DEBATE IN CONGRESS.

Mr. Polk's Speech in the House of Representatives.

THE DEPOSITE QUESTION.

Mr. POLK then resumed the floor, and continued the speech he commenced on Monday last, in substance as follows:

When I had the honor to address this House, two days ago, I endeavored to establish, by argument and from authority, the position, that in removing the late Secretary of the Treasury, the President of the United States had exercised only the ordinary power conferred on him by the Constitution, and fully sanctioned by precedent; and I also endeavored to establish, from reason and usage, that the present Secretary of the Treasury, in ordering the removal of the public deposites from the Bank of the United States, had done nothing that was novel or unprecedented, but had exerted a power over the funds of the Government conferred upon him by law, and which his predecessors had used in like manner, and that he had assigned to this House good and sufficient reasons for so doing.

I shall now, with what brevity I may, proceed to examine the reasons adduced by him, together with the objections which have been urged against such an exercise of power.

The first objection we have heard is of a popular character, and is one which, at first view, might seem to have something in it; it is, that the removal was ordered within only sixty days from the meeting of Congress. Why, it is asked, did not the Secretary wait? Why di l he not submit a question of this moment to the Representatives of the People? This seems specious. But, let it be remembered, that Congress, by the Charter of the Bank, had divested itself of all charge of the deposites, or control over them, & had vested it exclusively in the Secretary of the Treasury; and, therefore, had this body been in session at the time, it would have had no power to interfere as to the place where the public moneys should be deposited Why, then, ought the Secretary to have waited? And for what? To send a letter to this House, and ask our advice? Sir, would he not have been laughed to scorn, had he taken such a course? Would it not have been said—why, here is a high financial officer of the Government who fears to take the responsibility which the law devolves upon him, and woo applies to others to stand before him as his shield while in the discharge of his duty? Sir, it would justly have been said. But, had he done so, the deposites could not have been removed until he decided to give the order. His reasons for removing them are required by the charter to be given to this House, not before, but subsequent to their removal. Well, sir, and what would have been said, had he removed the deposites three days after Congress had adjourned at the last session? Why, then we should have been told that he only waited till the Representatives of the People had turned their backs; and this would have been said with still more reason than the other.

Suppose again that he had waited until three days after Congress had assembled. The popular argument then would have been (though there would have been nothing in it) that here we had a mere Secretary, in the very face of the People's Representatives, venturing, without their concurrence or advice, upon this high handed measure, for such it would have been called. So that, as it seems to me, objections as to the time of the removal might have been urged with equal if not with greater force had any other period been selected than that which was actually chosen for the removal. I think that the time selected was a fortunate one, it enabled the People's representatives to consider the subject, and to give at least some expressions of their will to those whom they should send here. Here are Representatives from all portions of the Union, who have now an opportunity of bringing with them some expressions of the public sentiment on the measure. So much for this objection, which, to a merely casual observer, might appear to have more in it than it really contains.

I come now to what the Secretary gives as his prominent reason for the measure he adopted, viz: the probable expiration of the Bank charter in about two years hence. It was no part of the Government's contract with the Bank that the Deposites should remain in its custody during the whole period of its existence: on the contrary, it was expressly stipulated that they might be withdrawn by the Secretary at will. Nor was any reason stated as the ground of removal. It was not necessary, to render the removal lawful, that the deposites should be unsafe in the hands of the Bank; other reasons might operate to produce the Secretary's determination. This was conceded in the argument of the gentlemen from South Carolina—he granted that there might be other sufficient reasons for such a measure. The Secretary has assigned the probable expiration of the Charter in 1836, the necessity in anticipation of the state of things which must necessarily take place at that time, of providing a currency for the public use, and a place of safe keeping for the public moneys without disturbing the channels of trade, and occasioning the greatest shock to the country which would otherwise be inevitable. Sir, the gentleman from South Carolina has not attempted to meet the argument of the Secretary. His whole argument is based on the assumption that the bank charter is to be renewed.

