New-York Tribune.

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CANAL REFORM.

STRENGTHENING THE GOVERNOR'S HANDS.

A BILL TO BE REPORTED BY THE SENATE JUDICIARY COMMITTEE GIVING THE GOVERNOR POWER TO REMOVE ANY STATE OFFICER FOR MALVERSATION IN OFFICE.

[BY TELEGRAPH TO THE TRIBUNE.]

ALBANY, April 8.—The Senate Judiciary Committee will report a bill giving to the Governor power to remove any State officer for malversation in office after due hearing. The bill was prepared in accordance with a resolution, which was passed by the Senate, instructing the Committee to prepare such a bill, to carry out one of the suggestions of the Governor's message. It is expected that the Canal Ring and its friends will oppose the bill, as it would be of great importance to the Governor in pursuing his plans of reform. The bill carries out a provision of the Constitution of 1846, by which the Legislature was empowered to prepare legislation for the removal of delinquent officials, a work which has hitherto been neglected. The proposed bill is supported unanimously by the Judiciary Committee, and will undoubtedly meet the approval of all sincere advocates of reform.

THE GOVERNOR'S COMMISSION CONFIRMED.

A NEARLY UNANIMOUS VOTE FOR CONFIRMATION—THE MEMBERS TO MEET TO-DAY FOR ORGANIZATION.

[BY TELEGRAPH TO THE TRIBUNE.]

ALBANY, April 8.—The Senate in Executive session to-day confirmed the four Commissioners appointed by the Governor to conduct the canal investigation. It is understood that there was a good deal of discussion over the appointments, few of the appointees being prominent enough in politics to satisfy the violent partisans on either side. The vote, however, when the discussion ended, was so nearly unanimous as to indicate that the Senate preferred a clear record in the matter to the open gratification of any partisan malice. The four Commissioners were immediately informed of their confirmation, and were requested to report themselves in the Capitol to-morrow. Two of them, Messrs. Magone and Orr, arrived to-night, and the other two gentlemen replied that they would be here to-morrow morning. It is understood that they will organize and begin the investigation at once. Starting with the documentary evidence now in the hands of the Governor, they will pursue the investigation steadily until it is completed.

THE COMMITTEE'S INVESTIGATION.

EXAMINATION OF CANAL AUDITOR FRANCIS S. THAYER—GENERAL LOOSENESS CHARACTERIZING THE WHOLE SYSTEM OF CANAL MANAGEMENT—CERTIFICATES OF CORRECTNESS SWORN TO WITHOUT PERSONAL KNOWLEDGE—RESPONSIBILITY THROWN ON THE LOWEST OFFICIALS.

[BY TELEGRAPH TO THE TRIBUNE.]

ALBANY, April 8.—The Joint Investigating Committee on Canal Frauds, Senator Cole, Chairman, and all the members and Messrs. Smith and Peckham, counsel, present, met in the room of the Canal Auditor, in the State-house, this afternoon, and began their investigation into the frauds of the Canal Ring by taking the testimony of Francis S. Thayer, Canal Auditor, relative to the methods of business in the Canal Department. Mr. Thayer explained the statements (already explicitly detailed in THE TRIBUNE) relative to the processes by which the canal work is advertised, let, and paid for, and also explained to some extent the manner in which legislation is brought occasionally to the aid of avaricious contractors. From the developments made, even thus early in the investigation, a constant and systematic negligence seems to have been the chief attribute of the Canal Board, handed down from one Board to another as part of the system, like a legacy, and accepted by the Division and Assistant Engineers as a model for emulation set them by their superior officers. The chief officials of the department seem to have developed no higher aim than to get through the set routine of business as easily as possible, leaving the lowest in grade to do all the work. The system of graduated responsibility was beautifully developed. The Canal Board held the Commissioners responsible to them; the Commissioners held the State Engineer responsible to them; the State Engineer held his Deputy responsible to him; the Deputy in turn held the Resident Engineer, who held the Division Engineer, who finally held the Assistant Engineer responsible for the correctness of all the estimates, quantity sheets and article accounts; and, although each one of these officers, up to and including the State Engineer, individually certified on his oath to the correctness of the final accounts, which were the chief warrants for most of the payments of the immense sums for extraordinary repairs. Yet not one of them, except the Assistant Engineer, in the majority of cases, ever saw the work or made an estimate. Each one took the certificate of the officer next below him as sufficient ground for his own sworn certificate, and the pile of attestations and certifications only reached hard pan, and had a basis of personal knowledge for a foundation, at the Assistant Engineer. How much of his swearing was done usually on the informal statements of the contractor was not developed by Mr. Thayer's testimony.

