The Press.

WEDNESDAY, OCTOBER 7, 1857.

OUR FULL LEGISLATIVE REPORTS.

Yesterday's important proceedings in the State Legislature will be found expressly and fully reported for THE PRESS, by our reporters—J. J. MCELHONE and J. B. SHERIDAN, Esqrs.

☞ OUR FIRST PAGE TO-DAY is full of interest: Editorials; money articles; correspondence; communications; news; and eloquent orations.

GOVERNOR POLLOCK'S MESSAGE TO THE SIX DAYS' LEGISLATURE.

Governor POLLOCK'S Message is a much more reasonable paper than we expected; and we cannot doubt that his moderation and general fairness is, in great degree, attributable to the sentiment of stern surprise which, on the part of the candid men of all opinions, received and disapproved his call for the short special session. We commend the spirit in which it is written, and hope he will be as true in the execution of his promises as he has been liberal in his utterance of them.

This is a world of compromises and of concessions, and it is great stupidity to deny it. We cannot have all we desire; we cannot get everybody to think as we do; and, in the long run, we must be content with the prizes or blanks that fortune or fate awards to us. Hence we take what is good in Gov. POLLOCK'S message "with thanks." His partial condemnation of small notes, (which would have been a manlier penitence for past errors had he omitted that word "now" so cowardly in the context,) and his plea for an extension of credit alike to the suffering debtors of the banks as to the banks themselves—these are unexpected favors, and we take them gracefully and gratefully.

These concessions are tributes to the truth of experience and the lessons of history; experience that all of us have felt, and history that all of us have read. Small notes were yesterday a favorite panacea for public ills, and relief to the banks the rarest discovery in the *materia medica* of our financial doctors. Now they are so worthless as specifics, and so valueless as drugs, that they are disowned by those who won the greatest fame as political practioners by patronizing them.

It might have been a much better message; but we are glad it is no worse

LAST MONDAY IN KANSAS.

We may expect to hear, by every telegraphic flash, the news of the election in Kansas, which took place on Monday last. Recent events have made us somewhat anxious for this news. But it was the general belief in Kansas, by last advices, that the elections would be unaccompanied by violence. It is true, the pro-slavery party had strong temptations in the organization of a powerful military force against the Missourians, ostensibly to protect the polls, but actually to provoke the opponents of the free-State party, now in a small minority, into a collision. This association has been placed under the command of that redoubtable hero, Col. LANE. The presence, however, of a sufficient number of United States troops at the precincts where violence has been apprehended or threatened will effectually keep both extremes in check, and afford the highest safeguard to every legal voter, in the exercise of his right as a citizen of the Territory to vote for the officers by whom its laws—by which he is to be governed—are to be made or administered. This quiet adjustment of the difficulties which have heretofore agitated Kansas, and convulsed the whole country, has been effected through the just, conciliatory, and masterly policy of Gov. WALKER.

To him, unquestionably, will belong the credit, should his policy prevail, not only of pointing out to Kansas the safest, most peaceful, and most practicable mode of getting rid of her troubles, but of inducing a people, smarting with outrage and defeat, inflamed by demagogues, ready for revenge, and rebellious at heart, to adopt his counsel; and thus, despite the exertions of disunionists, both of the North and the South, to destroy all cause of further complaint.

On the third Monday in October—that is, a fortnight from Monday—the constitutional convention will meet in Lecompton, and proceed to the task of framing a Constitution for the future State of Kansas. We confess to some dread of the action of that convention. It certainly cannot be deluded so as to fancy that Congress will ever admit Kansas with a Constitution that has not been ratified by the people. We have little doubt, therefore, on the question of submission.

Regardless, however, of the character of the Constitution, we do not see how it is possible for the convention, even if it were so disposed, to evade the submission of their work to the people for ratification or rejection. We think it would be injustice to the good sense, the patriotism, and the honesty of the convention to charge it with an intention to deny the people the right of voting on their own Constitution. The people have a right to insist that it shall be submitted to them. We insist on it. The Democratic party insists on it. And the convention may rest assured that that party will tolerate no hocus pocus in the matter. If, by any possibility, the convention should become so infatuated as to send their Constitution to Congress without a full popular endorsement, *they would only strengthen the enemies of the Constitution and the Union, and provoke new dangers to both.*

PUBLIC OPINION IN REGARD TO THE CURRENCY.