The gentleman spoke of the embarrassments of the coutry, the condition of things in 1817 and 18, and what would be the state of the currency if there were no Bank of the United States? The Secretary proceeds on a different assumption—he goes on the principle that the Bank is not to be re-chartered. He considers himself bound to take the laws as they are; in addition to which, he has the further ground of the public sentiment to a pretty great extent. On that point, I may boldly appeal to gentlemen here. Sir, how many of those Representatives of the People's will believe that the Bank will be rechartered? —How many, with the knowledge they possess of the public opinion, will express such a belief? I guess you will find but few gentlemen on this floor willing to stake their reputation on such an opinion. The difference between the Secretay and the gentleman from South Carolina lies in this, that the one assumes that the Bank is to be re chartered, and the other assumes the contrary—which has the right of the question? Time must determine. The state of public opinion we all know. If this is not the inference of the gentleman from South Carolina, I ask when then could the deposits have been removed at a better time than now? Sir, the argument of the gentleman amounts to an assumption that the Bank charter is to be perpetual.

But, it is said that the removal of the deposites has been productive of great distress, and an unusual pecuniary pressure. I shall controvert that position; but, admitting it for argument's sake to be true, I ask, at what time would their removal have been productive of less? If this Bank is to expire, if it is not to be re-chartered, and if the deposites must have been withdrawn at some time, I beg gentlemen to point their finger to the time when the pressure (which they assume to be the effect of the withdrawal alone) would have been any less than it is now? Nay, sir, when would it not have been greater than it is? Will gentlemen answer, at the moment when the Bank Charter shall expire? What, sir? When the eighteen or nineteen millions of its circulation shall all be returning upon the Bank, and the institution shall be in the act of winding up its affairs! Would less pressure be caused then?

But, sir, on this subject of pecuniary pressure, let me call the attention of the House to the actual state of facts. It appears from the statement of the Secretary of the Treasury, and his statement is verified by the Bank returns themselves, that although the charter of the Bank was about to expire in 1836, yet the Bank, nevertheless, continued to extend its discounts, until, for reasons best known to the Bank, about the 1st of August last, the policy of the institution was totally changed, and a curtailment of its accommodations took place, more rapid than had ever been known since it went first into operation, and a proportionate pressure was felt throughout the country. But to be more accurate, and I feel this necessary, because the gentleman from South Carolina said, in no very measured terms, that the Secretary, in his report to this House, has been guilty of a misrepresentation, and of a gross attempt to impose upon Congress. Now, sir, I stand here before this House and this Nation, pledged to prove to the satisfaction of every human being that the statement of the Secretary of the Treasury is true to the letter.

The statement of the Secretary is, that the curtailments of the discounts of the Bank from August 1, to October 1, 1833, amounted to $4,066,146. I have here before me the returns of the Bank, and they shew the statement to be accurate to a farthing, according to the Bank's own statement. Mr. P. made some other comparative statements, which the reporter could not catch, concluding by saying that the statements of the Secretary of the Treasury were perfectly and literally accurate and true. The Secretary attempts no misstatement. He expressly says, that the amount consisted of loans and domestic bills. But the gentleman from South Carolina insists that domestic bills are not to be considered as discounts. A strange doctrine indeed, and totally new, at least to me. I can shew, by the statement of the Bank itself, that the amount of domestic bills discounted in a single year was 48,000,000 of dollars; but the gentleman will have it that these are not discounts. Not discounts, sir? I thought that the established rule was to set down all that goes out as debt, and all that comes in as credit. I present a note: the Bank discounts it: a merchant draws at Boston, payable at New York: bills thus drawn are taken up by cash, or by the proceeds of notes discounted. This doctrine as to these bills is so clear and settled, that I had not supposed it possible it could ever be doubted.

Mr. P. here went into a view of the operation of discounts of Domestic Bills of Exchange, &c. and consequent drafts and redrafts, which made this sort of discounting the profitable and favorite business of the Bank. Yet it is said that these Bills of Exchange, thus paying interest and premium are not discounted bills! The Secretary, in his statement of the curtailments by the Bank, expressly stated these bills to be included in the sum total of them. Where, then, was the intention to deceive?