Mr. Thayer testified that when there arises any necessity for extraordinary repairs the attention of the Legislature is called to the matter by the Canal Commissioners, one or more of them going before the Canal Committee and representing the fact. The necessary appropriation is sometimes inserted in the Supply or Appropriation bill by the Committee, and sometimes it is rejected. Items thus rejected are frequently inserted in the bill afterward when in Committee of the Whole. The member from a district frequently asks that an item for work in his district be inserted, and in this way a great deal of work is ordered with which the Canal Commissioners had nothing to do. All work on extraordinary repairs must be authorized by the Legislature. When the work is so ordered, estimates, with maps and plans, are made by the engineer (my engineer), who submits them to the Division and State Engineers, who in turn submit them to the Canal Board. Usually these estimates are made by the engineers of the division on which the work is to be done. The Canal Board then approve these estimates and plans, and the Canal Commissioners advertise the work to be done—although, in many instances, the Commissioner in charge of the division advertises for the bids alone. When bids are advertised for, the plans and estimates on which the bids are to be made are kept for the convenience of bidders in the Canal Commissioners' office, and in the Auditor's rooms. The bids are all handed to the Clerk of the Canal Commissioners, who open them at a regular meeting, and award the contracts to the lowest bidders. The amounts of the bids are figured up, and the lowest bidder, according to these totals, gets the award. Witness did not know what became of the unsuccessful bids. The Canal Board does not award the contracts. The Resident and Division Engineers are all appointed by the State Engineer and the three Canal Commissioners. These each have a number of assistants who are appointed by the State Engineer and the Commissioner in charge of the division for which they are appointed. The State Engineer has a deputy who is appointed by himself. There are this year about 40 Assistant Engineers, including rod-men, chain-bearers, &c., on account of the extra surveying required by the resurvey of the Champlain Canal. When the contractor has entered upon his work, and his first month is finished, he obtains the monthly estimates of the work from the engineer in charge, usually an assistant engineer. He submits these to the Division Engineer, who makes a return of them to the Auditor's office; and upon their certificates the monthly sum due is paid the contractor, 15 per cent being kept back, for which the Canal Commissioners issue their certificates. The certificate, along with the monthly estimates, is retained in the Auditor's office. The Engineer and the Commissioner in charge both swear to the correctness of the estimate. It seems impossible that the Division Engineer or the Commissioner can know positively that the estimate is correct. They cannot do more than approximate it, because the work is covered up at the time the estimate reaches them, and they could only make a superficial observation of it. With all the swearing and certification no one knows positively about the correctness of the estimate except the subordinate engineer who originally makes it, and the man who does the work, although the Division Engineer makes certificate that he has personally examined the work done. The final estimate is certified to by the Assistant, Division and State Engineers; but in this case, as in the others, the latter have to take the Assistant Engineer's statement unsupported by any except the most superficial examination of their own, if they make any examination at all. Upon the final estimate the accounts are balanced; the contractor is paid in full, and the 15 per cent is refunded him.

When the appropriation falls short the pay is usually stopped, although in some instances it has occurred that funds have been borrowed from another appropriation to continue work for which the appropriation is not directly available. The Canal Board authorizes such transfers. Sometimes, when there is a break in a canal, money is taken from any appropriation most convenient, because they do not want to delay the resumption of navigation. Witness did not know personally of any instance where money had been paid on work, the appropriation for which had been exhausted, except in one case last November, when the Canal Board took such action. Witness declined to reimburse the appropriation fund thus encroached upon until he could obtain authority therefor from the Legislature. He had known of cases where contractors on the Champlain Canal had complained that their money had been paid out for other work. He did not know if it had been a practice of the Canal Board to draw on outside appropriations, by resolution of the Board, to pay an exhausted appropriation, except that sometimes a specific appropriation may fall short and a general appropriation may be drawn upon. Witness had never heard of any work being finished at a less cost than the appropriation. Cases had occurred where the appropriation was made and the work was never done; but in such instances the money reverted to the Treasury, and became part of the general fund. The books in the Auditor's office show the amounts and purpose of every appropriation. Almost every contract has a bill of extra work and allowances are made for it in the final estimates—not in the monthly estimate—by the Engineers and the Canal Commissioners. The subordinate engineers certify it to the Division and State Engineers and the latter to the Canal Commissioners, who allow the sum charged for it. Sometimes the Canal Board is authorized by the Legislature to examine extra work and make awards for it. The Board usually appoints a committee to hear the testimony, try the case, and submit a decision to the Canal Board. The State on these occasions is usually represented by counsel, the Canal Commissioners themselves employing a lawyer for that purpose.

