...IXTH CONGRESS—FIRST SESSION.

...OF YESTERDAY'S PROCEEDINGS.]

...NATE.—Pending the consideration of ... subject the tax bill was returned from ...House.

...r. Fessenden moved that the Senate in... on its amendments and agree to the ...mittee of conference called for by the ...se.

...e motion was agreed to, and the Chair ...inted Messrs. Fessenden, Van Winkle ...Guthrie on the part of the Senate.

...r. Creswell introduced a joint resolution ...he payment of religious and charitable ...eties in loyal States for property de...yed during the war.

...e Senate went into executive session ...adjourned at 3 o'clock.

...OUSE.—On motion of Mr. Julian (Ind.) ...Committee on Public Lands was dis...ged from further consideration of the ...tion of the trustees of Indiana Agricul...al College, and the same was laid on the ...e.

...r. Julian, from the Committee on Public ...ds, reported a bill to explain and limit ...ct to grant the right of way to the Hum... Canal Company through the public ... of the United States, which was ...d.

...Donnelly (Minn.), from the same ...ittee, reported back the Senate bill ...ng an additional grant of lands to the ...of Minnesota, in alternate sections, to ...the construction of railroads, which ...assed with amendments.

...o, the House bill granting a section of ...in the Fort Snelling military reserva...to the State of Minnesota, for the estab...ent for an asylum for the relief of dis...soldiers and sailors of that State and ...e United States. Passed.

...lso, the House bill to amend the act of ...y 5th, 1864, granting lands to Minnesota ...aid in the construction of a railroad from ...Paul to Lake Superior. A debate arose ...the bill, Mr. Donnelly explaining the ...ject of the bill to be simply to permit a ...ange of location.

...Mr. Morrill (Vt.) spoke of the vast quan...y of public lands granted to Minnesota, ...d moved to lay the bill on the table, which ...as negatived—yeas 46, nays 72; and the ...ll was then passed.

...The report of the Committee on Elections ...the contested election case from Missouri ...Boyd against Kelso—was called up, and ...e resolution declaring Mr. Kelso entitled ...retain his seat was adopted.

...A resolution was then adopted to pay Mr. ...oyd $2,500 in full for time spent and ex...enses incurred by him in making the con...est.

...The morning hour having expired, the ...House proceeded to dispose of the business ...n the Speaker's table, as follows:

...Request of the Senate for a Committee of ...Conference on the act making a grant of ...ands to Kansas to aid in the construction of ...he Northern Kansas railroad and tele...raph. Agreed to.

...The Senate amendments to the joint reso...ution for the relief of Woodward & Chor...ening, of Pennsylvania, was concurred in.

...The Senate amendments to the House bill ...continue in force, and to amend the act to ...tablish the Freedmen's Bureau.

...On motion of Mr. Eliot (Mass.) the amend...ents were non-concurred in, and a Com...ittee of Conference asked.

...Mr. Pike (Me.) offered a resolution, which ...as adopted, directing the Committee on ...ommerce to inquire into the expediency ...f providing that in all cases of granting ...merican registers to foreign-built vessels, ...he owners shall pay to the Government ...orty per cent. ad valorem, being the average ...of ne duties under the existing tariff.

...Mr. Cobb (Wis.) introduced a bill to in...orate the United States Fencing, Ditch...Draining and Land Company. Read ... and referred to the Committee on the ...ict of Columbia.

...Ashley (Ohio), on behalf of the Dele...from Dakota, introduced a bill to pro... for the publication of the laws of Da... Territory. Read twice and referred to ...Committee on Territories.

...The Speaker appointed Messrs. Morrill, ...ilson and Winfield the committee of con...rence on the tax bill.

...The Speaker presented a message from ...he President, transmitting a communica...ion from the Secretary of the Navy, and a ...opy of a report and maps prepared by the ...Board of Examiners appointed under the ...joint resolution of June 1, 1866, to examine ...a site for a fresh water basin for iron-clad ...vessels. Laid on the table and ordered to ...e printed.

...Also, a message from the President trans...itting reports from the heads of Executive ...epartments in answer to the House resolu...ion of June 4th, as to whether civil or milli...ary employes of the Government have ...assisted in the rendition of public honors to ...the rebels, living or dead. Laid on the ...able and ordered to be printed.

...The House went into Committee of the ...Whole on the state of the Union, Mr. Scho...field (Pa.) in the chair, and proceeded to the ...nsideration of the tariff bill.

...Mr. Morrill (Vt.) addressed the House in ...planation and support of the bill.