But it is said by the gentleman from South Carolina, that the Secretary of the Treasury has been guilty of a gross attempt to impose upon this House, by misrepresenting the amount of curtailments by the Bank, during the months of October and November. What the Secretary states on this point is, that the receipts into the treasury during those months have been unusually large, and that, in consequence, the amount of the public deposites in the Bank of the United States had increased $2,268,000, in addition to its increase of means by its curtailments of more than four millions of dollars, making the aggregate amount, thus collected from the community, $6,334,000.—Well, sir, is this not true? Is it not literally true? The Bank had increased its means, and could have accommodated the community, by discounting to, at least, the extent of that increase. Instead of which, it had curtailed its discounts within the same period $4,066,000. And, sir, is there here any misstatement? Has not the Secretary of the Treasury stated the fact as it is? The terms which the gentleman has applied to an officer of the Government, who in the discharge of his high duty thus makes official statements to the House, were unmeasured, and not expected. If they had not been made, sir, I should not have troubled the House with these and the following views.

The gentleman from South Carolina went on to say, sir, that he never in his life had seen so uncandid and jesuitical a statement, for the purpose of throwing the blame of the existing pressure upon the Bank of the United States, than that of the Secretary of the Treasury.—Sir, said Mr. P., *the Government* did not make the curtailment of discounts. If there be any pressure in consequence of it, then the responsibility for it must rest with the Bank, which did make it. The Secretary states that there was no occasion for the Bank to have produced this pressure, or pursued this grinding policy; but that, with accumulated deposites, and an unusual amount of specie, it was in its power to have accommodated the community, and sustained it against the pressure. Now, sir, as to the amount of specie, how was the fact? On the first of October, the Bank had on hand of specie, $10,664,000, having increased its specie $640,000 within the two months proceeding. Mr. Biddle, in his latter of April, 1832, speaks of the Bank having, on some occasion therein referred to, parted with its surplus specie. According to the view which he there takes of it, all over $6,700,000 of specie, on hand on the 1st October, was surplus: and yet the Bank continued to collect specie from the State Banks, at the same time that it made its own excessive curtailments, until it had on hand $10,660,000 of specie, being a surplus of millions beyond its wants. The Secretary of the Treasury expresses the opinion that, in the months of August and September, the curtailments of the Bank of the United States and State Banks did not fall much short of nine millions of dollars; and he makes a prediction, further, that in two months more the additional curtailment by the Bank of the United States would have been five millions, and by the State Banks an equal amount, and that this curtailment from the first of August to the first of December, to the aggregate of nineteen millions of dollars, would have almost put an end to the course of trade. And, sir, the Secretary has predicted admirably what would have been the consequence, if the deposites had not been removed when they were. We find that the curtailment, by the Bank of the United States, during the months of October and November, amounted to $5,461,000, of which the notes discounted amounted to more than three millions of dollars. This amount of curtailment, added to the curtailments in August and September, made an aggregate curtailment in the four months of 9,700,000 dollars.

If the State Banks had as they probably would have done, but for the transfer of the deposites, curtailed their discounts in the same proportion, the whole curtailment in the four months would not have fallen much short of the amount predicted by the Secretary. The Government deposites in the State Banks, however, have enabled them, *pro tanto*, to mitigate the pressure: but, not a dollar has been permitted to come out of its vaults to relieve the community.

As to the existing pressure, Mr. P. said, it had been produced by the Bank of the U. S. itself, by its sudden curtailments; by which it had sought to produce a panic, and to make the people believe that the pressure which they feel is the consequence of the removal of the deposites from that Bank. To make this pressure felt the more, Mr. P. said, the curtailments had been in a great degree local, confined to the commercial cities. We find, said he, that, about 90 days before Congress met, as stated by the Government Directors, the Bank of the United States, or rather a secret committee of that Bank, instructed the Western branches to buy in no bills of exchange but those on the Atlantic cities, having ninety days to run, so as to produce a local pressure, first at New York, then at Philadelphia probably; and next in the order of time, I doubt not, Baltimore is to be visited by it.

What, sir, is the operation of this business of discounting bills of exchange, which the gentleman from South Carolina cannot conceive to be a part of the loans of the Bank? Let me again refer, upon this point, to the letter of Mr. Biddle, in April, 1832, where he says: "It may not be uninteresting to illustrate this movement of the internal exchanges, by showing the points from which this $29,776,916 of bills come, and where they are tending. This will be seen in the annexed table, marked A: Among the objects of interest presented in it, it will be seen that the amount of bills from the waters of the Mississippi amount to $10,212,905, and that the amount payable within an average, probably, of sixty days, at New York, is $4,096,110, and at Baltimore, Philadelphia, Providence, and Boston, $4,387,059, making an aggregate of $8,483,469. The extent of these operations, during the last year, amounted to $48,562,185 32;" one half nearly of this vast amount being payable in the city of New York, and nearly all the residue in Baltimore, Philadelphia, Providence, and Boston.

