

WASHINGTON, November 25, 1810.

SIR:

It appears that the sum of \$22,392 67, which stands charged upon the "award account" of my agency in London, under the 7th article of the late British treaty, as compensation for my services in that agency, ought to have been charged against, and deducted by me out of, that fund which was immediately applicable to the expenses incident to the execution of the said 7th article; hence, a difficulty, in point of form, exists in adjusting the said "award account" at the treasury, which renders necessary a reference of the subject to the President, through your Department.

As all the business under the said treaty was concluded previous to your coming into the Department of State, and this special matter cannot, therefore, be familiar to you, permit me briefly to explain how this necessity has arisen.

The per centage of $2\frac{1}{2}$, which makes up the sum of \$22,392 67, charged as is above mentioned, was so charged by authorization of the then Secretary of State, given in consequence of a representation made by me, in the year 1804. At that time, and during the whole period of my service in England, I held, by appointment of the President, three several offices, of very great trust and responsibility, independent of the Consulate of London, viz: 1st. The law agency of claims under the treaty; this had been previously held by Mr. Williams, at a salary of \$2,500 per annum. 2dly. The "commercial agency," under the same treaty, held by Mr. Cabot, at a salary of \$2,500 per annum. And, 3dly. The agency for obtaining the discharge of seamen from the British navy, called "Agency for the relief and protection of seamen," held by Mr. Lenox, at a salary of \$3,000, (or \$3,500) per annum. Of the whole of these salaries, making \$8,000 (or \$8,500) per annum, I received only \$2,000 per annum. To the claimants under the treaty, I did not charge any commission, nor did I derive one cent of profit in any shape or form, from the large sums of public and private moneys which were constantly in my hands. In adjusting the proctor's accounts, I saved large sums of money to the Government; these, together with the sums which I obtained from the Board of Commissioners, enabled me to reimburse, to a great extent, if not wholly, the expenses which the United States had incurred under the 7th article of the treaty.

The important and profitable office of "Assessor" to the Board of Commissioners, had been, also, conferred upon me by the President, and this had been intended as part of my compensation; but the Board having asserted a right of appointing its own "Assessor," a conflict hence arose, which embarrassed the progress of the public business, and menaced very mischievous consequences. On this account I withdrew my pretensions, and the President acquiesced in those of the Board. I cannot estimate that assessorship to have produced less than 6,000 guineas, over and above the salary of \$1,500 per annum, which was attached to it!

All these matters having been fully submitted to the Secretary of State, in my representation above mentioned, and by him laid before the President, the President determined to allow me a suitable compensation; by his order the Secretary of State wrote to me, in the month of November, 1805, the authorization before adverted to, which was in these words:

"Your observations on the reasonableness of some remuneration for your services, have, as you wished, been submitted to the President. The result of his reflections, for the present, is, that I should suggest that you retain, out of the next instalment, in its passage through your hands to the Barings, a per centage of $2\frac{1}{2}$ on the awards *actually received*, and to be received by you, and that you state it as an item in your account with the public. This will bring the equity of your claim regularly before the Government, and will leave the way open for the choice of modes and funds, as may finally appear most proper."

The commission of $2\frac{1}{2}$ per cent. herein allowed, as you will perceive, was not chargeable on all the awards made by the Board of Commissioners, but only on that portion of them wherein I had been made *payee*, which reduced it, in fact, to a commission upon about one-third of the business which I did at the Board. A commission to that extent, however, would have been a full compensation for the loss of the assessorship; but, desirous of adhering to the strict letter of the Secretary of State's instructions, I deducted only on that portion of the awards made payable to me, on which I finally received *payment* from the British Government, which, I suppose, was only about two-thirds of the awards in which I was made *payee*, one-third of them having been previously transferred by me to the private agents of the respective awarders; so that, in effect, I had not more than about one-half per cent. on the business which I did at the Board of Commissioners, (not to mention that which was done in the court of admiralty.) Thus, this commission now stands charged (pursuant to the strict letter of the instruction) against the awards on which I received *payment* of the English Government, in what is called the "award account," though, as it was, in fact, a compensation for the whole business transacted at the Board, it might, with propriety, have been, and probably it should have been, deducted out of a sum of \$160,000, paid by me into the treasury, upon what was called the "spoliation account." As the case stands, there has been carried to the public credit, from the last mentioned account, too much, by the amount of the commission; that fund, of \$160,000, owes, therefore, and should pay back, to the "award fund," the same amount.

This is the point now submitted, and on which an explanation to the Secretary of the Treasury, from the Department of State, is requested.

I have the honor to be, sir, with the most perfect consideration and respect, your most obedient servant,
GEORGE W. ERVING.

To ROBERT SMITH, *Secretary of State*.

11th CONGRESS.]

No. 348.

[3d SESSION.]

BANK OF THE UNITED STATES.

COMMUNICATED TO THE SENATE, ON THE 2D OF MARCH, 1811.

