000.

In 1714 Massachusetts authorized an emission of £50,000, to be paid back in five annual installments. The debts were not thus paid back; but an increased clamor was raised for greater emissions. In 1716 an additional issue of £100,000 was made, and the scarcity of money was more and more complained of. All the silver money was sent to Great Britain to pay debts, and yet the system was imitated in the other colonies.

Franklin, who afterward perceived its evil tendencies, assisted in 1723 in introducing it into Pennsylvania, where silver had circulated; and the complaint was soon heard that "they had very little gold and silver."

Rhode Island in 1741 "issued a bank of £40,000," on which the interest was payable in hemp or flax.

The first effects of the unreal enlargement of the currency appeared beneficial, and men rejoiced in the seeming impulse given to trade. It was presently found that specie was repelled from the country by the system; that the paper furnished but a depreciated currency, fluctuating in value with every new emission; \* \* \* that the increase of paper, far from remedying the scarcity of money, excited a thirst for new issues; and, finally, that commerce was corrupted in its sources by the uncertainty attending the expressions of value in every contract.

In 1738 the New England currency was worth one hundred for five hundred; that of New York, New Jersey, Pennsylvania, and Maryland, one hundred for one hundred and sixty or seventy or two hundred; South Carolina, one for eight; North Carolina, one for fourteen in London, one for ten in the colony. And yet the policy was not repudiated.

Mr. MONROE. Mr. Speaker, I do not rise to make a speech. The subjects connected with specie resumption have been so thoroughly and exhaustively treated for some years past in Congress, through the press, and in popular assemblies, that it would be presumptuous in me to discuss them at length on this occasion. I propose only to give as briefly as possible some of the reasons disclosed on the very face of this bill, which make it my duty to vote against it.

I assume that we should all be glad to see the greenback dollar equal to the coin dollar in value, and exchangeable for it at the pleasure of the holder. I assume that there is no party in this House or in the country that desires to keep our paper permanently in a state of depreciation, and that the whole people desire equalization in value of the different forms of the dollar, whether paper, silver, or gold.

Assuming these admitted facts, I state, in the first place, that I am opposed to the bill reported by the committee, because it repeals all the legislation we have which is designed to bring about specie resumption or its equalization of values. It removes from the statute-book every line and every word which was intended to accomplish this object. If, while it repealed the resumption act, it offered us something professedly as good or better in its place, we might receive it with favor. But its work is simply destruction. It takes away all that we have and gives us nothing. It is a confession of failure. It is an utter abandonment of all attempts to aid in the work of resumption by legislation. Its theory is that the best way for a government to resume is to make no effort to resume—that the true secret of success here is not to try. It not only removes the strong and skillful hand from the helm, but it unships the helm itself. It holds that the true science of navigation is to drift.

Are we prepared to indorse these doctrines? Our democratic friends certainly cannot be. One of the severest indictments found by the national democratic convention at Saint Louis against the republican party was that that party had not made sufficient preparation for the resumption of specie payments. One of the paragraphs contained in the platform of that convention reads as follows:

We denounce the failure, for all these eleven years of peace, to make good the promise of the legal-tender notes, which are a changing standard of value in the hands of the people, and the non-payment of which is a disregard of the plighted faith of the nation.

I do not admit the justice of this attack upon the republican party; an attack, however, which need not surprise us as an expression of partisan feeling on such an occasion; but I do admit the soundness of the financial doctrines announced in this paragraph: doctrines not springing from any political bias, but taught alike by the needs of the country and by all true political economy. The democratic platform is right in saying that the legal-tender notes "are a changing standard of value in the hands of the people," that their promise should be made good, and that their non-payment "is a disregard of the plighted faith of the nation." But I ask our democratic associates how the repeal of all law which favors specie resumption, without substituting anything else for it, will aid in the redemption of the legal-tender notes. Will it aid in accomplishing this object to



say that the Secretary of the Treasury shall make no preparation for it? Will it promote the desired end to say, as you would by voting for this bill, that the Secretary of the Treasury shall not redeem in coin the legal-tender notes of the United States on and after the 1st day of January, 1879? If the redemption of the greenbacks in coin was the end sought by the democratic convention, does not the bill before the House propose rather extraordinary means to that end?