Sir, the bank statements do not shew where the bills purchased by it are *payable* but only the aggregate amounts, purchased at particular places and dates. But we have conclusive evidence before us that the Bank timed exactly its reduction, so as to produce a pressure about the meeting of Congress, to induce the State Banks to come forward and appeal to Congress, as has been done by the very same Banks, and using the same arguments, as two years ago memorialized us in favor of a recharter of the Bank of the United States. Yes, sir, they and the whole mercantile community are to be pressed upon to come forward and solicit for the Bank of the U. States, an extension of its monopoly. If you will turn to the memorial from these Banks two years ago, you will perceive the exact similitude of the language employed then and now, the same common places about a sound currency, and all that; and that the country cannot exist without a Bank, &c.—With respect to this pressure, Sir, it is impossible that the mere removal of the deposites can have produced it. If the amount of those deposites had been annihilated, it could not have produced it. The curtailments by the Bank of the U. States, since the 1st of August have in fact been greater than the whole amount of the public deposites; it has withdrawn from the business of the country, in this way, more, by one and a half million of dollars, than the whole amount of the government deposites.

It cannot be objected to the local Banks that they have created the pressure, because they are but protecting themselves from the effect of the excessive curtailments by the Bank of the United States. The mere transfer of the public moneys could not have produced the pressure. Has the money been exported? Is it not still in the country? If the Bank of the U. States had not intended by the course which it has pursued, to make the pressure felt, to produce an alarm, and induce the Representatives of the People to do what their deliberate judgment does not approve, the simple transfer of the public moneys from that Bank to other Banks, would have produced no shock at all. What is the effect of the transfer of the deposites?—Why, you do diminish, to a certain extent, the ability of the deposite Bank, but, at the same time that you do it, you enhance the ability of a Bank across the street to ease the pressure, &c. It seems (Mr. P. said) to him idle to argue, that, under ordinary circumstances, the removal of the deposites would necessarily have produced any pressure.

But, sir, I have not yet done with this business of the Domestic Bills of Exchange, and their curtailment. According to the statement of that portion of the Board of Directors of the Bank of the United States, who are placed there as public sentinels, on the 13th of August, (mark the time when these operations commenced!) the following resolution was adopted:

"Resolved, That, for the present, and until "the further order of the Board, the amount of "bills discounted shall not be increased at the "Bank and the several offices. That the bills "of exchange purchased at the Bank and all the "offices, except the five Western offices, shall "not have more than ninety days to run. That "the five Western offices be instructed to pur-"chase no bills of exchange, except those pay "able in the Atlantic cities, not having more "than ninety days to run, or those which may "be received in payment of existing debts to "the Bank and the offices, and then not having "more than four months to run."

[These bills of exchange, sir, it seems, though not discounts, may be received in payment of bills discounted.]

"We perceived at once, in this measure, (say 'the Government Directors) the commence-'ment of a system of reduction, in conducting 'which, wisely and impartially, the welfare of 'the whole community was involved."—"Be-'lieving that this measure was not only preci-'pitate, but partial, and that it would lead to 'curtailments unequal and oppressive, and en-'tertaining the opinion that a system might ea-'sily be formed on a just basis, we offered the 'following resolutions:

"'Whereas a resolution was adopted on the '7th May last, instructing the Committee on 'the state of the Bank to report to the Board a 'scale of reduction in the business of the institu-'tion, and no report has been made in pursu-'ance thereof: And whereas a resolution, pass-'ed at the last meeting, which places certain re-'strictions on the business of the institution, 'confines the same to five of the Western offi-'ces:

"Resolved, That the Committee on the state of the Bank be instructed to report to the board, at as early a day as possible, a system for the gradual reduction of the business of the institution throughout all sections of the country, having regard to the interests of the stock-holders, the debtors of the bank, and the community in general."

"This plan, which would have prevented an oppressive and partial system of curtailment, confined to particular portions of this country, and exerted at particular times—which would have given to the subject full and fair consideration; and which, above all, would have enabled every member of the Board to exercise his deliberate judgment, was, as usual, rejected."