The observer of events cannot fail to perceive that a great improvement in public opinion in this country, on the subject of the currency, has been manifested since the advent of the Panic and Pressure, that has periodically avenged expansion in banking and "extension" in commerce. It is apparent that men are no longer led, or rather misled, by mere names. Time and experience have given principles and expediency a fair field and trial, and principle has won the guerdon. For instance, the slogan of party warfare, and personal interest, against the Independent Treasury, as procuring a currency of "rags for the people," and another of "gold and silver for the office-holders," is heard no more. The practical benefits of that wise measure of precautionary statesmanship are admitted with gratitude; and from this triumph have resulted reflections, less important only because they have not yet assumed shape and action. The success of the principle of keeping the Government revenues out of the banks, as a sacred fund, reserved and set apart for the general good, and held aloof from the vicissitudes of speculation, inspires other thoughts on the all-important subject of Currency. There must be something in this idea of hard money, after all; and when we behold the vast machine of banking breaking down under its own weight, and the simple scheme of the Independent Treasury standing unhurt amid the wreck, we are very ready to accept those suggestions, in regard to currency, so long and so pertinaciously urged by the Democratic party. Hence it is that banks, as at present constituted, are no longer surrounded with the odor of sanctity. Hence, that the suggestion to reform these banks altogether is no longer regarded as agrarian and destructive, but rather as reasonable and right. Hence suspension, as at least on one occasion heretofore, is not welcomed as a boon, but rather as a bankruptcy. Hence the popularity of those recently rejected doctrines that credit and debt are not the true basis of a circulating medium. Parties may be unjust; but individuals cannot always resist the truth; and it is no uncommon thing, now-a-days, to find men who were, years ago, the leaders and the defenders of the banking system, at this day demanding investigation, publicity, and complete reform. We fix these things as they flit before us, so that the public mind may receive the impressions in time.

CHEERING REPORTS.

It is reported in circles likely to know, that at least one of the leading banks among the first to suspend specie payments will resume payment again at a very early day; and that the officers of other banks have expressed a determination to sustain themselves under the present law as well as they can, and prepare for resumption without delay. We hope this feeling will become general among them, and we have not a doubt the good work can soon be achieved, and the character of our banks and the business of our city be relieved from its present unfortunate condition.

PROSPERITY AND PANIC—NO. 13.

NEW YORK, Oct. 6.

It is customary, in times of pecuniary embarrassments, to raise a cry against banks, and to seek to impose new legal restraints upon them, in order to prevent future difficulties. It is, however, the fact that no legal enactments ever reach the case, because they are never applicable. There are certain laws of trade and finance which should govern banks' movements; when they do so, the banks never can get into difficulty. The penalty for violating them is embarrassment and finally bankruptcy. Statutory law is then invoked to save them from the penalties of violated laws of trade. It needs but a passing glance at the history of the New York banks for the past few weeks to demonstrate this. A commercial bank is understood to be one which receives and retains the deposits of the commercial men who form the circle of its dealers; all those merchants are in the daily receipt of money for goods sold, which they do not require to use for the day, but to keep until their own payments mature. The payments are usually made on notes given for the goods sold. If each man retained these receipts in his own safe until his note fell due, an immense amount of money would be idle. To obviate this, all the sums are collected in a common depository, forming a fund from which the notes of these merchants given for goods, at short dates, may be safely discounted. If these notes are, at sixty days, all paid promptly at maturity, the current of money into the bank will always be a little *more* than the current out. Every note being represented by goods, the sum of the deposits, as well as the discounts, will always rise and fall with the amount of business being done. It is evident that if the funds of these depositors are applied to any other purpose than the discount of business notes payable at short dates, that a source of difficulty has been created. If a considerable portion is loaned to bank officers or favorites, at long dates or renewals, the bank has done injustice to its customers, exposed itself to a demand for its liabilities, while it has placed its means to meet them out of its reach. Under such circumstances, if its liabilities are called for, it asks for assistance, or suspends and asks indulgence of the Legislature. This operation is more clearly seen if we have recourse to the returns of the New York city banks through the passing panic. We shall then find that the difficulties which we before pointed out as proceeding from the operation of the banks which redeem country bank notes, are not extended to those institutions which confine their discounts to strictly business paper, not over sixty days to run, and which insist upon payment at maturity; as an instance, the Banks of New York has in all the panic made no reduction in its loans whatever, nor has it lost any specie. It has regularly continued its business while others have been convulsed. We may first look at the aggregate reduction in the New York banks as follows:

	Loans.	Specie.	Deposits.
August 8.....	$105,820,980	$31,737,545	98,425,417
October 3.....	105,935,499	11,400,413	67,978,657
Reduction....	14,583,482	337,235	26,457,760

Thus, there has been a reduction of $26,457,760 in deposits, and $14,583,481 in loans. Now, amidst this large downward movement there are five banks whose capitals are, together, $9,000,000, that have made no reduction at all. These are the Bank of New York, Merchants, Manhattan, Phoenix, and Butchers and Drovers. Their aggregate movement is as follows:

	Loans	Specie.
August 8.....	$18,666,454	$2,145,109
October 3.....	18,708,350	3,191,273
Increase.....	$41,896	$1,046,164

We have here the fact that no panic or pressure has operated upon either of those five banks to compel contraction. The discounts being short business paper, the current *into* bank has always been regular. They have daily had as many checks paid to them for notes matured as sufficed to meet all claims against them at the clearing house, and although they have continued to discount the paper of their customers, they have *gained* more specie than all the other banks. This establishes the fact that curtailment is *not* necessary to self-preservation in a well-managed bank.