...Mr. Morrill said:

...MR. CHAIRMAN: At the late period of the ...ssion, and in this hot weather, I know ...e despatch of business will be hailed with ...ore good will than any discussion of great ...rinciples of political economy, involving ...rotection or free trade, or of the minute ...etails of a tariff bill, involving the present ...ondition of trade and the nice adjustment ...f duties on imports to our system of inter...al taxation, and I shall therefore, as a mat...er of taste as well as from the impossibility ...f doing otherwise, from sheer exhaustion, ...respass upon the patience of the committee ...o longer than may be necessary to show ...hat some action is imperatively required ...t our hands, and that the action proposed ...y the Committee on Ways and Means, ...aking into careful consideration the cir...mstances of the country, the condition of ...ur national finances and the currency, ...with which all commercial transactions ...must be conducted, is reasonable and proper.

...The close of the war exhibits a Northern ...oss by death in the service of not less than ...250,000 men, and an equal number, it may ...e computed, have been physically inca...acitated for manual labor. So that not less ...han half a million of men, between twenty ...and thirty years of age, the athletes of the ...world, have suddenly been withdrawn from ...the fields, workshops and mines of the old ...free States of the Union. This loss repre...sents, in the aggregate, the industrial and ...actual force of not less than 2,500,000 of ...men, women and children; and the 200,000 ...of old men, women and children, though ...survivors and dependents of the 500,000 ...smitten in battle, or of those who tasted the ...bitter cup of rebel prisons, or who failed of ...complete restoration to health and sound...ss of body, notwithstanding the sweet ...memories tendered under our own flag, are ...precious legacies of the war to be pro...ted for, though consumers and no longer ...producers of wealth, nor perhaps of even ...ordinary means of subsistence.

...The loss of the South, though nominally ...may be practically equal, as their re...rative power appears comparatively ...or, and was more crippled by the re...ss track of war. This great subtrac...rom the industrial forces of the country ...t be at once repaired. Many of those ...nt forth to the war, though un...by steel, shot or shell, have found ...lds of enterprise and labor as yet un...ccupative, but promising in the end ...ous homes. A wave of population ...he southward hardly perceptible ...t which is likely to exhibit itself in ...ns of the next census. Some ac...from Europe have come, amount...37,397 in the year 1865; but the ...war conscriptions now going on ...id the perpetual allegiance de...will most likely arrest the tide of ...a which otherwise might justly have been anticipated from that quarter.

The deduction to be made from all those consideration is, that our present supply of labor is largely deficient, so largely that we cannot at present compete with the dense and crowded population of the Eastern hemisphere, in hardly any branch of human industry; and yet it is more important than ever that every man should find work. I hope labor in America will forever be far more highly rewarded than elsewhere. It is so now, and that distinction is the glory of our country, of our institutions, and of American policy. But just now labor, like everything else, is artificially dear. High prices must be paid or our laboring men will be degraded; high prices must must be paid or the capital invested in lands, mines and manufactures must be wrecked and abandoned. But for the war, and had we remained in our normal condition, unvisited by universal taxes and the disturbing flood of an exclusively paper currency, our people would have occupied a more impregnable position, as against foreign competitors, than they ever occupied in their previous history.

Now we are vulnerable to the attacks of anybody from any quarter who has anything to sell. Foreign artificers of brass, of iron, and even of clay, we cannot resist. They are able to undersell our own people. Our present amount of circulating currency is vast. Of legal tenders, so called, we have $401,252,468; of national bank notes, $280,301,900; of outstanding notes of the old State banks, not including those who have less than five per cent. of their capital, $49,479,782; of fractional currency, $27,053,709 04, and of compound interest notes, $59,926,910. Amounting in all to $917,014,769 04. I do not cite these figures as a reproach to anybody, but as a fact, and a monstrous fact, attended by evils increasing day by day, and the longer contraction, the true remedy, is withheld, the more difficult will be found its practicability.

At the time of the surrender of Lee and Johnson all terms of settlement might easily have been obtained from the southern rebels, with ample guarantees for the future, as they panted for nothing so much as deliverance from the chains and penalties of treason, and anything short of expatriation, would have been promptly accepted. That opportune moment passed away, never to return. So the transition from paper to specie at that time might perhaps have been made with less strain upon the country, with less inconvenience to individuals than can now ever be brought about. The people were prepared for it. The goal in point of fact was almost reached. Nobody was in debt and nobody was distressed. The nominal reduction of values would have left all with relatively equal purchasable values; but, unfortunately, this policy did not prevail, and now trade stands in serried ranks against any reduction of values, and Congress itself grudgingly authorizes the retiring of only about four millions per month of our huge volume of currency, the presence of which stimulates sales and strangles production.