Well, Sir, another attempt was made towards averting or relieving the impending pressure, by moving the adoption of the following:

"Whereas the pressure on the commercial community at this time may be removed by a liberal spirit of accommodation on the part of the banks generally: And whereas the State banks complain that, in consequence of the balances being largely in favor of the Bank of the United States, they are unable to afford the necessary facilities to their customers, without subjecting themselves to increased demands from the bank. And whereas it is believed that, were the banks in this District to extend their loans twenty per cent. beyond the income, for a period of thirty days, it would relieve the money market, restore confidence, and have a salutary effect on the industry and enterprise of our citizens:

"*Therefore, resolved*, That a committee of three be appointed, to confer with similar committees that may be appointed by the other banks, for the purpose of uniting in some arrangement to carry into effect the object of the foregoing preamble; and that the Cashier be requested to send copies of the above to the President and Directors of the other banks, with a request that their determination on the subject may be communicated as early as practicable."

This, too, Sir, was voted down, like the other —What next follows?

"A series of resolutions (say these Directors) were adopted for reducing the business of the institution, and authority was given to *the Committee on the Offices, which is appointed by the President alone, to modify them in such a manner as they should deem expedient;* and eventually, that committee was authorized to direct such measures, for the general reduction of the business of the bank, as they should think best. We offered as an amendment to the resolution, giving to a com[illegible] this extraordinary power, a request, "tha[illegible] should *report to the Board* such measures as they directed. *This request was rejected by the usual vote.* It is, of course, impossible for us to know by what principle of policy the committee have been governed. Its proceedings are secret, and w[illegible]an only ascertain, at intervals, some of the resul[illegible]hich they lead."

So, sir, here is the [illegible] the United States producing an excessive [illegible]ssure upon the community, delegating pow[illegible] for that purpose to a secret committee; wh[illegible] committee is prohibited, or rather is not [illegible]ed, to report to the Direcrors at all. Yo[illegible] Directors had as well not be at the Board of the Bank, denied any means of knowing w[illegible]t is going on in the Bank but through in[illegible]mation received out of doors.

"It will thus be seen, (further say the Government Directors,) that while the unlimited authority of the President to expend the funds of the Bank had been deliberately confirmed; and while the Committee on Exchange, selected and appointed by him, had been officially permitted to discount notes and carry on the proper business of the Board; now, in addition to all this, the measures of the Institution, in the regulation of its vast business at this most important crisis, were entrusted to the Committee on the Offices, also selected and appointed by the President, accompanied by an explicit refusal to require them to report any of their acts, to the Board."

Is it wonderful, (said Mr. Polk,) after reading this testimony as to the course of the Bank, that there is a local pressure? What are the secret committee doing? What plan of operations have they adopted? What and where are curtailments to be made? And where not?—And where are domestic Bills of exchange purchased to be made payable? A year ago, eight millions of those bills were payable within sixty days in the Atlantic cities, and four millions of them at one point. What is the amount payable within the next sixty days, and where is it payable? Although the government is so large a stockholder, and has its Directors at the Board, charged with the care of its interests, they know nothing of all these operations, and they have no power by which they can obtain the knowledge. The reason of the distress of which we hear, is palpably not the removal of the government deposites but the oppression of the Bank of the United States itself. It operates, by its power, to alarm and oppress the People, to answer its own purpose; and that is the operation now going on.

[Our farther report of the Speech of Mr. Polk is cut off by the arrival of the hour for going to press in time for the mails, which limits to our labors we must not transgress.]

Mr. P. concluded his speech about 3 o'clock; when

Mr. Binney obtained the floor. But,

On motion, the House adjourned.

TWENTY-THIRD CONGRESS.

FIRST SESSION.

IN SENATE.—Wednesday, January 8.—Mr. Webster, from the Select Committee on French Spoliations, reported the bill referred to that Committee, with sundry amendments, which were read.

Mr. Webster then said, as it was important that this subject should be discussed at as early a period of the session as possible, he should now, in compliance with the opinion of the Committee, move to postpone the consideration of the bill till Wednesday, the 5th of February, and to make it the special order for that day.

The motion was agreed to.

Mr. Porter offered the following resolution, which lies one day on the table:

Resolved, That the Postmaster General be directed to report to the Senate the number of failures which have occurred, during the last twelve months, in conveying the mail between the city of Washington and New Orleans, by the southern route; and the number and amount of forfeitures enforced by him in consequence of these failures, during the same period.