In another portion of the same platform it is declared:

We denounce the financial imbecility and immorality of that party which during eleven years of peace has made no advance toward resumption, no preparation for resumption.

But is the repeal of all legislation in favor of resumption, without offering us any other plan, "an advance toward resumption" or a preparation for it? It might sound discourteous if we were to attribute "imbecility and immorality" to the measure now before the House; but there are minds to whom such an application of the terms would seem quite as appropriate as to apply them to the carefully considered and well-meant, even if defective, measures of the republican party to accomplish specie resumption.

But republicans cannot support this bill with any more consistency than democrats. The republican national platform of last year contains the following resolution:

In the first act of Congress signed by President Grant, the National Government assumed to remove any doubts of its purpose to discharge all just obligations to the public creditors, and solemnly pledged its faith to make provision at the earliest practicable period for the redemption of the United States notes in coin. Commercial prosperity, public morals, and national credit demand that this promise be fulfilled by a continuous and steady progress to specie payment.

This is the platform upon which the republicans united last year and upon which they conducted the presidential canvass. I shall listen with the keenest interest to hear some republican, who proposes to vote for this bill, explain how provision is to be made for the redemption of greenbacks in coin and how continuous and steady progress is to be made toward specie payments by repealing all the legislation which we have to accomplish these objects.

Mr. KELLEY. If the gentleman will allow me to interrupt him for a moment, I desire to say that all republicans did not stand together on that platform; that I went under high official auspices to Indiana and Ohio and through the interior of Pennsylvania, and expressed to every republican audience I addressed my earnest protest against the financial doctrines of the party and those expressed in their letters of acceptance by Mr. Hayes and Mr. WHEELER; and then tried to induce greenbackers like myself to see reasons for supporting the ticket.

Mr. CONGER. Was that this year in Ohio?

Mr. KELLEY. No, sir; it was in the year when we won Ohio, not when we lost it.

Mr. MONROE. The appeal which I have thus far made has, of course, been made to gentlemen who stood on the republican platform. It was those persons whom I was addressing.

Mr. KELLEY. I am a republican.

Mr. MONROE. I cheerfully admit the republicanism of the gentleman from Pennsylvania. No man respects him more than I do, although I have been compelled to differ from him on some questions; and what I have to say on the point will certainly not be understood to detract in any respect from the high estimation in which I place him. But if I recollect aright, during the very year to which the gentleman refers the platform of that very State of Ohio which was carried that year was wholly sound from my stand-point on this question of the currency.

Mr. KELLEY. My point was that to avoid the platform I was taken there to preach an opposite doctrine.

Mr. MONROE. That was an arrangement, Mr. Speaker, of which I never heard, and I will take the opportunity to say I at least was not a party to it.

Mr. GARFIELD. If my colleague will permit me, I will say that the speeches made in Ohio by the gentleman from Pennsylvania were in 1875, when he attempted to secure the election of Governor Allen, the democratic candidate, and not in the presidential election.

Mr. KELLEY. My effort succeeded in electing President Hayes, so far as the vote of Ohio went.

Mr. MONROE. I am not so unreasonable as to expect in these times a very high degree of party consistency; but one would think that doctrines avowed by the two parties as recently as a year ago last June and inscribed upon their banners all through the contest for the Presidency might still be remembered with favor.

Again, I must vote against this bill because the moral effect of its passage would be most injurious to the country. It requires courage and self-denial for any people which has suffered from a long period of paper inflation to recover itself and return to sound methods. The American people have now passed almost entirely through the difficulties and embarrassments incident to a depreciated currency. The greenback dollar is worth to-day nearly ninety-eight cents in gold. A little more patience, a little more perseverance, and the victory will be achieved. The people have earned this great deliverance; they have borne the suffering, why should they not have the reward?