Our country, from one of the cheapest places to live in, is fast becoming one of the dearest. The wages paid to labor are not too much, considering what these wages will pay for in bread and meat, in rent and clothes. No manufactures can be made, while this state of things lasts, to be sent abroad, and unless war pestilence or famine occurs among foreign nations, they will want none of our corn or wheat, beef or pork, at anything like what it costs to produce it. Our gold, it is true, they eagerly despoil us of. And why not? It is said to be demonetized; and at any rate, as money, it is getting to be obsolete. Gold coin is itself depreciated in our markets because it is useless save as so much convenient and portable merchandise. If used for the payment of an existing contract, it is worth no more than an equal amount of United States legal tender notes.

Our whole monetary system is bloated by more than a fourfold addition to the currency in circulation. It is unnatural, and daily begets diseases of a new type, formidable because unknown, as well as those with which we are already familiar and know to be dangerous. Having to deal with such facts, and it being impossible to remove this incubus upon the labor of the country at once, our legislation must recognize the situation and trim our sails for such breezes as may blow. Our imports of foreign goods this year are nearly double of what they were last year, and we pay for them by sending abroad gold and silver and United States bonds at a little more than half their face value. Another reason, and one of the most cogent for a revision of the tariff at this time, is the insufficient rates now levied upon foreign wools.

This is a question which has vexed Congress for forty years. The evils endured by wool-growers somehow never disappeared, let the laws take what shape they may. The flocks of sheep in South America, in Australia, at the Cape and elsewhere have become so large, so much improved by mixed breeds that they threaten to force the American wool-grower to abandon a chosen and most attractive pursuit. Formerly the wools obtained from Buenos Ayres was coarse and full of burs, but by crossing with the Merino breeds, it has become entirely changed in character, and new wools, equal in grade to the average American growth, can be bought in South America for fifteen cents per pound. It is not washed and burs still accompany it, but no American husbandman, not even those who are located in proximity to unfenced prairies, where the summer feed can be appropriated without let or hinderance, can compete with such prices. They must, unless at once taken care of, succumb.

For the past four years, notwithstanding the universally high prices for wool, the amount received when reduced to a gold standard, shows that the business of wool-growing has not been remunerative, not affording one-half the profits of any other kind of farming, and many owners of sheep have been preparing to quit the business for something more hopeful. Unless Congress shall do something to revive the courage of these men, the stock of sheep that will be offered for slaughter the coming fall will exceed anything the country has heretofore witnessed. The complaint is loud, universal and real, not stimulated. Never since I have had the honor to be a member of this House, have so large a number of petitions been received, or with so many respectable and genuine signatures, upon any subject. The Committee of Ways and Means have been flooded with these documents, from the East to the farthest West.

The tariff of 1857, against which I voted, allowed wool under eighteen cents to come in free, and reduced the ad valorem tariff on wools costing more than that. The tariff placed a small ad valorem duty on wool under eighteen cents, and a specific duty on all wool above that rate, besides providing many provisions against fraud. This was considerably improved by the tariff of 1864, but the value of wool abroad being less than represented, or believed to be, importers still got competing wools through the custom house at rates never above six cents per pound, and sometimes at even less. Last fall and winter, the wool growers, through their various agricultural societies and other Station and national organizations, got together for the first time, and discussed the subject of wool-growing in its relation to rival foreign interests. The wool manufacturers also met with them in joint convention. After months of patient toil and critical examination, they presented to us, in April last, the fruits of their joint labor, so far as it relates to the duties on wool.

The proposition that relates to woolens came along considerably later. A mutual agreement was arrived at, and upon a basis fair and equitable of parties that never agreed before. I think their work does honor to those who conceived and who have so far successfully matured these several propositions. These propose much higher rates upon wool because of the perfection of the classification, which is so framed as to catch all wools that can by any possibility compete with American wool. There is no loop-hole through which any wool can escape the duty intended. It is fixed and certain. The custom-house officer, though a fool, cannot err therein. I know the wool-growers will be satisfied with their own proposition, as they should be, for it amounts to more on mestiza wool than would a duty of seventy-five per centum ad valorem; and I hope we shall not attempt to offer anything less or in other shape, for whatever is not in the form of specific duty would be in most cases valueless.

The greatest protection the American wool-grower could have would be the disclosure of the fact at every sale of woolen cloths, whether the same were made of American wool or not, as cloths made of sound American wool are really worth, for hard service, for hard wear and tear, far more than those made of the tender and brittle foreign wools. The duties upon woolens, it will be seen, are very carefully adjusted, so as to cover the duties which the manufacturers pay first on wool and dye stuffs. The internal taxes on their sales, and in addition twenty-five per centum ad valorem, the compound duties in the bill, though following the principle first adopted in the tariff of 1861, may not be understood at a glance, but when carefully studied, they will be found to have the extent I have indicated, and no more. If this bill become a law, as I trust it will, the woolen manufacturer will not find his condition any better than now. Foreign goods, I fear, will crowd our marts in nearly the same imposing procession that they have done heretofore, or at the rate of over a million of dollars for every day in the year.