The following bills were considered as in Committee of the Whole, and were ordered to be engrossed for a third reading:

A bill to authorize the President of the United States to cause certain roads to be opened in the Territory of Arkansas.

A bill to extend the time for the construction of the lateral branch of the Baltimore and Ohio Rail Road, leading from Baltimore to Washington.

The Vice President having announced the special order, being the report of the Secretary of the Treasury on the removal of the deposites, the question being on the amendment offered by Mr. Benton—

Mr. Southard then rose and said that he had come prepared to express the views which had aided him in making up his decision as to his own vote; but an amendment had been introduced to which he did not design to apply any of his observations: According to all parliamentary usage, while this amendment was pending, he was bound to address himself to it. It was, therefore, his wish that the question should be at once taken on the amendment, and that, until that was done, he might reserve what he had to say. He hoped that the question would at once be taken on the amendment and he desired that it should be taken by yeas and nays.

The yeas and nays were then ordered.

Mr. Forsyth said that the question had come on him unexpectedly. The mover of the amendment was not present, and he would therefore move to lay the whole subject on the table.

The motion was lost.

Mr. Grundy said he was not disposed to vote for the resolutions in the form in which they were offered, but he wished the Senator from Missouri to be present. He thought the suggestion of the gentleman from New Jersey as to the disposal of the preliminary matter a proper one, and wished that a delay of a few minutes might take place, until the Senator from Missouri could be sent for. He had no desire to say a single word on the subject.

Mr. King considered the suggestion of the gentleman from New Jersey as incorrect, and that the whole subject was now as completely open for discussion as if the amendment were withdrawn.

Mr. Poindexter wished to make one remark. The subject which had been discussed, and the resolutions of the Senator from Kentucky grew out of the report of the Secretary of the Treasury, and related to the removal of the deposites. The amendment which had been presented by the Senator from Missouri, had no relevance whatever to that question. It was entirely a distinct proposition, which the Senator from Missouri might present in a different form; when, if he desired the testimony of the President of the United States Bank, or any other testimony, he could submit a proposal for a committee of the Senate, before which it might be obtained upon oath. But now, while the reasons of the Secretary were under discussion, the Senator from Missouri had closed a four day's speech, by making a proposition which was absurd, and had no possible connection with the subject. Therefore, he thought, that the Senator from New Jersey was correct in drawing a line between the amendment and the resolutions of the Senator from Kentucky. He hoped that the question would be at once taken on the amendment, to which, in another view, he objected, as placing the Senate in the position of a grand jury putting an individual on his trial.

Mr. Forsyth repeated that he could not have anticipated that the question would have been taken this morning. He had come to the Senate, expecting to hear the remarks of the gentleman from New Jersey, and he was not himself prepared to vote on the amendment. He had no objection, however, that the question should be taken, but he desired to see every member in his seat, especially as the amendment had been so severely, and, as he thought, so unjustly assailed by the Senator from Mississippi. He thought that the amendment had a reference to the subject under discussion, and referred the Senate to the reasons assigned for the removal of the Deposites, by the Secretary of the Treasury, among which are the enormous curtailments of the issues of the Bank, and the application of its funds to electioneering purposes. Now, the amendment had reference to both these points. He was not quite satisfied that the course of the Senator from Missouri was the correct one, but assuredly the amendment had reference to the subject, and did not deserve the epithets used by the gentleman from Mississippi. He was not disposed to take the reasons of the Secretary on one hand, or the argument of the Bank on the other, without further investigation; but he wished that examination to be by a committee of the Senate.

Here Mr. Benton came in.

Mr. Kane moved a division of the question, so that it be first taken on striking out.

The Chair decided the motion to be out of order.

The question was then taken on the amendment of Mr. Benton, and decided in the negative, as follows:

Yeas,—Messrs. Benton, Brown, Grundy, Hill, Kane, Linn, Morris, Shepley, Tallmadge, Tipton, White, Wright, 12.

Nays,—Messrs. Bell, Bibb, Black, Calhoun, Chambers, Clay, Ewing, Forsyth, Frelinghuysen, Hendricks, Kent, King, of Ala., King, of Geo., Knight, McKean, Mangum, Moore, Naudain, Poindexter, Porter, Prentiss, Preston, Rives, Robbins, Robbinson, Silsbee, Smith, Southard, Sprague, Swift, Tomlinson, Waggaman, Webster, Wilkins, 34.