Mr. CLAY, from the committee to whom was referred the memorial of the stockholders of the Bank of the United States, praying that an act of Congress might be passed, to continue the corporate powers of the Bank, for a further period, to enable it to settle such of its concerns as may be depending on the 3d of March, 1811, respectfully offered, for the consideration of the Senate, the following report:

That your committee have duly weighed the contents of the memorial, and deliberately attended to such explanations of the views of the memorialists, as they have thought proper to present through their agents. That, holding the opinion (as a majority of the committee do) that the constitution did not authorize Congress originally to grant the charter, it follows, as a necessary consequence of that opinion, that an extension of it, even under the restrictions contemplated by the stockholders, is equally repugnant to the constitution. But, if it were possible to surmount this fundamental objection, and if that rule which forbids, during the same session of the Senate, the re-agitation of a proposition once decided, were disregarded, your committee would still be at a loss to find any sufficient reasons for prolonging the political existence of the corporation, for the purpose of winding up its affairs. For,

As it respects the body itself, it is believed that the existing laws, through the instrumentality of a trust properly constituted, afford as ample means as a qualified continuance of the charter would, for the liquidation of its accounts, and the collection and final distribution of its funds. But, should any inconvenience be experienced on this subject, the committee are persuaded it will be very partial, and such as the State authorities, upon proper application, would not fail to provide a competent remedy for. And,

In relation to the community, if the corporation, stripped of its banking powers, were to fulfil *bona fide* the duty of closing its affairs, your committee cannot see that any material advantage would be derived. Whilst, on the contrary, if it should not so act, but should avail itself of this temporary prolongation, in order to effect a more durable extension of its charter, it might, in its operations, become a serious scourge.

Your committee are happy to say, that they learn, from a satisfactory source, that the apprehensions which were indulged, as to the distress resulting from a non-renewal of the charter, are far from being realised in Philadelphia, to which their information has been confined. It was long since obvious, that the vacuum, in the circulation of the country, which was to be produced by the withdrawal of the paper of the Bank of the United States, would be filled by paper issuing from other banks. This operation is now actually going on; the paper of the Bank of the United States is rapidly returning, and that of other banks is taking its place. Their ability to enlarge their accommodations is proportionately enhanced; and when it shall be further increased by a removal, into their vaults, of those deposits, which are in possession of the Bank of the United States, the injurious effects of a dissolution of the corporation will be found to consist in an accelerated disclosure of the actual condition of those, who have been supported by the credit of others, but whose insolvent, or tottering situation, known to the Bank, has been concealed from the public at large.

Your committee beg leave to present the following resolution:

Resolved, That the prayer of the memorialists ought not to be granted.

11th CONGRESS.]

No. 349.

[3d SESSION.]

BANK OF THE UNITED STATES.

COMMUNICATED TO THE HOUSE OF REPRESENTATIVES, MARCH 2, 1811.

Mr. P. B. PORTER, from the committee to whom was referred the memorial of the stockholders of the Bank of the United States, made the following report:

That they have carefully examined the various matters set forth in the said memorial, and attentively listened to the representations of the gentlemen who have appeared in behalf of the said petitioners. The object of the memorialists is to obtain an extension of their corporate powers, beyond the period limited for the expiration of their charter, so as to enable them to prosecute for their debts, and to arrange, liquidate, and close, the various concerns of the company.

The committee are of opinion that a law of Congress, granting the powers prayed for, would facilitate the final adjustment of the affairs of the bank, although they do not think such a law indispensable to that object. But, believing, as your committee do, that, in granting the original charter to the stockholders, Congress transcended the legitimate powers of the constitution, the same objection now presents itself to the extension of any of their corporate capacities.

If the committee had time to go into the investigation, and to present to the House the various reasons which have conduced to this opinion, it would be more than useless, to divert its attention from the important concerns of the nation, at this late period of the session, to a subject which, but a few days since, was so fully and elaborately discussed. They, therefore, beg leave to recommend the following resolution:

Resolved, That the prayer of the memorialists ought not to be granted.

11th CONGRESS.]

No. 350.

[3d SESSION.]

MINT.

COMMUNICATED TO THE HOUSE OF REPRESENTATIVES, MARCH 2, 1811.

TREASURY DEPARTMENT, *March 2, 1811.*

SIR:

I have the honor to transmit, herewith, a letter from the Comptroller of the Treasury, accompanied with sundry statements, which have been prepared in obedience to the act, entitled "An act establishing a mint, and regulating the coins of the United States," passed April 2d, 1792.

I have the honor to be, very respectfully, sir, your obedient servant,

ALBERT GALLATIN.

The Honorable the SPEAKER of the House of Representatives.

TREASURY DEPARTMENT, *Comptroller's Office, March 2, 1811.*

SIR:

The statements herewith, marked A, B, and C, have been prepared pursuant to the seventh section of an act of Congress, passed the 2d of April, 1792, entitled "An act establishing a mint, and regulating the coins of the United States." They contain all the information relative to the transactions of the mint, which the settlements at the treasury enable me to give.

I have the honor to be, sir, with great respect, your obedient servant,

G. DUVALL.

Honorable ALBERT GALLATIN.