Last year, 1865, our imports amounted to $234,756,447; but this year they will reach not less than $401,411,513. This is a drain that we are in no condition to bear. Every spare dollar in the country is needed to fund our rapidly maturing national obligations. For the past year we have received from California but a little over $29,000,000, and yet our exports of gold and silver at New York alone, from May 12th to June 16th, amounted to $36,515,402. When can we resume specie payments, if this stream of merchandise inward and flow of gold outward is allowed to continue? Clearly it is the duty of the Government to moderate, if it cannot control, the reckless course of trade before bankruptcy ensues, and the business of the country receives a check from which it may take years to recover.

I do not think it necessary to go into the details of many branches of business. There is not a member of this House who does not know and feel that there is urgent need of legislation upon the tariff. To adjourn without such legislation would be a calamity and a blunder. Take the iron trade. It is true they made money during the war, but they are not doing it now. They are paying laborers for making a ton of iron nearly as much as a ton would cost abroad. There are some little items in the tariff bill which hardly arrest the eye, which give employment to thousands, and therefore require considerate treatment at our hands. Among these permit me to cite one or two examples. Eyelets, made of brass, and then tinned as an article of commerce so far as to attract attention, have but recently been introduced. They will be noticed in shoes and boots, and though invisible in other articles for ladies' wear, they are still there.

I find that of these small and very cheap articles, costing no more than seventeen or eighteen cents per thousand, the amount we consume arises to the respectable sum annually of four millions of dollars. Hoop skirts is another article of extensive use for which we are supposed to be indebted to the genius of Eugenie, who, failing to rule the Emperor of the French, has great audacity in French fashions. In New York city alone 25,000 persons find employment in all the branches of the hoop-skirt manufacture. It would be possible to mention many other articles, apparently "trifles as light as air," which furnish the means of support to a large number of industrious and thrifty families.

The articles added to the free list in the bill are few in number, and of inconsiderable importance. Such articles as form the base or raw material of other manufacturers, and of which there is no domestic supply, scientific theorists as well as practical legislatures agree should be charged with little or no duty. When any country has superior natural advantages for the production of a specific article it may be useless and a waste of capital for others to attempt rivalry in the same direction. We have nothing that will compete with the white cliff stone of England, for chalk and whiting, and as it enters into other manufactures to a considerable extent, and gives business to our homeward-bound vessels, it deserves to be free. We produce rock oil or petroleum, and while it bubbles up and spontaneously runs away from its fountains, to be had only for the catching, it will be difficult to find any article in other markets to supplant "the poor man's light," as my friend, Mr. Schofield, from Pennsylvania, aptly calls it, and so long as we have a surplus to spare will find purchasers.

Salt, when it is made from springs, depends mainly for its cheapness upon the amount of saline matter contained in the water. The relative value of salt springs in Virginia, Michigan, New York and Ohio differs widely. In some of these States the business now continues, but without a higher duty most of them must wind up. If, in any of these States, mines could be found where salt could be taken out in pure crystals, the saline springs would have to be abandoned. As it is, we cannot afford to be dependent upon other nations for so indispensable an article in peace and war as salt. Even if it can be obtained elsewhere nominally at a less price, our own establishments must be preserved, encouraged to the full amount of their capacity; and even then, one-half of all we consume will be brought from abroad. We cannot afford to make it free, nor yet can we afford to tax it so heavily as to make it a luxury or anything but what it is—an article for human nature's daily use.

The discovery of an enormous deposit of chloride of potassum in a bed of rock salt in Germany, map prove to be the chief source from which commerce will draw its future supplies. Manifestly, the maker of ordinary potash salts, who cuts down timber and burns it to ashes for this sole purpose, cannot compete with an article already made, and which only needs to be taken from the mine and purified. This is an advantage of which Germany cannot be deprived. The Indian who stole his brooms already made, could always undersell the Indian who only stole his timber. England, with untold wealth in minerals, coal, clay and cheap salt, eclipses, in many productions, all the nations of the earth. Soda ash is one of these productions, entering largely into other manufactures of various descriptions. The cost of soap, glass and of many textile fabrics, depends much upon the price of soda ash. At Pittsburgh, Pa., they have salt and cheap coal, and have from time to time striven to establish the manufacture of soda ash, but thus far without marked success, and if the manufacture cannot succeed at this point, it will hardly do better elsewhere. Under these circumstances, but for the glimmering hope that an article of such extensive use may yet be established, it might have been well to place it upon the free list. We have left it where it is, to pay a duty of a half-cent per pound.