The further hearing of Mr. Thayer's testimony was here adjourned until to-morrow afternoon, when the Committee will resume its sittings. It is their intention to remain here over Saturday in order to hasten the investigation. Most of the members express themselves satisfied, by some of the developments made in the testimony of the Auditor, that there is a great deal of looseness and criminality in the management of the canals not yet developed, and probably not yet known even by the Governor.

CANAL LEGISLATION IN THE ASSEMBLY.

BILL REPORTED BY THE CANAL COMMITTEE AUTHORIZING THE COMPLETION OF CERTAIN REPAIRS—DEFEAT OF MR. SHATTUCK'S BILL—BILL FOR CANAL REFORM.

[BY TELEGRAPH TO THE TRIBUNE.]

ALBANY, April 8.—A bill was reported by the Canal Committee of the Assembly this evening for the purpose of meeting outstanding certificates for certain canal work, and to authorize the building of vertical walls on the Erie Canal, where excavations have been made for them, if the Canal Commissioners deem this for the interests of the State. In several places on the Erie Canal, where slope wall should have been built, excavations were made for vertical walls under the authority of one of the Commissioners. By such excavations the towing path was weakened, and, in the present condition of the work, it is considered for the best interests of the State to build vertical walls. The bill is to amend the act to authorize a tax of seven-eighths of a mill of the valuation of the year 1874 for the construction of new work upon, and extraordinary repairs of the canal of the State, passed May 9, 1874. The bill as amended provides, for the removal of the bench walls on the Erie Canal and the substitution of slope walls, $363,000, except that between the lower Mohawk aqueduct and Fort Schuyler, vertical walls may be built, whenever in the opinion of the Canal Commissioner they are necessary, and vertical walls may be built elsewhere on the Erie Canal where the Commissioners may deem it for the interest of the State, and in places wherein, the past Winter, excavations have been made for the construction of vertical walls. No part of the moneys appropriated in the act shall be expended, except so much as shall be necessary to pay for enlargement work at Whitehall and elsewhere on the Champlain Canal, under contract at the time of the passage of the act, not exceeding $154,000. To pay for the Cohoes locks and section work connected therewith, not exceeding $39,000 with interest is appropriated.

The Canal Committee reported adversely on Mr. Shattuck's extraordinary bill to require the railroad companies which came into competition with the canals to pay the same tolls on lumber, laths, staves, shingles, iron ore, and grain, which would have been collected if this freight had been carried on the Erie or Champlain Canal. Mr. Shattuck spoke at length in support of his bill, but the report was agreed to. The Canal Committee reported back this evening Mr. Davis's bill to reform the administration of the canals, which had been recommitted to it on Tuesday evening. It has been amended in accordance with the views of the friends of the reform so as to establish more accountability in the Engineers Department. It provides that the Division Engineers shall be nominated by the State Engineer and confirmed by the Canal Board, and shall be removed by the State Engineer, when it shall be for the best interests of the State. The Assistant Engineers are to be appointed by the State Engineer and to be removable by him.

THE SUPPORT OF THE LATERAL CANALS.

DISCUSSION IN THE SENATE ON THE CANAL APPROPRIATION BILL—MR. LANING DISCLAIMS AFFILIATION WITH THE CANAL RING—SENATOR LORD TRYING TO REDUCE APPROPRIATIONS.

[FROM A REGULAR CORRESPONDENT OF THE TRIBUNE.]

ALBANY, April 8.—When the Senate first went into Committee of the Whole to-day, the consideration of the Canal Appropriation bill was resumed where it was broken off by the Executive session on Wednesday. The question was on the amendment offered by the Canal Committee, which has already been published.