So the amendment was rejected.

Mr. Southard then rose, and addressed the Senate until three o'clock; when, without coming to a close, he gave way to a motion to adjourn.

On motion of Mr. Frelinghuysen, the Senate then adjourned.

HOUSE OF REPRESENTATIVES.

Among the business of the morning was the presentation, by Mr. Heister, of the memorial of the Farmers' Bank of Lancaster, depicting the prevailing distress, and praying that the public deposites may be restored to the Bank of the United States: which was referred to the Committee of Ways and Means.

The subject of the public deposites having been resumed, Mr. Binney, of Pennsylvania, continued, for the space of nearly three hours, the speech which he commenced the day before. He had not concluded what he had to say, when, being requested so to do, he gave way for a motion to adjourn: and

The House adjourned.

Thursday, Jan. 8.—Senate.

Mr. Shepley presented a petition of D. Pearce and others, for the abolition of slavery in the District of Columbia, which was referred to the Committee on the District of Columbia.

After a short time, Mr. PRESTON, moved to reconsider the vote of reference, with a view to lay the same on the table for a few days. Mr. Preston said, as the petition related to a question which was of a very interesting character in the South, he desired an opportunity of examining into it.

Mr. Sprague made a few remarks against the motion.

After some further conversation between Messrs. Chambers, Preston, and Shepley,

Mr. Preston withdrew his motion to reconsider.

The following bills were read a third time and passed:

A bill granting certain privileges to the Baltimore and Ohio Rail Road;

A bill granting privileges in constructing a lateral branch to the same company.

Mr. Poindexter, after reading the Message of the President of the United States of the 6th inst. relating to the presents made to the American Consul at Tangier by the emperor of Morocco, made a few explanatory observations previous to introducing the following resolution:

Resolved, That the President of the United States be requested to cause to be laid before the Senate a schedule of the several articles received by the Ministers, Consuls or other Agents of the Government of the United States at Foreign Courts, as presents from the Governments at which they were respectively accredited, and by them deposited in the Department of State; specifying each article, and its estimated value, and the name of the Minister, Consul, or Agent, to whom the present was made.

Mr. Poindexter asked its consideration at this time; when, no objection having been made, it was considered and adopted.

Mr. Wilkins adverted to an order made the other day by the Senate, requiring to be printed, for the use of its members, 5000 copies of the Reasons of the Secretary of the Treasury for the removal of the public deposites. Another paper, in conformity with a call from the Senate, had subsequently been furnished by the Secretary. As both reports, were upon the same subject, Mr. Wilkins moved that a similar number (5000) be printed for the purposes of distribution

Mr. Clay objected to the motion, and hoped the Senate would not make the order, at least at this time. We (said Mr. C.) asked of the Secretary, documents, Sir, and he chose to respond to our demands by an argument. I repeat, Sir, we called for documents, for *documents*, and he has given us uncalled for argument. I object to the printing, because it would be an implied approbation of the unwarrantable assumption of the Secretary; a precedent which I, for one, Sir, am not disposed to sanction.

Mr. Clay concluded by moving that the resolution lie upon the table; which being assented to by Mr. Wilkins, such order was taken upon it.

THE REMOVAL OF THE DEPOSITES.

The Senate resumed the consideration of the resolution submitted by Mr. Clay, on the 26th ultimo.

Mr. Southard resumed his argument, and after speaking at some length, gave way to a motion by Mr. Sprague, to adjourn, which prevailed.

HOUSE OF REPRESENTATIVES.

REMOVAL OF THE DEPOSITES.

Mr. Binney concluded his speech on the Deposite Question; when Mr. Binney concluded, Mr. Cambreleng, after a few prefatory remarks, moved the *Previous Question*, which the House *refused* (108 to 89) to order. The subject, therefore, continues to be the Order of the Day. Mr. Cambreleng has the floor, but waived his right to proceed, in order to let the partial General Appropriation Bill, and the Naval and the Indian Appropriation Bills, be considered. Nothing definitive, however, was done in either of them before the adjournment.

Friday, Jan. 10.

CONSTRUCTION OF THE NEW TARIFF.