The supply of ivory cannot be increased, and is supposed to be annually diminishing. It takes 20,000 elephants, it is said, to furnish the annual supply of a single manufacturing town [Sheffield] in England. Our wants are large, and increasing. It is proposed, therefore, to remove the small duty now imposed upon this useful as well as beautiful article; and as the gigantic game from which ivory is obtained is hunted by persons, without regard to race or color, I presume no one will object.

One of the main reasons for a new tariff bill now is that the termination of the reciprocity treaty leaves the duties upon agricultural productions and upon lumber, fish and coal, at such rates as were imposed at times when it made no difference what those rates were, as all such articles came in from the provinces practically free, and of course our tariff laws in this respect now call for revision. The wisdom of terminating the treaty alluded to is already apparent. There are none of its provisions that we cannot surrender without a pang. Some of the pretentious claims concerning the fisheries—as, for instance, the right of excluding our fishermen from the shore within three miles, and from bays drawing the line from headland to headland—might be annoying, but even if admitted on our part, as they are not likely to be by any modern Secretary of State, such claims, were they to be strictly enforced, would be of little damage to us and of no profit whatever to the Provinces. There is no more reason for exempting grain, flour, cattle, horses, wood and butter and cheese imported from British Provinces from revenue duties than there would be in the case of the importation of similar articles from Great Britain. In peace the mother country and her colonies are all our friends; in war they are not less our enemies.

It is due, however, to the present British minister, Sir Frederick Bruce, to say that he manifested a high tone and spirit of firmness touching the remaining questions as to the fisheries, and that he seeks their solution without making such exactions as would be likely to produce national conflicts. Through the courtesy of the Secretary of State, I have learned that the British minister has information that the Canadas, New Brunswick and Nova Scotia will issue licenses to fishermen, other than British subjects, upon the payment of fifty cents per ton on the tonnage of vessels engaged therein and that a license will secure the right to fish within three miles of the shore, and also to land for the purpose of curing fish and obtaining supplies. More than this, a license from one province is to confer the right to fish in all the Provinces which unite in the system of giving licenses. Without this Zollverein principle Americans would find the license of no value, and would not avail themselves of it. In the end all the Provinces may unite in such legislation, or if they do not, the Confederated Provinces, and that scheme appears likely to be speedily adopted, more speedily perhaps in consequence of the recent Celtic irruption, will undoubtedly adopt the principle.

Mr. Chairman, I will now send to the clerk's desk, to be read for the information of the committee, a letter from the Secretary of State upon this question, and also one from the British Minister, Sir Frederick Bruce:

DEPARTMENT OF STATE, WASHINGTON, June 25, 1866.—*The Hon. Justin S. Morrill, Chairman of the Committee of Ways and Means, House of Representatives*—SIR: I have the honor to inclose for the information of the committee over which you preside, a copy of a note of the 24th inst., addressed to me by the Hon. Sir Frederick W. A. Bruce, the British Minister, relative to the course determined upon by the Governments of Nova Scotia, New Brunswick and Canada, in regard to licenses to fishermen of the United States. By a note of the 31st of May last, Sir Frederick Bruce informed me that P. Forbin, Esq., the magistrate commanding the Government vessel La Canadienne, employed in protecting the fisheries of Canada, has been authorized to issue fishery licenses, on the payment of the sum of fifty cents per ton of measurement of the vessels proposed to be used in fishing. That those licenses would remain in force during this season, and would confer upon the holders of them, as far as the Canadian fisheries are concerned, all the rights enjoyed by the fishermen of the United States under the reciprocity treaty. An official notification embodying this information was made public upon its receipt, and the same course will now be pursued in regard to that contained in the inclosed.

I have the honor to be, sir, your obedient servant, WM. H. SEWARD.

WASHINGTON, June 24, 1866.—*Sir:* I have the honor to state, that I am informed by his Excellency the Governor General of Canada, that the governments of Nova Scotia and New Brunswick have agreed that the possession of a license, issued by Canada, to fish, shall entitle the holder, during the season of 1866, to fish in the waters of New Brunswick and Nova Scotia, as well as in those of Canada. The holder of a license from the governments of Nova Scotia or New Brunswick, if any shall be issued, being entitled to fish also in the Canadian waters. I shall feel most obliged if you will communicate this information to the chairman of the Committee on Ways and Means.

I have the honor to be, with the highest consideration, sir, your most obedient humble servant,

FREDERICK W. A. BRUCE.

The Hon. WILLIAM H. SEWARD.