Mr. Laning offered the following substitute for it:

All moneys collected for tolls upon the Chemung, Crooked Lake, Chenango, Genesee Valley, and Black River canals, together with all tolls collected upon the Erie Canal from freight coming from said canals respectively, shall be credited to each of the said canals as tolls received from them respectively, and the amount expended upon the Chemung, Crooked Lake, Chenango, Genesee Valley, and Black River canals, respectively, for maintenance, repairs and superintendence, shall not in any one year exceed double the amount of the tolls so received and credited to each as aforesaid.

Mr. Laning said in support of this measure that the amount which would thus be devoted to the lateral canals would not equal, by one-third, the amounts previously paid for their benefit. The amendment would change the method heretofore pursued of making a general pool of all the contributions from the lateral canals and dividing the amount among them all, and will require that each canal shall stand hereafter upon its own merits and receive a just proportion of its own earnings.

Mr. Dickinson said that he was strongly in favor of putting the lateral canals on their own resources but not of allowing them to receive double what they earn, as this amendment provided. He was anxious to remove the burden of taxation which these useless canals had been imposing upon the people, and was glad to note the general earnestness with which the reform of the canal system had begun. There had long been a feeling of opposition to the present system of canal management and it had now found tongue and became a clamor which would insure attention and redress. And as one important element of this reform the non-paying lateral canals would have to be disposed of. No Canal Ring influence could prevent their final abandonment much longer. They must be frozen out or starved out, by the refusal of this yearly appropriation for their benefit. He had offered an amendment yesterday to strike out the word "double" from the Canal Committee's amendment, by which double the amount of their earnings are to be paid to these lateral canals, and he desired the Senate not to forget that that amendment was still pending.

Mr. Bradley said that in case these canals should be abandoned the amount of damages arising would probably exceed the present amount of expenditures upon them. There are dams and culverts connected with them, and these dams and culverts, if abandoned, would before long become rotten, and there would be overflows and breakages. Great damage to surrounding neighborhoods would ensue, and the Legislature would have to give relief by the expenditure of as much money as is now annually expended to maintain them. But this is not the time to dispose of the canals. We must wait until the Governor's Commission makes its report, and Senators may then be able to judge whether they should be abandoned.

Mr. Woodin said that the people have consented, by accepting the Constitutional amendment upon the subject, to the sale, lease, or abandonment of these canals, but that was not the question for discussion. The question is what is to be done with them this year, while we still have them on our hands and are required to look to their management and maintenance. The policy of the Legislature is to manage them so as not to inflict any further burden than is absolutely necessary. The Canal Committee have properly provided that not more than double the amounts received upon the lateral canals shall be expended for their maintenance, and that amendment should prevail.

Mr. Dickinson said that the argument of the Senator from the XXVIIth (Mr. Bradley) was the same argument that is used by every contractor, superintendent, and lock-tender on the lateral canals. The damages he speaks of could never amount to the annual sum now demanded. During the fiscal year ending September, 1874, their expenditures for ordinary repairs above their revenue amounted to $342,000, money wrung from the tax-payers of this State to maintain these useless canals.

Mr. Laning said that the gentleman must not confound the expression "wrung from the tax-payers" with money taken by the toll-gatherer. This money was not abstracted by the levying of taxes upon a burdened people, as seemed to be the impression of the Senator. It was not collected by the tax-gatherer, but by the toll-gatherer from the commerce which passes yearly over the canals of the State, and which receives the benefits the canals convey. The statistics show that for the last five years the expenses of the canals, over and above the repairs provided by appropriations have been little over six million dollars.

Mr. Lowery, (interrupting) asked if he understood the Senator to say that over $2,000,000 or $3,000,000 have been collected by direct tax on account of the canal system of the State during the last five years.

Mr. Laning said he could never make the Senator from the XIXth (Mr. Lowery) understand him, but he would try again. Everybody knows, I suppose, said he, that we have had a large amount of taxation in the last five years to replenish the various sinking funds that have been borrowed from in years before, which are maintained by the revenues from the canals, to pay these debts which have been stolen, so to speak, from the sinking funds to meet deficiencies and appropriations made during that time. Now what I said was that the current expenses for maintenance and repairs over and above ordinary repairs—the current expenses of all canals for five years—the cost of operation and everything connected with them included, plus $211,000, has been met by the current revenues within that time.

Mr. Lowery—The Governor, in his message, charged that $15,000,000 had been levied upon the tax-payers during the last five years on account of the canals. The Senator from the XXXIst says that statement is fallacious.