We may now look at the banks that have curtailed the most. These are two, the American Exchange and the Metropolitan, and they have been as follows:

	Loans.	Specie.	Deposits.
Aug. 8.....	$13,776,282	$1,345,668	$12,229,501
Oct. 3.....	11,169,653	1,035,662	6,877,138
Decrease...	$2,616,629	$210,000	$5,352,363

Thus, these two banks which redeem uncurrent money, and held $5,000,000 of country bank funds, on which they paid interest, have been compelled to return that money, and to curtail their discounts violently, in order to meet the pressure of uncurrent money which they are called upon to redeem. Their deposits have fallen 40 per cent., and they have reduced their loans 25 per cent. It follows that, where the loans are reduced in this violent manner, all other banks meeting them at the clearing house, but which have not their means as much under their control as the above five banks, must curtail also, or find the specie for balances or fail. Most of the banks have curtailed, following those two banks. The whole number stands as follows:

	Capital.	Loans.	Specie.
5 Banks.....	$8,620,730	Inc. $41,896	$1,046,164
3 "	7,948,000	Dec. 2,616,629	320,000
48 "	48,788,125	11,943,956	1,073,390

These five banks increased their loans and raised their specie $1,046,164; two banks decreased their loans to the extent of *one third* their capitals and lost $310,000 specie; forty-eight banks curtailed less than one-fourth of their capitals and lost about the same sum in specie that the five, which did not curtail their loans, have gained.

It is here very evident that the contraction being forced upon the two banks that are engaged in the uncurrent money business, the others were forced to follow in their wake, because they, not with sufficient strictness confined their discounts to the regular business paper of their customers. In the last week $1,500,000 bank notes have been redeemed in New York, releasing $1,000,000 State stocks, held as security, and which are sold to cover the redemptions.

It is obvious that where favoritism has existed, and long or renewable paper been discounted, that it is only the best paper—that is, that which is most promptly paid—that the banks *can* curtail. Hence it is that the deserving are compelled to suffer for the negligent. This has been the position of the Philadelphia banks, which have strenuously refused the wholesome operation of the "clearing-house;" and it is seemingly incumbent upon the Legislature, in its duty to the people at large, to forfeit the charters of all suspended banks. If a general law is at once passed, like that of New York, compelling good security for all the bills issued, all the rest may be safely left to the banks, provided that, by a system of clearing, their operations are confined within a proper sphere, under the *certainty* that no legal indulgence will be extended where difficulty results from a violation of the laws of trade. To grant indulgence is to call upon the industrious, the deserving, and the innocent to suffer for the idle, the speculative, and the careless.

It may be mentioned, as an evidence of the distress which curtailment causes to the customers of a bank, that the stocks of those banks which have curtailed the most fall the most in the market. American Exchange Bank sold August 15 at 112, and this week at 68; Metropolitan sold at 107, and this week 75, while those banks that have not curtailed do not come upon the market. The reason is obvious: since it is the dealers of a bank that usually ruin its stock, they are compelled, when cut of discount, to get money as they can.

THE OTHER SIDE.

The Albany *Evening Journal* breaks ground in favor of paying back to the railroads the duties they have paid on their iron. This has hitherto been a favorite project with lobby speculators. A year or two ago a company of these gentlemen sent out a circular, signed, if we are not mistaken, by Mr. Vinton, Mr. Poor, and some other noted men, proposing that the railroad companies should put a large sum of money into their hands to enable them to carry the project through Congress. The proposal was not thought to be very creditable to its authors, and their reputations have not yet recovered from it. Indeed, there were persons, and journals too, of no little irreverent enough to pronounce the scheme an enormous swindle, designed simply to take money out of the public treasury, and put it into private pockets. What was corrupt then may be all right and virtuous now; but we must own that the plan wears a suspicious look, which the approval of the *Journal* does not wholly remove.—*New York Tribune of the 6th.*

These comments of the *New York Tribune* are in censure of a movement in the last Congress, headed by Republicans, to repeal the duty on railroad iron, and in reply to the Albany *Journal*, the leading Seward paper of New York. Curious, that while some of *our* Republicans of Pennsylvania (*vide* the *North American*) are now complaining that the duty on iron, rails inclusive, was not high enough, the distinguished Republicans above named should demand its repeal! The movement in Congress to get rid of this duty was bold and flagrant enough, and was part of a general plan of spoliation, comprehending more things than the iron interest.

FROM WASHINGTON.

(Correspondence of the Press.)

The Operations of the Independent Treasury.