Mr. Chairman, it may be proper for me to add that I have just received a note from Sir F. Bruce, saying that another of the provinces has enacted laws in relation to licenses similar to those of Canada, &c. It is also due to myself to say, that in a conversation with the British Minister, I informed him that I thought our fishermen would be reluctant to take out licenses for the right to fish in British waters, but that they probably would be willing to pay a license for going on shore to cure fish. The greater cost of fitting out our vessels, and the taxation to which they are subjected, enables provincial fishermen, who have no long voyages to make to reach the most desirable fishing grounds, to bring fish to our markets at cheaper rates than our own people. In addition to this, our fishermen will now, when they enjoy the privileges of the shore fisheries, only needed for catching mackerel late in the season, have to pay a license of from fifty dollars to one hundred dollars for each vessel, according to its size.

Under these circumstances, justice requires the imposition of reasonable duties upon foreign caught fish. As we are now, however, met in a generous spirit, I hope Congress will suitably respond, and place only moderate duties sufficient to cover the items already indicated upon mackerel and codfish. Mackerel may perhaps need to be placed even lower that it will be found in the bill. In the cod fisheries it is no longer necessary to go within three miles of the shores, and such duties can be placed on the product as may seem judicious; but it being an article of food consumed largely by those who can ill afford butchers' meat at twenty-five and thirty cents per pound, a moderate duty seems appropriate. Our trade with the maritime Provinces is one more deserving our fostering care than that of the other Provinces. The people are very friendly, and they have such articles as we require in large quantities, such as coal and plaster, for which they take of us flour and other articles in nearly equal quantities. It is a reciprocal trade that is profitable to all parties, and ought to find some favor in our legislation.

And here let me remark, that for eleven years we have drawn moderate supplies of bituminous coal from Nova Scotia. Enterprising Americans have embarked their capital there, and opened mines to supply the wants of the gas companies in a few Northern cities on the bleak, ice-bound Atlantic coast. Some of our mills and lite iron foundries have been started with the expectation of a continued supply of coal of this character from this quarter. Even if this is granted the coal so used will cost the consumers ten or twelve dollars per ton, while that used by our brethren in Pennsylvania and Maryland, for identically the same purposes, will only cost three or four dollars. Most of the pig-iron used in Connecticut, Massachusetts and Rhode Island comes from Pennsylvania. It ... to be insisted upon that no coal ... used in those regions but that which ... over a thousand miles of railroad? Is this necessary to the prosperity of the Baltimore and Ohio railroad—a road that, as I have heard, is earning fatter dividends than almost any in the land? I have no feeling on this question, and I am not aware that my constituents have any interest in it; but, to use the words which my excellent friend from Chicago emphasizes with so much unction, I desire to see "fair play."

The Committee of Ways and Means have shaped the bill so that all cannel coal, bearing the highest price of any or all other bituminous coal imported from any place thirty degrees east of Washington, and all anthracite, if there be any that be imported, shall pay one dollar and a half per ton, and only propose that the common bituminous coal, such as we have had free for eleven years from Pictou, shall pay fifty cents.

Mr. Chairman, we leave it to the good sense of the Committee to say whether this is not eminently just and fair. Even the gentleman from the Pittsburgh district concedes that it is right and proper, and where he leads on this subject I feel sure no Pennsylvanian need fear to follow. The present bill is not likely to suit everybody, and I regard it as only a temporary measure, fit to be introduced because of the imperious necessities of our present condition. Many will think it inadequate to the exigencies of the country, and that much more ought to have been conceded to our imperilled industries. The statements made by the gentlemen of the revenue commission, who have long studied the subject, as well as by those whose special interests are touched in almost every instance, would have justified the Committee of Ways and Means in proposing higher rates than will be found in the bill, but the Committee have scrutinized every case, and consented to no higher rates, with only here and there a possible exception, than will, as they are forced to believe, place the American laborer, producer or manufacturer upon a level of fair competition with foreign capital and foreign labor. During the prevalence of war prices, and the excessive premium of 280 upon gold, while we were accustomed to contemplate money in fabulous sums, something of extravagance prevailed everywhere, but now, upon the return of peace, we ought to begin to practice the stern duties of economy; be content with moderate gains and make some approach to our former rule of estimates. when an advance of even five per centum in the scale of duties was weighed with as much scrupulousness as gold dust in the balance; but unless we are willing to count the usual sequence of war, we must now adopt measures that will shield our people from general financial ruin. We are at the mercy of those who have had no unusual war taxes; no bounties to pay to brave volunteers, and we must have a little breathing time to recuperate, or we may sink under the load. Although triumphant at all points in the great struggle of freedom against slavery, our great revenue from internal taxes is wholly dependent upon the fact, wherever we can keep our own fields, factories and work-shops fully manned and constantly employed, the tax they pay is a percentage on the inflated current value in our markets, and five per cent. here is nearly equal to ten per cent. on any foreign invoice, especially as we know that many invoices, by the adroitness of trade, are largely undervalued. Our taxes, which are not direct, also imperceptibly press hardly upon all who are engaged in any kind of business. Raw materials are largely increased in cost. Stamp taxes insiduously entrap every business transaction, so that after we have levied extraordinary duties, we shall find that importations will by no means cease. Although our present tariff in ordinary times would be likely to be denounced as prohibitive, yet we find it practically productive beyond all precedent—yielding nearly one hundred millions more in solid gold than was ever before realized. While the present bill is indispensable to preserve the aggregate of our internal revenue, it will not be likely to diminish, even if it does not increase the revenue from imports. It will keep our people at work.