Mr. Laning (ingrily)—There have been studied efforts on the part of Senators and reporters of the press to place me in a wrong position in respect to the Governor's message. It is time my friends about this circle—I do not care for those outside—should understand me rightly. I have not and do not now intend to controvert the statement of the Governor in respect to a single dollar. But I do mean to say that could the canals have begun the last five years clear of all previous debts and deficiencies, begun with clean boxes, they would have met all their current expenses for maintenance and repairs, above ordinary repairs, with all costs of operation, except $240,000. It seems that Senators ought to be able to comprehend that, and yet for some reason which I cannot understand, it has seemed from the first time I entered upon this discussion, that it was the purpose of the Senator of the XIXth and the correspondent of THE NEW-YORK TRIBUNE to put me before the public in a false position in reference to the Governor's message. I wish to state here and now that I agree fully with him on the necessity of a revision of the canal system and a full and thorough investigation of the frauds which have been connected with their management. Mr. Dickinson's amendment to strike out the word "double" in the substitute was then lost by a vote of 2 to 11, and Mr. Laning's was carried.

Mr. Lord then offered an amendment reducing the appropriation for ordinary expenses from $1,100,000 to $600,000, and said that the present large amount was based on war prices when labor and materials were much higher than now. Three hundred thousand dollars could be saved by reducing the appropriation.

Mr. Johnson said the reduction of the appropriation would make no material difference, because when it was exhausted the canal managers could go at once to the revenues, which by the Constitution are pledged to the support of the canals.

Mr. Lord declared that every dollar above the appropriation had to be received through an act of the Legislature. While Mr. Lord's amendment was still pending the Committee rose and reported progress upon the bill.

The session of the Senate to-night was calmly taken up with the discussion of General Orders. Debate on the Canal Appropriation bill, which had been in Committee of the Whole all day, was concluded, Mr. Lord's amendment being accepted with little discussion. An amendment, made necessary by Mr. Lord's, to redivide the general appropriation among the three divisions of the Erie Canal by reducing the appropriation to each $100,000 was also agreed to, and an additional appropriation, suggested by Mr. Johnson, of $150,000, for repairs of locks in the Eastern Division and the Mohawk Aqueducts, was accepted. The bill was then ordered to a third reading. The Assembly bill for the reappropriation of certain moneys, originally intended for new work on the Genesee Valley Canal, to new work on the Western Division of the Erie Canal was also ordered to a third reading.

THE CONTRACTING FAMILY RETIRE FROM BUSINESS.

MESSRS. HOPKINS, NASH, LEWIS, AND CANDEE RESIGN CONTRACTS WHICH THEY HAD OBTAINED BY BIDDING BELOW THE ENGINEERS' ESTIMATES.

[BY TELEGRAPH TO THE TRIBUNE.]

ALBANY, April 8.—Sometime in February last the Canal Commissioners advertised the letting of five small contracts for work to be done on the Erie Canal and the Glen's Falls Feeder, which averaged about $1,250 each. It was found on the opening of the bids forwarded in reply to the Commissioners that none of them were of a kind to suit, although some of them were low enough; consequently no award was made, and the bids were advertised again. On the 17th of March last the new bids were opened and the contracts were awarded as follows:

For a vertical wall at Rome, engineer's estimate $2,000, awarded to Thos. L. Hopkins, lowest bidder, at $1,175.

For an iron foot bridge at Utica, engineer's estimate $2,500, to M. A. Nash, of the firm of Barnett and Nash, lowest bidder, at $1,499.

For a vertical wall at Schenectady, opposite the Agricultural Works, engineer's estimate $2,000, to Jas. Lewis, lowest bidder, at $1,090 70.

For a vertical wall at Kenyon Locks, on the Glen's Falls Feeder, engineer's estimate $2,300, to Daniel Candee at $795.

For a vertical wall at Brown's Bridge, on the Glen's Falls Feeder, engineer's estimate $2,200, to Daniel Candee at $713 50.

It will be seen that the famous family of contractors was represented even in so small an affair as a $2,200 vertical wall; and in the supreme moment, when all the State was ringing with the story of their rascality, Mr. Candee even at that time was ready to make a bid and take a contract. But the contractors on this occasion received the first premonition of their downfall. The Commissioners, in awarding the contracts, gave special and positive instructions to each bidder that he would be held strictly to his bond, and that not a dollar extra would be allowed or paid. The result was that the contractors took their contracts, studied over them, read the accounts of the overturning of the Canal Ring in THE TRIBUNE, became convinced that the Canal Commissioners were obstinate enough to insist upon the exact fulfillment of the bid, and yesterday they sorrowfully returned their contracts and had them canceled. There has been no contract made on the Eastern Division of the Erie Canal since Jan. 1.