WASHINGTON, Oct. 6, 1857

In the present financial crisis, every day affords new evidence of the salutary workings of the Independent Treasury. When all other sources of relief have failed, it has furnished means of preserving confidence. It has shielded the General Government from embarrassment in all its financial operations, and preserved its credit unimpaired. It has exerted a conservative influence upon the business operations of the country of such a decided character, that all candid men must acknowledge that, however bad may be the present condition of affairs, it would have been infinitely worse, if the Government, like many of the people, had entrusted its means to the control of corporations, who would have made them the basis of additional expansions, and thus greatly increased the severity of the effects of the present contraction. It secures to all in the employment of the Government the payment of their demands against it in gold or silver. They are thus supplied with a pure and undepreciated currency, no matter how many banks may suspend; and they, in turn, pay out the gold they receive into general circulation. It must be remembered that this remark applies not merely to office-holders who receive but a small proportion of the funds of the Government. It extends to the army—to the navy—to many laborers engaged in navy yards, fortifications, &c, to thousands of contractors who transport the mails, furnish supplies of various kinds for the War and Navy or other departments, and who in turn have many thousands in their employment, as well as to those who receive pensions, and to all, in short, whose services swell up the aggregate national expenditure to more than $60,000,000 per annum. The Independent Treasury is thus a good reservoir for which specie is constantly being supplied to the people, independent of the banks whenever the latter forfeit their confidence. But while the latter preserve it, redeem their promises, and pay specie on demand, the great bulk of money passes through those institutions and strengthens and sustains them. In all the leading cities of the Union the drafts and warrants of the Treasury and checks of the disbursing officers are to a great extent deposited with the banks for collection, unless they pursue the unfortunate policy of the banking institutions of your city, and by suspension, cut off from themselves the fruitful source of supply of specie.

Independent of those ordinary operations of the Government, the present rapid redemption of the public debt will do much to relieve the pressure. On Saturday last drafts were issued for $700,000 of United States stocks. At this rate the whole national debt would be liquidated in less than a month. As a large portion of the United States stock yet redee med, however, is held as trust funds by public institutions, or under various wills and bequests, it is likely that the holders of quite a large portion of it either cannot or will not transfer it to the Government, even in the present pressing times; but the incentives offered for the redemption of stocks by the late circular of Secretary COBB, by which the former premiums are continued until the first of November, and then reduced, greatly increases the disposition to sell, and thus to swell the amount of specie in the hands of the people.

Without the Independent Treasury, the Boston and New York banks would find it extremely difficult, perhaps impossible, to sustain themselves. And I know of no agency that will prove more powerful in re-adjusting the present disordered condition of the currency. It has not only done much to diminish the extent of existing evils, but it will do much to assist the recuperative energies of the country in resuming us from them, and re-establishing our financial affairs upon a sound basis. Q.

THE LATEST NEWS

BY TELEGRAPH.

[SPECIAL DESPATCH FOR THE PRESS.]

Appointments by the President.

WASHINGTON, Oct. 6—Thomas Crockett, collector at Yorktown, Va, in the place of B. Brellingham, resigned; Dr. Thomas P. Bagnell, surveyor at Accomac, Va., in the place of Samuel Melvin, resigned; Zachy Herndon, surveyor at Velasco, Texas, in the place of N. Rudder, deceased; Thomas Ledwith, collector at Jacksonville, Fla., in place of J. G. Bell, deceased; James M. Cutts, second comptroller of Treasury.

[SPECIAL DESPATCH FOR THE PRESS.]

Georgia Election Returns.

WASHINGTON, Oct. 6.—Georgia election returns indicate Brown's election by ten thousand majority. Bailey, democrat, is defeated in the Third District, and Linton Stephens, Democrat, (brother of A. H.,) is defeated in the Seventh. Six Democrats will be elected to Congress

Financial Affairs.

NEW YORK, Oct. 6.—The bills of the Lee Bank, Massachusetts, Charter Oak, and Exchange Banks, at Hartford, Connecticut, and the Bank of Watertown, New York, have been thrown out.

MONETARY AFFAIRS AT BOSTON.

BOSTON, Oct. 6 —The monetary panic has entirely disappeared. There were no failures to-day. The suspension of John A. Lowell is authoritatively contradicted.

BOSTON, Oct. 6.—At the instance of the bank commissioners, a temporary injunction has been granted on the assets of the Western Bank of Springfield, Mass.

HARTFORD, Oct. 6 —The Charter Oak, Mercantile, and Exchange Banks have suspended specie payments. The other banks of this place have resolved not to suspend.

NEW ORLEANS, October 5—Business is still restricted by the impossibility of selling exchange. Bills of exchange on New York have been made at 1¼@1¾. No sales of sterling have been reported.

Messrs. Voorhees, Griggs, & Co.'s suspension is announced, but it is supposed to be only temporary.

FINANCIAL AFFAIRS AT ST. LOUIS—MEETING OF THE MERCHANTS.

ST. LOUIS, October 6.—A meeting of the merchants of this city was held at the Exchange yesterday, to consider the currency question.

Mr. Henry, the Bank Commissioner of Illinois, made a statement of the condition of the banks in that State, which was generally regarded as satisfactory.