M. Frelinghuysen offered the following resolution:

Resolved, That the Secretary of the Treasury be directed to inform the Senate of the construction which has been given, by that Department, to the act passed at the last session of Congress, entitled "an act, to modify the act of the 14th July, 1832, and all other acts imposing duties on imports;" and also to furnish copies of such instructions as may have been given to collectors regulating their duty under the said act.

Mr. Frelinghuysen, asked for the consideration of the resolution at this time, it being important to obtain early information as to the construction put by the Treasury Department on the Tariff Act of 1832. Different constructions had been put on the act, and it was important to determine which is the correct one.

Mr. Clay expressed his gratification with the presentation of the resolution under consideration, by the gentleman from New Jersey. He had himself received information from two of our most important Northern ports, according to which, a most unexpected and unjustifiable construction has been given, by the Treasury Department, to the Compromise Act of the last session. It will be recollected, by the Senate, that by the act of 1833, cotton fabrics are subject to a duty of 25 per cent. advalorem, and to a further duty, in the form of minimums of 30 cents and 35 cents The compromise act of the last session, provides for a biennial reduction of ten per cent. upon all duties imposed by previous acts.

It dispenses with no existing duties upon unprotected articles, but, from the first of January 1834 subjects them all, without specifying their denomination, to the reduction for which it provides. During the passage of the act, the opinion was expressed, both by the gentleman from Massachusetts, near me (Mr. Webster) and by myself, one supporting and the other opposing the bill, that the contemplated reduction would operate only on the 25 per cent. ad valorem, and not on the minimums in the case of the article of cotton, which would remain unaffected. He (Mr. Clay) had heard with some surprise, before the meeting of Congress, that, notwithstanding this cotemporaneous interpretation of the act, Secretary McLane, had decided, that the reduction applied both to the minimums and to the 25 per cent.

But, sir, I cannot find language to express the astonishment excited in my mind, by the reception of intelligence yesterday, confirmed by concurring information received this day, that the Treasury Department has undertaken, by interpretation, to dispense, altogether with the minimums; and, by one fatal spring, to bring the cotton duty down from about 80 per cent. to 24 1-2 per cent. advalorem! If this information be true, [and he still hoped there might be a mistake about it,] certain ruin and inevitable destruction are, at this moment, impending over the greater part of our cotton manufacture, and especially the important branch of the printing business. And if such an intepretation, as is supposed, has been given, we cannot too soon know it, nor to promptly apply the proper remedy. Should a remedy be necessary, I shall call, with entire confidence, upon the good faith, the honor, and the probity of Congress, and particularly upon the Southern portion of it, to preserve our work of peace unviolated, and to avert the threatened destruction of great and pervading interests. For himself, (said Mr. C.) he was desirous to see the act of the last session executed honestly and faithfully, and to see a fair experiment made of the sytem for which it provides.

Mr. Webster said, that the subject under consideration had never come to his knowledge until this morning. He had learned this morning that a construction, such as had been stated by the Senator from Kentucky, had been put on the law of the last session, and he agreed that such a construction, on the part of the Treasury, would produce the prostration of the entire cotton manufactory, except, probably, that of those of the coarsest quality. Such was the character of the information which he had received this morning from those who had seen this construction, and seen it with wonder and dismay. It was true, as stated by the Senator from Kentucky, that, when this bill was before the Senate at the last session, he, Mr. W. had expressed the opinion which he gentleman had attributed to him. It was equally true, that he had, at the time, considered it as a question on which the minds of gentlemen might reasonably have doubts. He spoke, at the time, to the Senator from Delaware, near him, (Mr. Naudain) and also to the Senator from Connecticut, (Mr. Tomlinson) asking them to express, in writing, their construction of the act. They complied, and their construction agreed with that of the Senator from Kentucky and himself.

But he then explained to them that there was another construction, a very improper one he agreed, but which might be put on this act; and it was this view, among many others, which led him to oppose that act of compromise. He was very sure that there was no such construction in the mind of the Senator from Kentucky, and nothing could be further from the intention of the gentlemen around him, who had voted for the bill, than to sanction such a construction as that to which he referred. Still, it was not improper for him to say, that he pointed it out as possible. He agreed as to the absolute necessity of calling for the imputed construction, and if it should be found to be true, then, unless Congress gives immediate re-

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