JARVIS LORD'S BANK.

ATTORNEY-GENERAL PRATT EXPLAINS WHY HE VOTED FOR MAKING THE BANK OF MONROE THE DEPOSITARY OF CANAL TOLLS.

[FROM A STAFF CORRESPONDENT OF THE TRIBUNE.]

SYRACUSE, N. Y., April 8.—Attorney-General

See Seventh Page

ALBANY.

THE ASSEMBLY DISCUSS A REFORM ACT.

THE INSPECTOR OF PUBLIC WORKS BILL DEBATED IN COMMITTEE OF THE WHOLE—ITS PASSAGE RECOMMENDED—AMENDMENTS LIMITING THE GOVERNOR'S POWERS REJECTED—DIVISION OF OPINION BETWEEN REPUBLICANS AND DEMOCRATS—THE BILL SURE TO BE AMENDED IN THE SENATE.

[FROM A REGULAR CORRESPONDENT OF THE TRIBUNE.]

ALBANY, April 8.—The bill for the establishment of the office of Inspector of Public Works, to be appointed by the Governor, was the special order in the Assembly this morning. It was debated for more than an hour, and called out some expression of partisan feeling. Several amendments were offered, mainly to limit the Governor's powers in regard to this officer, by conferring a part of them on the Senate, or by some other means. These amendments were defeated, although several Republicans assured the Assembly that the bill could not pass the Senate without them. Speaker McGuire, who was expected to speak against the bill, was not present during the session, and Mr. Wachner of New-York confined his anticipated opposition, for the time, to hostile questioning, and one or two demonstrations of disapproval.

Mr. Alvord offered an amendment to the first section, providing that the Inspector appointed by the Governor should be confirmed by the Senate. This was carried with little opposition, but several of the Democrats who consented to its passage afterward opposed it and secured a reconsideration of the vote. The next amendment proposed came from Mr. Vedder of Cattaraugus. The bill gives the Governor the power to remove the Inspector at pleasure. Mr. Vedder moved to amend by making the removal possible only after a hearing and for cause, and opposed giving the Governor too much power. Mr. Daly of New-York, who introduced the bill and had it in charge, defended it at length. If it confers great powers, he said, it fixes responsibility fully. It may be objected that the bill concentrates power too much, but the interests of the people demand protection. It may be objected that it establishes a system of espionage. But honest officials and trustworthy boards need not fear investigation. Responsibility should be fully fixed, from the Governor down to the least official in a village. There may be efforts to arrest the course of reform which was entered upon three or four years ago, and has been advancing from that time. But, though there may be attacks by political trimmers and weakness by doubtful friends, it will be found impossible to stem the tide of public opinion and the determination of the people for reform. It will be found impossible to stand in the way of the great current of sentiment for the purification of our institutions and the removal of abuses. Mr. Daly opposed Mr. Vedder's amendments. Mr. Vedder then burst forth with the startling cry that he was astonished and shocked. The proposition, said he, is monstrous, to remove a man at will without hearing. Would you clothe the Governor with more than the power of a Czar? No matter how pure the Governor may be, he ought not to have power to remove at his own volition a man appointed with the advice and consent of the Senate. That would make this Inspector a mere tool of the Executive without accountability or responsibility. This is taking away the liberties of the people as insured by the Constitution. This is to strip a man of his manhood, of his intellect, and to make him a mere slave of the Executive. It is to degrade him below the level of the race.

Mr. Daly answered that the responsibility would rest with the Governor, and he would be held accountable, and asked, Does not the President appoint his Cabinet and remove them at pleasure?

Mr. Vedder claimed, in rejoinder, that there is all the difference in the world between the personal cabinet of the President and the Inspector whom it is proposed to appoint. What reason can there be for not making this officer removable only for cause? Why not appoint the Governor as Inspector of Public Works, and let him go around and do this work, and not appoint a slave, a creature of the Governor's will?

Mr. Hammond of Ontario favored the bill as it came to the Assembly, and supported a proposal to strike out the words giving the Senate the power of confirmation.