I am in favor of taking proper care of American industry as against foreign competition, now and at all times, whether it be that engaged in the production of flour or wool, brogans or ships, or whether it be the tiny artificial flower that embellishes the lady's bonnet, or the ponderous engine that moves the floating palace in spite of wind or weather from ocean to ocean. Let the time be far distant when an American citizen will be forced to work for the wages of those whose toil furnishes no homesteads, no school-houses, and finally not even tombstones for the graves of themselves or their children. But rather than jeopardize a sound public policy; rather than excite the odium which extravagance is always likely to excite, I should counsel temporary inconvenience and the lowest rate of duties under which it is possible for our various branches of manufactures not to prosper, but to live, hoping that a better time is coming, when labor will be more abundant, taxation less onerous, and when our paper money shall be good for its entire face value. God speed the day, Mr. Chairman. I will not at this time consume any time of the House, but will, in the progress of the bill, have something more to say in relation to its details.

Mr. Morrill closed by indicating an intention to move to close general debate.

Mr. Stevens expressed the hope that after the speech made by the gentleman from Vermont, some latitude of discussion would be allowed. He looked upon this bill as a free-trade bill from beginning to end. [Laughter]. He thought it anything but protective, and as gold came down it would be less so. Scrap iron, for instance, was to be taxed half as much as pig iron, when it was worth four times as much. He admitted that it was perfectly suited to the Eastern market, and that this was an excellent tariff for the gentleman there; but turn to the people of his district. He could not say anything about the question of coal till he found what his colleague [Mr. Moorhead] had to say on that subject, as he was on the Committee of Ways and Means, and assented to this bill.

Mr. Moorhead admitted that he did assent to the bill, and that the duty of one dollar and twenty-five cents on bituminous coal from abroad, and of fifty cents on coal from Nova Scotia was a compromise. He could not see what right his constituents had to say to the manufacturers of New England, who mined their coal in Nova Scotia for consumption in their own factories, that they should not do so. He thought there should be a discrimination drawn between coal from Europe and coal from the colonies. His object in that was to protect the manufacturers of this country and the labor of this country against the manufacturers and labor of the Old World.

Mr. Kelly said that he found much in the bill to approve. Considering the arduous labors imposed upon the Committee of Ways and Means, and the limited time it had to prepare a tariff bill, he wondered that it could have presented as perfect a bill. There were, however, a few things in the bill giving evidences of haste and want of due consideration. This bill proposed a duty of one dollar and fifty cents on anthracite coal, and he did not wish the legislation of the country to proclaim to the savans of the world that it did not know that the United States possessed all the anthracite coal in the world. That outside of four hundred and seventy square miles of our own territory anthracite coal was not found.

Mr. Morrill replied that he was not aware of the fact, at least, so far as the gentleman's testimony was concerned, for he had heard him make the same statement ten or fifteen times.

Mr. Kelly declared that while the Committee of Ways and Means insisted on denying the fact he would continue to assert it. If the committee knew there was no anthracite coal in the world but our own, why was one dollar and fifty cents per ton proposed for it? That which was attempted to be called anthracite coal in Wales was a species of igneous slate, not capable of use for any purpose to which anthracite coal was applied. He wanted that word "anthracite" struck out. The anthracite coal interest was the coal interest of Pennsylvania, but on this question he spoke for those also who were voiceless in Congress—for the people of Virginia and North Carolina.

Instead of New England manufacturers making investments in Nova Scotia coal mines, they should aid in developing the rich coal fields of Deep river, North Carolina, and James river, Virginia. He ridiculed that provision of the bill making discrimination between the bituminous coal of England and that of Canada, showing that while discriminations are not novel, they have always been carried out on the principle of placing the lighter duty on the article brought from the greater distance, and the heavier duty on the article brought from the nearer home. The development of the coal interest in Virginia would save this country from a liability to French intervention on the principle of the invasion of Mexico, for it would be recollected that in March, 1861, the Virginia Legislature granted to a French company the James river and Kanawha canal, and the present lawless Legislature of Virginia was now endeavoring to execute that contract.

Mr. Pike inquired whether the loyal Legislature of Western Virginia was not doing the same?