But what would be the result if we should pass this bill? I answer, the earnest moral purpose of the country, now so near its consummation, would at once be sensibly weakened. A feeling of discouragement would pervade the land. We should discourage ourselves; we

should discourage the executive and deprive it of its powers. We should discourage the people and reawaken in a portion of them a desire to escape the fancied inconvenience of persevering in the right course. The demand would soon be made at these doors—a demand which, after setting such an example, we should not find it easy to resist—for an enlargement of the volume of our paper currency. To yield to such a demand would only prepare the way, and apparently create the necessity, for still further inflation, until we should find ourselves confronted by all the worst evils of depreciation, bankruptcy, and national dishonor. Do we wish to enter upon a course like this? Our faces are now set in the right direction. It is dangerous to look back. If we turn back, no one can say where we shall stop or how ruinous the consequences may be. Do we wish to go back over the long dark road of depreciation and bankruptcy which we have so wearily traveled and from which we are just emerging? Do we wish once more to see the legal-tender dollar worth only seventy-five cents in gold, or fifty cents, or forty cents, as was the case in former years? Do we wish to undo all that has been done, to suffer over again all that has been suffered, and from which we are almost escaped?

The mere introduction of the bill now before the House, much more its passage, seems to me especially inopportune and unfortunate at this time, when our legal-tenders are so nearly at par with gold. The greenback dollar in which are received the incomes by which the vast majority of the families of this land are supported, the greenback dollar in which the laborer is paid, will now purchase almost as much of the necessities of life as the gold dollar itself. Can we afford to abandon or even to imperil this immense advantage? Credit is sensitive. Unwise action in this House may be the beginning of a reactionary course which will rapidly reduce the wages of labor and diminish the support of families throughout the country.

It cannot be repeated too often that every fall in the price of gold raises wages and increases incomes; every rise in the price of gold diminishes both. Those nations, such as Russia and Turkey, which are struggling against the evils of a depreciated currency would be unspeakably thankful could they be carried forward to a position as hopeful as ours. To sacrifice this position seems to me little short of madness. The proposal to give up all we have gained, as was recently said in a social circle, is like asking us to jump from a life-boat when it has almost reached land and to try swimming ashore upon bladders.

The passage of this bill would undoubtedly be most disastrous in its effect upon business. What business men have long complained of is the want of steadiness of value in the medium of exchange. They have constantly told us that the great difficulty in the way of business enterprises has been the fluctuations in the standard of value. For long periods the closest calculator has been unable to make even a shrewd guess beforehand as to what the prices would be upon which he must depend for success. For some time past there has been such growing evidence of approaching steadiness of value in our paper currency, that men engaged in business have now strong hope that the evil from which they suffer will be removed. Capital is gaining confidence and is venturing forth from its hiding-place. Business is adjusting itself to the new prospects and the new conditions. The leading journals bring us daily evidences of a wholesome revival of trade. To disappoint these hopes by a repeal of the only act which makes provision for specie resumption would be a misfortune great beyond computation.

If we are ever to attempt to redeem our paper promises, it would be difficult to find a more favorable time. The balance of trade is largely in our favor—our exports exceeding our imports by about \$200,000,000 per annum. Gold is flowing freely in upon us from abroad. The amount of coin and bullion in the country is at least \$100,000,000 more than it was in 1875, when the specie-resumption act was passed. A state of things in regard to exchange on London exists in New York to-day which has seldom or never existed in most of the commercial marts of the world. I refer to the fact that sight bills on London are considerably below par. Our national Treasury is well managed and in a prosperous condition; business is beginning to feel, through its thousand channels, the impulse of a new life; and our paper has been steadily creeping up to par with gold.

All this has been going on while the Secretary of the Treasury has been executing to the best of his ability that law which by many is declared to be so injurious to the general welfare—the specie-resumption act of 1875. It should be added, that in the opinion of many of our ablest business men, the shrinkage of prices has now reached its limit, so that we have little or nothing more to fear in that direction. We have thus a natural and proper basis for gold valuation. If under these favorable circumstances we should fail to reach specie payments, we may well despair of doing so for another generation.

Mr. BELL was recognized.

Mr. FELTON. I ask my colleague to yield to me for a motion that the House do now adjourn.

Mr. BELL. I yield for that motion.

Mr. FELTON. I move that the House do now adjourn.

LEAVE OF ABSENCE.

Pending the motion to adjourn,

By unanimous consent, leave of absence was given to Mr. CLARK, of New Jersey, until Monday next.

## WILLIAM M. PATTON.

Mr. WILSON, by unanimous consent, submitted the following resolution; which was referred to the Committee of Accounts:

*Resolved*, That the Clerk of this House be, and he is hereby, directed to pay to William M. Patton, out of the contingent fund, the sum of \$400 for services rendered as messenger of this House from May 1, 1877, to the 1st of September following.