Mr. Lamy then said that he also much preferred the bill as it originally stood, but did not care to oppose Mr. Alvord's amendment, as he wished harmony concerning the bill, and the hearty support of the Assembly.

Mr. Dessar said that the times justified such legislation as is contained in this bill. The protection of the interests of the people required it. Why should those, who have control of the public works, fear the appointment of an Inspector? The Governor would not willfully and without cause remove such an officer. The people trust the Governor and believe that if he removed this officer it would be for good reasons. To require a hearing before the Executive to remove this officer, would be to cause too much delay if the Executive found that his Inspector had been contaminated by corruption.

T. C. Campbell of New-York remarked that there appears to be a misconception concerning the powers to be conferred on the Inspector. He is not an executive official with control over any of the State departments. He is simply to inspect public works and report to the Governor. To make the office of Inspector dependent upon any other body, or upon anything but the will of the Governor, would lessen the usefulness of the officer for the duties which he is to perform. Mr. Campbell aimed to show the fallacy of the objection of centralization of power made to this bill, and then argued that every check thrown around the Governor in his relations to this Inspector strips the Governor of responsibility. The Inspector after appointment might, for many reasons, prove unfitted for his work, and the Governor should have the power of appointing a more suitable person, even if the Inspector is not guilty of crime or malfeasance. Many things may impair the usefulness of an official and make advisable his removal, when he holds an office such as it is proposed to establish by this bill, even if no crime can be proved against him. Give the Governor full power to appoint and remove this official, and then hold him to full responsibility.

Mr. Seward of New-York spoke briefly in regard to the bill. All the members of the Assembly, he said, are unanimously in earnest for canal reform. Probably no one would oppose the establishment of such an office as proposed by this bill. All will admit that it is advisable for the ends of reform. My objection to it is not that it confers too much power on the Governor, but that it does not confer enough. I should not vote against the bill as originally proposed, giving the authority to the Governor power to appoint and remove the officer at pleasure. But if the Senate is to have power in his appointment, it should have a voice in his removal. There is an earnest demand and an urgent need for legislation for reform, and we should perfect this legislation as soon as possible, and pass this bill in a shape that will be satisfactory to the people and to ourselves.

Mr. Alvord spoke very urgently against the suggestion to strike out the amendment, which gives the power of confirmation to the Senate, and advised that the bill should be considered carefully and put in such a form that there would be no dissatisfaction with it afterward. He deprecated paying any heed to the suggestions of "popular clamor," and advocated amending the bill thoroughly that there might be no objection to it. The bill, he claimed, gives the proposed Inspector extreme and excessive powers. He is given authority to force witnesses before him and to throw them into prison if they testify falsely. The bill would confer upon him authority to make secret investigations, to hold "star-chamber" hearings, and to be very oppressive. Then Mr. Alvord branched off into some very emphatic oratory for the most unsparing investigation and determination to do all in his power to bring to punishment any, who had done wrong, whether friend or foe.

Then Mr. Vedder went into a spasm of denunciation of the terrorism exercised in the Assembly, and of the "shackling of mouths" by the Governor's influence and of the effort to crush the liberties of the people, which, as he asserted, this bill was intended to accomplish. He spoke for some time against giving the Governor the powers contemplated by the bill.

Mr. Petty of Suffolk spoke against Mr. Vedder's amendment, giving as his reason that he was unwilling to put any obstacle in the path of reform. Mr. Vedder's amendment was then lost.

Mr. Prince offered an amendment that if a vacancy occurs in the office of Inspector, while the Senate is not in session, the Governor shall appoint a person to fill the vacancy who shall remain in office until the tenth day after the beginning of the next session of the Senate. This amendment was defeated, and then a motion was made to reconsider the vote by which Mr. Alvord's amendment, providing for confirmation by the Senate, was adopted. Mr. Prince opposed this, and claimed that Mr. Alvord's amendment and those offered by Mr. Vedder and himself were necessary, and that the bill would not pass the Senate without such modifications. The Senate is not going to give up the prerogative of confirmation, which has belonged to it since the establishment of the State Government, and which in some cases is secured to it by the Constitution. Mr. Prince said further that Mr. Vedder's amendment was necessary because the Inspector should not be removed except for cause. Mr. T. C. Campbell then spoke in favor of leaving the Governor entirely untrammeled, and argued that the Assembly should do its duty and leave the Senate to make such amendments as it should see fit.