A committee was appointed to report on the subject. This committee convened in the afternoon, but adjourned without coming to any definite conclusion. The vote on receiving currency at par stood tie. Previous to the adjournment a resolution was passed, to petition the Legislature to issue no more bonds at present, and to create a sinking fund for the payment of the interest on those already issued. At the other meeting at the Exchange, held to-day, the announcement of the suspension of LUCAS, & Co. created no excitement. The assets of the firm are ten times greater than their liabilities.

A run on the Bank of Missouri, and on the Bostanen and Commercial Banking Institution, has been made, but there is no evidence of their suspending yet. The regular banks continue in a strong condition.

At the meeting of the merchants to-day, a resolution to receive and pay out the bank currency of the State at par was adopted by an overwhelming vote.

FARMERS' AND MECHANICS' BANK OF DETROIT.

DETROIT, October 6.—The Farmers' & Mechanics' Bank of this city has been placed under an injunction by the Attorney General.

FAILURE AT GEORGETOWN, D. C.

WASHINGTON, October 5.—Messrs. F. & A. H. Dodge, merchants and importers, are said to have made an assignment. They were heretofore considered the heaviest business firm in the District of Columbia.

THE NORTH CAROLINA BANKS.

PETERSBURG, Oct 6.—The *Express* says, it is rumored here this evening that the banks of Wilmington and Cape Fear, North Carolina, refused to redeem their notes yesterday. The Commercial Bank and Bank of the State redeemed everything. They are all said to be perfectly solvent.

Washington Affairs

WASHINGTON, Oct. 6—The Government has received no intelligence relative to the mission of Mr William Carey Jones, different from what appears in the newspapers.

Attorney General Black recently made a decision relative to grants of lands for railroad purposes, saying that "a legislative grant by Congress does, of itself, '*proprio vigore*,' pass to the grantee all the state which the United States had in the subject matter of the grant, except what is expressly excepted." There can be no need of further assurance in order to give the State a title in fee. The definite location of the road will locate the grant upon the proper number of even sections on either side, with which the United States shall not previously have parted with the title. The selection of the Governor's agent will determine what sections or parts of sections are to be taken instead of those sold or subject to pre-emption. Then the title to each particular parcel will be as complete as if it had been granted by name, number, or description.

Signor Irisarri had an informal interview with Secretary CASS to-day, on the subject of his reception as minister from Nicaragua.

It is not probable, as has been published, that the Government will advance money to contractors upon the shipment of materials, instead of upon the actual delivery at designated points, for the public buildings. Even were this done, the amount of relief to the money market would be comparatively small. Besides, the law requires delivery before cash payments.

There are about thirty cases remaining to be disposed of by the three Naval Courts of Inquiry, which will occupy probably six weeks.

Capt. W. A. T. Maddox has been appointed Assistant Quarter-master of the Marine Corps, in place of Capt. Sutherland, promoted.

The Mexican Legation has received no official despatches concerning the Tehuantepec arrangement.

The Court of Claims will meet next Monday.

The Southern News.

WASHINGTON, October 6.—The New Orleans papers received by the Southern mail announce the arrival at that city of Company I, Fourth Artillery, and of detachments of two other companies, *en route* for Leavenworth. The news in the other papers furnished by the mail is unimportant.

Arrival of the Fulton.

NEW YORK, Oct. 6.—The steamer Fulton, from Southampton on the evening of the 23d ult., arrived at her wharf at five o'clock this evening. The Fulton's advices are a few hours later than has been received, and she furnishes London papers of Wednesday. She brings no news of importance.

The Fulton brings $104,000, in specie, to L. Von Hoffman & Co.

Capt. Wotten reports that, when abreast of Cape Race, on Friday evening last, a telegraphic report of the latest markets and English news was given to the captain of a fishing smack, who promised to take it to St. Johns, or the nearest telegraph station, the next morning.

On Saturday last, the Fulton passed the American barque Jenny Pitts in lat. 45 50, long. 57.10, standing to the southward.

The Georgia Election.

AUGUSTA, Oct. 6.—It is admitted that in the recent election Judge Brown (Democrat) has been elected Governor by from 8,000 to 10,000 majority.

The returns indicate the election of Tripp, in the third Congressional district, and Joshua Hill, in the seventh district. Both of these are Americans. Crawford Gartrelle, A. H. Stephens, and Mr. Wright, Democrats, are elected in the second, fourth, and fifth districts. From the first and sixth districts there has been but little heard.

Bequest to Harvard College.

BOSTON, Oct. 6.—Among the bequests of the late John E. Thayer was $50,000 to Harvard College, the income of which is to be applied to the aid of the ten best under-graduates who may be in need of pecuniary assistance.

New York Temperance Convention.

SYRACUSE, October 6.—The State Temperance Convention has organized, and a Committee on Business been appointed.

Non-Arrival of the Niagara.]

HALIFAX, Oct. 6—10 o'clock P. M.—The steamship Niagara, now due with three days later advices from Liverpool, has not yet been signalled below.

Markets.