## PAY OF HOUSE LABORERS.

Mr. HENDERSON, by unanimous consent, submitted the following resolution; which was referred to the Committee of Accounts:

*Resolved*, That the Clerk of the House be, and is hereby, authorized and directed to pay, out of the contingent fund, such of the laborers of the House as were actually employed during the recess of Congress or any part of the same.

## ADMINISTRATIVE ECONOMY AND REFORM.

Mr. GLOVER, by unanimous consent, submitted a resolution to enforce administrative economy and reform; which was referred to the Committee of Ways and Means.

The question being taken on the motion that the House do now adjourn, it was agreed to; and accordingly (at four o'clock and forty minutes p. m.) the House adjourned.

## PETITIONS, ETC.

The following petitions, &c., were presented at the Clerk's desk, under the rule, and referred as stated:

By Mr. BANNING: The petition of Andrew Gleason, for compensation for work done under a contract with the engineer in charge of public buildings in the city of Washington, District of Columbia—to the Committee on Public Buildings and Grounds.

By Mr. CALDWELL, of Kentucky: The petition of G. J. Houston, for compensation for services rendered in the Doorkeeper's department, House of Representatives, during the second session of the Forty-fourth Congress—to the Committee of Accounts.

By Mr. DURHAM: The petition of Mary Riley, for a pension—to the Committee on Invalid Pensions.

By Mr. ELLIS: Papers relating to the claim of Hyde & Mackey for work done in dredging the Southwest Pass of the Mississippi River—to the Committee on Commerce.

Also, the petition of H. D. Coleman, administrator of Willis P. Coleman, deceased, for compensation for property destroyed by the United States military authorities—to the Committee on War Claims.

By Mr. EVINS, of South Carolina: A paper relating to the establishment of a post-route from Texahaw to Camden, South Carolina—to the Committee on the Post-Office and Post-Roads.

By Mr. FENN: Papers relating to the bill providing for negotiations with the Cœur d'Alène Indians in the Territories of Idaho and Washington—to the Committee on Indian Affairs.

By Mr. FRANKLIN: Papers relating to the claim of A. L. H. Crenshaw for property taken by United States Army—to the Committee on War Claims.

By Mr. GARFIELD: The petition of Andrew J. Herroon, for a pension—to the Committee on Invalid Pensions.

By Mr. GOODE: Papers relating to the petition of the sureties of Jesse J. Simkins, late collector of Norfolk, for relief—to the Committee on the Judiciary.

Also, papers relating to the petition of Kate Louisa Ray for a pension—to the Committee on Invalid Pensions.

By Mr. GUNTER: Papers relating to certain private land claims of Mrs. Myra Clark Gaines, in Louisiana—to the Committee on Private Land Claims.

By Mr. HARDENBERGH: Papers relating to the claim of Moses B. Bramhall's administrator for property seized by United States officials—to the Committee on War Claims.

By Mr. HARTRIDGE: Memorial of the commissioners of pilotage for Brunswick, Georgia, and others, against the repeal of the law regulating compulsory pilotage—to the Committee on Commerce.

Also, memorial of the mayor of Savannah, Georgia; of the chairman of the commissioners of pilotage; of the president of the Cotton Exchange; of insurance agents; of merchants and others, against the repeal of the law of compulsory pilotage—to the same committee.

Also, memorial of the pilots and citizens of Darien, Georgia, of similar import—to the same committee.

By Mr. HASKELL: Papers relating to the claims of citizens of Kansas Territory for damages to and for losses of property resulting from the civil disturbances in that Territory in the years 1855 and 1856—to the Committee of Claims.

By Mr. JONES, of New Hampshire: Papers relating to the claim of Charles H. Ladd for the use of his property by the United States during the late war—to the Committee on War Claims.

By Mr. MAISH: The petition of John A. Rea, to have refunded certain taxes illegally collected from him by United States officials—to the Committee of Claims.

Also, the petition of Henry Clayton, late a captain in the United States Army, to be reinstated in his former rank in the Army and placed upon the retired list—to the Committee on Military Affairs.

By Mr. MARTIN: Papers relating to the claim of the heirs of Benjamin Moore for services of said Moore in perfecting certain improvements in the manufacture of small fire-arms—to the same committee.