Mr. Kelley replied that he did not know, but he wanted a body of New England capital, energy and patriotism involved in the coal trade of Virginia, so that Louis Napoleon should not have Southern rebels to deal with, but Northern patriotism.

Mr. Hubbard (W. Va.) explained that the legislation between West Virginia and Old Virginia, in reference to the James river and Kanawha canal was not as to a French company, but as to a New York company. It was the desire and interest of both those States that that canal should be opened, so as to give access for coal and iron to the sea. West Virginia had a direct interest in this coal question. They did not desire to prohibit the Pictou coal from being admitted into the New England States, but they did desire that that coal should pay the revenue that it could pay.

General debate was closed, and the House proceeded to consider the bill for amendment.

Mr. Grinnell moved to increase the duty on woolen rags, shoddy, mungo, waste and flocks, from 12 to 25 cents per pound.

A discussion arose on the amendment, Messrs. Grinnell, Cook and Lawrence (Ohio) supporting it, and Messrs. Kelley, Kasson and Morrill opposing it. The amendment was rejected.

Mr. Dawes moved to amend by reducing the duty on flocks to 6 cents per pound. Rejected.

The bill, as far as the Committee progressed to-day, makes the following provisions:

That from and after the passage of this act, in lieu of the duties now imposed by law on the articles mentioned and embraced in this section, there shall be levied, collected and paid on all unmanufactured wool, hair of the alpaca goat and other like animals, imported from foreign countries, the duties hereinafter mentioned. All wools, hair of the alpaca goat and other like animals, as aforesaid, shall be divided, for the purpose of fixing the duties to be charged thereon, into three classes—to wit: Class 1st, clothing wools—that is to say, merino mestiza, metz or metis wools, or other wools of merino blood, immediate or remote, down-clothing wools and wools of like character, with any of the preceding, including such as have been heretofore usually imported into the United States from Buenos Ayres, New Zealand, Australia, Cape of Good Hope, Russia, Great Britain, Canada, and elsewhere, and also including all wools not hereinafter described or designated in classes two and three. Class 2. Combing wools, that is to say, Leicester, Cottswold, Lincolnshire, down-combing wools, Canada long wools, or other like combing wools of English bloods, and usually known by the terms herein used, and also all hair of the alpaca goat and other animals. Class 3, Carpet wools and other similar wools, such as Donskoi, native South American, Cordova, Valparaiso, native Smyrna, and including all such wools of like character as have been heretofore usually imported into the United States from Turkey, Greece, Egypt, Syria and elsewhere. For the purpose of carrying into effect the classification herein provided, a sufficient number of distinctive samples of the various kinds of wool or hair embraced in each of the three classes above named, selected and prepared under the direction of the Secretary of the Treasury, and duly verified by him, the standard samples being retained in the Treasury Department, shall be deposited in the custom-house and elsewhere, as he may direct, which samples shall be used by the proper officers of the customs to determine the classes above specified, to which all imported wools belong; and upon wools of the first class, the values whereof at the last port or place whence exported to the United States, excluding charges in such port, shall be thirty-two cents or less per pound, and in addition thereto, ten per centum ad valorem; upon wools of the second class, the value whereof at the last port or place whence exported to the United States, including charges in such port, shall exceed thirty-two cents per pound, the duty shall be twelve cents per pound, and in addition thereto ten per centum ad valorem; upon wools of the second class, and upon all hair of the alpaca goat and other like animals, the value whereof at the last port or place whence exported to the United States, excluding charges in such port shall be thirty-two cents or less per pound, the duty shall be ten cents per pound, and in addition thereto ten per centum ad valorem; upon wools of the same class, the value whereof at the last port or place whence exported to the United States, excluding charges in such port shall exceed thirty-two cents per pound, the duty shall be twelve cents per pound, and, in addition thereto, ten per centum ad valorem: upon wools of the third class the value whereof, at the last port or place whence exported into the United States, excluding charges in such port, shall be twelve cents or less per pound, the duty shall be three cents per pound; upon wools of the same class, the value whereof at the last place when exported to the United States, excluding charges in such port, shall exceed twelve cents per pound, the duty shall be six cents per pound; *Provided*, That any wool of the sheep or hair of the alpaca goat and other like animals which shall be imported in other than the ordinary condition, as now and heretofore practised, or which shall be changed in its character or condition for the purpose of evading the duty, or which shall be reduced in value by the admixture of dirt or any other foreign substance, shall be subject to pay twice the amount of duty to which it would otherwise be subjected, anything in this act to the contrary notwithstanding: *Provided further*, That when wool of different qualities is imported in the same bale, bag or package, it shall be appraised by the appraiser, to determine the rate of duty to which it shall be subjected at the average aggregate value of the contents of the bale, bag or package, and when

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