NEW ORLEANS, October 5.—The Cotton market is easier to-day, with sales of 1,200 bales; prices are, however, too irregular to quote. The receipts have been 7,600 bales. Sales of red Wheat at $1@$1.05.

BY MIDNIGHT MAIL.

FROM HARRISBURG.

The Special Session of the Legislature.

FIRST DAY'S PROCEEDINGS.

FROM OUR SPECIAL REPORTERS.

[Exclusive Correspondence of the Press.]

HARRISBURG, October 6, 1857.

SENATE

At 12 o'clock M., the Senate, in compliance with the proclamation of the Governor, was called to order by Speaker FINNEY. Messrs. WALTON and CRAWN were absent.

On motion of Mr. SOUTHER, the proclamation was read

Mr. WRIGHT offered a resolution that a committee be appointed to wait upon the House and inform that body that a quorum of the Senate was present and ready to proceed to business; which was adopted, and Messrs WRIGHT and SOUTHER were appointed as such committee.

A few moments afterward, Mr. WRIGHT informed the Senate that the committee had discharged the duty confided to them.

Mr. LEWIS presented a resolution that a committee of three members of the Senate be appointed to act in conjunction with a similar committee of the House, to inform the Governor that the General Assembly is organized, and ready to receive any communication he may have to make; which was adopted, and Messrs. LEWIS, BROWNE, and GREGG were appointed such committee.

Speaker FINNEY announced that the standing committees would stand as at the last session, with the name of the late speaker, TAGGART, in place of that of the present speaker.

Mr. WELSH moved that when the Senate adjourns, it be to three o'clock of the afternoon, which he subsequently withdrew, Mr. JORDAN suggesting that the circumstances at the hour of adjournment had better decide the question.

A committee from the House was introduced, who informed the Senate that the House was organized and ready to proceed to business.

The clerk of the House presented an extract from the journal of that body that a committee, to act in conjunction with a like committee on the part of the Senate, had been appointed.

Mr. LEWIS reported that the committee appointed to wait upon the Governor had discharged that duty, and that the Governor had informed their that he would communicate with the General Assembly in writing, immediately.

A. G. CURTIN, Secretary of State, being announced, presented a message, in writing, from the Governor, which was read.

Those present of the Senate are Messrs Browne, Brown, Coffey, Cresswell, Ely, Evans, Potter, Flenniken, Frazer, Gazzam, Gregg, Harris, Ingram, Jordan, Killinger, Knox, Laubach, Lewis, Myer, Scofield, Sellers, Shuman, Souther, Steele, Strunk, Taggart, Welsh, Wilkins, Wright, Finney (Speaker)

On motion of Mr. BROWNE, the message was ordered to be printed.

Mr. JORDAN presented a bill embodying the main features of the message. "An act concerning banks," 1000 extra copies of which, on motion of Mr. WRIGHT, were ordered to be printed.

Mr JORDAN moved that the bill, together with the message, be referred to a select committee of seven. He did not propose the usual course to prevail, to meet, in all their details, with the approval of every member. It may be that it did not perfectly express his views, as it was hurriedly drawn up. Still, as they had only a week to consider the subject, he thought it best to offer it at once.

The motion was agreed to, and the Speaker stated he would appoint the committee at the next meeting.

Mr. BROWNE presented two bills and a joint resolution. He would explain the course he intended to pursue with regard to extending any relief to the banks in their present emergency; and he could not do so unless ample guaranties were granted for the future. He would introduce a general banking law which contained these guaranties: also an act relative to the floating debts of railroad and navigation companies. He would be considered germane to the subject for which they were called together. The difficulty in the financial affairs of the country originated in a great manner in the loose management of railroad affairs, and the accumulation of great floating debts for which they had issued bills receivable, under color of which they had absorbed the capital of the cities, at a rate of interest which drove some men from all competition The community was at this time suffering from what may be called a *railroad-grip*. It is, therefore, for railroad companies, hereafter, from becoming borrowers at injurious rates of interest, and for excessive amounts in the leading money markets of the country—in Philadelphia and Pittsburgh—that he proposed the second bill. He had also a bill, entitled Joint Resolutions, relative to the control or restraint by Congress of the circulation of paper issued by the banks of this State. He presents it to us to embrace almost every vital interest of the Commonwealth So important, so extensive, so broad and deeply vital and interesting is this subject, that it induces the Governor to take up the language of the Constitution, and say that an extraordinary occasion had occurred which required the call of the Legislature together in extra session. What is the language of the Governor? The whole State in confusion, the vital interests of the people at a standstill, trade, agriculture, manufacture—all the interests of the country are involved in embarrassment, and threatened with ruin. Yet the gentleman is for taking a contracted view of the subject. How is it possible to bring before this body a too enlarged view of the subject? It comprehends everything of the interests of the Commonwealth. The credit of the State is at stake. The eyes of the Union are fixed upon us The eyes of Europe, if they could have read that proclamation, are fixed upon us. The banks of Pennsylvania are seen taking the lead in suspending specie payments, thus throwing the entire community into confusion. If possible, let the Pennsylvania banks stay in coin, if Ohio and New York pay in coin, whose honor is affected? Pennsylvania is pointed at as the only State that has brought about this confusion in the monetary affairs of the country. Action such as we to redeem the honor of the State—show the high-mindedness of Pennsylvania. Without doing injustice to any portion of the community, it is more urgent and healthful action to the financial affairs of the country.