By Mr. MORRISON: Memorial of W. M. Springer, for compensation for professional services rendered in the Supreme Court of the United States in the case of The Assistant Treasurer of the United States vs. The Centennial Board of Finance and others—to the Committee on Appropriations.

By Mr. REED: The petition of Philip Henry, for a pension—to the Committee on Invalid Pensions.

By Mr. ROBERTSON, of Louisiana: Papers relating to the establishment of a post-route from New Texas Landing, by way of Churchville and Petite Prairie, to Big Cane—to the Committee on the Post-Office and Post-Roads.

By Mr. SAYLER: The petition of Charles C. Aleshire, to be paid the salary of assistant superintendent of the document-room, Doorkeeper's department, House of Representatives, he having performed the duties of that office until the organization of the Forty-fifth Congress, from March, 1877—to the Committee of Accounts.

By Mr. SCHLEICHER: Papers relating to the claims of Mrs. Ella P. Murphy for property taken by Indians—to the Committee on Indian Affairs.

By Mr. SHALLENBERGER: Papers relating to the petition of Elizabeth Teagarden for a pension—to the Committee on Invalid Pensions.

By Mr. THROCKMORTON: Papers relating to the claims of Jerome McAlister, W. E. Davis, Jesse B. Maxey, Z. W. Rains, Hiram Leaf, John Stroud, Thomas J. Rhodes, and John A. Gordon, for property destroyed by Indians—to the Committee on Indian Affairs.

By Mr. VANCE: Papers relating to the bill for the relief of Mary Tatham—to the Committee on Indian Affairs.

Also, letters of Second Assistant Postmaster-General Brady, relative to the claims of J. S. Waldrup and J. C. Clendennin for carrying United States mails—to the Committee of Claims.

By Mr. WAIT: The petition of A. D. Cook & Co., for the remission of a forfeiture under a contract with the United States and for payment of a claim—to the Committee of Claims.

By Mr. WHITE, of Pennsylvania: The petition of citizens of Pennsylvania, for aid from the Government to assist persons from said State to emigrate to the West and engage in agricultural pursuits—to the Committee on Public Lands.

By Mr. WILLIS, of New York: Memorial of the New York Board of Trade and Transportation, for the appointment of a joint commission to investigate the working of our system of savings institutions—to the Committee on Banking and Currency.

By Mr. YOUNG: Papers relating to the claim of Peter Targarona for property seized by United States officials—to the Committee on War Claims.

## IN SENATE.

WEDNESDAY, November 14, 1877.

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

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

## PETITIONS AND MEMORIALS.

Mr. GARLAND presented the petition of J. N. Walton and others, citizens of Faulkner County, Arkansas, praying for the establishment of a mail route from the town of Conway to the town of Beebe, in that State; which was referred to the Committee on Post-Offices and Post-Roads.

He also presented the petition of A. Burwell, of the District of Columbia, praying compensation for the occupation and use of his property by the authorities of the United States during the late war; which was referred to the Committee on Claims.

He also presented the petition of A. Burwell, of the District of Columbia, praying that the taxes paid by him in the years 1865, 1866, 1867, and 1868 upon certain cotton may be refunded; which was referred to the Committee on Claims.

Mr. ROLLINS presented the petition of the vestry of St. Michael's Protestant Episcopal church of Charleston, South Carolina, praying for the refunding to them of \$1,588.56, which was paid by them as duty upon certain chime bells; which was referred to the Committee on Finance.

Mr. DAWES presented a memorial of the Boston Society of Civil Engineers in favor of the use of the metrical system in all transactions of the Government; which was referred to the Committee on Finance.

Mr. BAILEY presented the petition of James D. Porter, governor of the State of Tennessee, and others, citizens of Nashville, in that State, praying for an increase of compensation to letter-carriers; which was referred to the Committee on Post-Offices and Post-Roads.

## REPORTS OF COMMITTEES.

Mr. INGALLS, from the Committee on Indian Affairs, to whom was referred the bill (S. No. 107) to enable Indians to become citizens of the United States, reported it with amendments, and submitted a report thereon; which was ordered to be printed.

Mr. OGLESBY, The Committee on Indian Affairs, to whom was referred the bill (S. No. 140) to punish parties for stealing property