What question is not embraced in the call made by the gentleman from Lebanon? The gentleman is inclined to take a contracted view of the subject. The bill of the Senator from Bedford adheres to the Governor's view of his Semicircular letter, under the constitutional call of the Governor, to do a certain thing—to discharge a certain duty. The message indicates what that duty is. It specifies the particular responsibility imposed on the Legislature in the existing emergency The bill of the Senator from Bedford (Mr. JORDAN) had been prepared with much care, and was in consonance with the Governor's views. The whole case then was before the Senate. The Senate ordered one thousand extra copies of that bill to be printed with a view of allowing the people who are watching these proceedings to see what is the proposed measure of relief. Having done thus far the Senate should stop. The language of the Governor is, that UNLESS this bill be reported back. A series of bills and joint resolutions is proposed by the Senator from Philadelphia, which he hopes may be passed as soon as possible, in connection with the present distress in the community. The proper time for debate is when that bill has been reported back. A series of bills and joint resolutions are proposed by the Senator from Philadelphia, which I have not, so far as could be seen, the slightest connection with the present distress in the community. The Senator from Philadelphia proposes to create guarantees and guards as will prevent a recurrence of this evil? He was willing to act on the most liberal principle for the relief of the community, but with caution. He would not pardon the banks for the catastrophe they had brought upon the State and her people. He might reprieve them for a short time; but in granting such a reprieve, he would endeavor to enforce such provisions as to restrain them in the future from undue and incautious expansion—restrain them from trading on the deposits in their hands. When the banks suspended specie payment they did so with the penalty of forfeiture of their charters, under the act of 1850, staring them in the face. He would relieve the banks, but bind them for the future. He would take advantage of the present opportunity to restrict the banks in the mode in which they declared their extravagant dividends. A bank in his town—two of them still redeem their obligations and are not to be shaken—received a new charter, having a new name and its capital increased, and about five or six months afterwards it declared a dividend of 10 per cent—5 per cent for the last six months. Just then, at the very moment the dividend of 5 per cent was payable it suspended specie payment. It now calls on this Legislature for relief. It says that it cares nothing about it—that the people are now the sufferers. The banks call on the people to stand up in their defence against the indignation created by their misdoings. He was for looking at the question in all its aspects and acting effectively and understandingly.

Mr. MYER would vote to print extra copies of the bill concerning banks but not of the remaining two.

Mr. BROWNE said that it was immaterial to him whether one hundred or one thousand copies were printed. All he wanted was an opportunity during the session to express his views on certain questions which he deemed involved in the existing condition of financial affairs. The difference between him and the gentleman from Lebanon was, that while that gentleman believed the disease was local and needed only slight remedies, he believed it to be constitutional, and demanded radical remedies

Mr. WRIGHT presented a bill in place which he believed would meet with the views of a large majority of his constituents; it inhibited the issuance of notes by the banks of a denomination less than $20 The bill was referred to the Committee on Banks, and ordered to be printed.

The SPEAKER informed the Senate that the motion of the Senator from Philadelphia (Mr. BROWNE) to refer his proposition to a select committee of five, had not yet been acted upon. The question was taken, and the motion was agreed to; so the bill was referred to a special committee, to be named by the Speaker at the next meeting.

Mr. LEWIS, by general consent, submitted a bill relating to the banks of this Commonwealth, which was referred to the special committee of seven and ordered to be printed.

Mr. STRAUB, by consent, read a bill entitled—"A bill to extend relief to the people." It provides that from and after the passage of the act, the collection by execution of all debts now due or to become due by individual copartners or firms other than corporations established by law, to any bank of issue, discount, and deposit or loan company shall be postponed until ——, and that all acts and parts of acts requiring the payment of taxes upon bonds and mortgages or moneys on interest, by individuals or firms, other than corporations established by law, be repealed, provided that it shall not take effect until the first day of January, 1858

Mr. KILLINGER moved that one thousand copies be printed for the use of the Senate, which was not agreed to.

On motion of Mr. STRAUB, the bill was referred to the Committee on Finance, and ordered to be printed.

The Speaker presented to the Senate the following memorial, which was read, referred to the Special Committee of seven, and ordered to be printed:

"At a meeting of the Board of Presidents of the banks of the city of Philadelphia, held on the 3d day of October 1857, the following preamble and resolutions were unanimously adopted, and directed to be forwarded to the Honorable the Senate and House of Representatives of Pennsylvania:

"*Whereas*, The banks of this city, in consequence of the sudden effects of the sudden and universal severity of the financial crisis which has overtaken the country, have been reluctantly compelled to suspend the payment of specie for their notes and obligations, notwithstanding every effort has been made by them to avoid such necessity; and *whereas*, the mercantile, manufacturing, agricultural, and all other classes of our citizens are greatly embarrassed by the existing condition of things, towards which, under existing circumstances, it is not in the power of the banks to afford such relief as the exigencies of the community require, in consequence of their inability under the forfeitures and penalties of the act of 1850 and other acts, and *whereas*, it is the desire of the banks to resume the payment of specie at the earliest practicable period, and to do what they can towards restoring the currency to a sound and healthy condition, and in the meantime assist the business portion of the community; which objects cannot be carried out unless the legislative forfeitures and penalties are temporarily suspended. Therefore

"*Resolved*, That in order to enable the banks of this city, and of this Commonwealth, to resume the payment of specie at the earliest practicable period, and in the meantime render such assistance as may be within the power of the banks to the mercantile and business community, it is essential that the penalties and forfeitures imposed by the act of 1850, and other acts, be temporarily suspended.

"*Resolved*, That in the event of the failure of the banks to obtain from the Legislature relief from the forfeitures and penalties under which they at present labor, there remains no alternative for them but that of going into liquidation, a measure which they are most desirous to avoid, on account of its disastrous influence on the community and the banks

"Signed by order of the Board of Presidents,

"J. B MITCHELL, Chairman.

"JOHN JORDAN, JR., Secretary.

"Phila., Oct. 3, 1857."

Mr SCHOONFIELD moved that when the Senate adjourn it be to meet to-morrow morning at 10 o'clock, which motion was agreed to.

Mr TAGGART by general consent submitted a bill concerning the banks, which was referred to the select committee of seven, and ordered to be printed.

Mr. SOUTHER offered the following resolution:

Resolved, That the State Treasurer be requested to inform the Senate what amount of money has been deposited by him in the banks of this Commonwealth in accordance with the laws or otherwise, authorizing him to make such deposits, and also what amount of bank notes are in the treasury, and also on what banks said notes are.

The resolution was read a first time and laid over under the rules until to-morrow.

Mr. BROWNE wished to inquire before the Senate adjourned, whether any steps had been taken to procure a statement of the present condition of the banks? He thought it should be obtained before any action was had by the Legislature on the important subject which they had under consideration.

Mr. JORDAN apprehended that it would be utterly impossible to have such statements made in the short time allowed them. Such statements were made out with considerable detail, and it would take a few days he thought would not be very satisfactory. For this reason they would be obliged to legislate in the dark upon this question.

Mr. WILKINS suggested that the gentleman from Philadelphia, (Mr. BROWNE) could offer a resolution calling upon the Auditor General to furnish such information as he might have received since last November on the subject. They were now acting in the dark, and would have to discover some way of raising the veil which concealed from them the present condition of the banks.

Mr. BROWNE said they should be called upon to decide whether or not this suspension was justifiable, and if so to what particular time it ought to be legalized, and in order to decide either of these questions, they certainly might be expected to know the condition the banks were in at the time they suspended—what their circulation was, what their liabilities were, the amount of specie on hand, &c. It appeared, as he had anticipated, that these institutions from the city of Philadelphia as well as from other parts of the State, were about to ask the Legislature to act upon this question, at the same time withholding information which was absolutely necessary, in order to form a correct judgment He trusted that some one who felt himself particularly interested in the success of the application of the banks would obtain some general statement from the city and country banks of their present condition. The statement need not be comprehensive as that required by the act of 1850, and need not take one hour's time of any cashier or intelligent clerk to make out and be ventured to assert that if it was asked for it could be furnished by to-morrow. He would offer a resolution calling for it, for if the parties who were applying did not think proper to furnish such information, why, of course, Senators and Members would be left to their own presumptions, which would not be very favorable to the present condition of the banks

The Speaker reminded the gentleman that there was no question before the Senate.

Mr GAZZAM presented to the Senate the memorial of the citizens of Pittsburgh, adopted at a town meeting, setting forth their confidence in their city banks, and asserting that their suspension had been caused by financial disasters occurring in other parts of the country, and that they believed they were entitled to protection by legislation, and entire remission of the penalties imposed by the law of 1850 The memorial was read, and laid upon the table

Mr SCHOFIELD read, in place, the following joint resolution:

Resolved, That the Legislature will adjourn on Monday, the 12th day of October, at 12 o'clock, M., *sine die*.

The resolution was laid over until to-morrow, under the rules.

The Senate then, on motion, at half past two o'clock adjourned.

HOUSE OF REPRESENTATIVES.

Several hours before the time fixed for the meeting of the Legislature the hall of the House was crowded with members and citizens, eager for the interchange of opinions on the subject they had been called together to consider.

At twelve o'clock M. the House was called to order by the Speaker, J. LAWRENCE GETZ, Esq., of Berks county.

On motion, the roll was