Mr. Alvord made another speech against hurry and obedience to popular clamor, and accused the Democrats of partisanship in their opposition to the provision for confirmation by the Senate. It would be a violation of every time-honored precedent, he said, to strike out that provision.

Mr. Davis addressed the Assembly in support of the bill in its original form. He denied that excessive powers were given to the Inspector by the bill. He would have simply the same power in regard to witnesses and testimony as a justice of the peace. The bill is a step in the right direction, and the Governor should not be trammeled or tied up in any way. If the Governor had had years ago the powers conferred by this bill, the amount of fraud exposed recently might not have been so great. The favorable vote on the amendment giving the Senate the power of confirmation was reconsidered by a large majority, and then Mr. Alvord withdrew the amendment.

Mr. Lincoln moved to amend the bill so that the Inspector shall report to the Governor as often as he shall be required. As the bill stands, he is not required to report to anybody. Mr. Daly saw no objection to the amendment, but deemed it superfluous. The Governor certainly has the power to compel a report. Mr. Davis hoped the amendment would not prevail. The officer being a mere clerk to the Governor—for that will be his real status—the Governor may require a report at any time. The amendment was adopted by a vote of 38 to 23.

Mr. Alvord then offered an amendment to the third section of the bill to the effect that when oral testimony is taken the examinations shall be open and witnesses shall be entitled to appear by counsel.

Mr. T. C. Campbell said that he could see no reason for this amendment. The laws do not in any case recognize that witnesses are entitled to appear by counsel. Only accused persons have the right to appear by counsel. A comparatively small number of those examined by the Inspector will be accused persons. And there is no more reason why the hearings should be public than that the work of grand juries should be public. The hearings of the Inspector are not to be trials, but simply to take evidence for the use of the Governor, which may be used as a basis for action or for criminal prosecutions, or it may not be so used.

Mr. Alvord pleaded that the same protection should be given to witnesses before the Inspector as is accorded to the meanest person in a court-room. A man's character is a dear thing to him, and he should not be required to go into a dark room and be placed under the suspicion which would naturally be cast upon him. The star-chamber principle has resulted in the downfall of dynasties in Europe, and it was a dangerous principle to adopt. Many persons brought before this Inspector will be quasi-accused persons, and they have rights in the premises which should be respected. Unless open investigations are held, this Inspector will be a simple detective to the Governor, but with larger powers than were ever given to a detective, except under a tyranny. Mr. Alvord's amendment was lost by a vote of 37 to 38.

Mr. Alvord afterward offered an amendment to the fourth section of the bill providing that witnesses may be summoned whenever, in the opinion of the Governor, it shall be deemed necessary, instead of leaving it to the discretion of the Inspector. This amendment was carried. An amendment offered by Mr. Willis of Delaware to reduce the salary of the Inspector from $5,000 to $4,000 was lost.

Mr. Gedney of New-York afterward made an effort at sarcasm, and made a motion to amend the title of the bill so that it would read: "An act to create the office of a State Spy and provide for his compensation." This was defeated, but several enemies of reform voted for it *rien ouce*, who would never have dared to let their names go on record in favor of it.

Mr. Daly made an effort to have the bill ordered to a third reading immediately, but he was cut off by Mr. Wachner, who was in the chair, and who hastily forced forward the regular order of business. Afterward Mr. Daly asked unanimous consent that the bill be ordered to a third reading, but Mr. Alvord displayed the spiritousness of his assumed zeal for reform by immediately objecting.

The bill will be reached, probably, in the regular order of business in the Assembly to-morrow. The Republicans will try to have incorporated the amendments offered by Mr. Alvord, Mr. Vedder and Mr. Prince to-day and will call the yeas and nays on them to put the Democrats on record. The Republican leaders assert that the Democrats are trying to gain party capital by putting the Republicans in the false position of opposing the Governor's efforts toward reform by the amendments proposed to the bill. One thing is evident that without such amendments the bill cannot pass the Republican Senate.

GENERAL LEGISLATIVE WORK.

THE LEGAL PAPER QUESTION—HEATING STREET CARS—THE NEW-YORK CITY BOARD OF AUDIT—THE CORNELL INVESTIGATION.

[FROM A REGULAR CORRESPONDENT OF THE TRIBUNE.]

ALBANY, April 8.—A short time before the recess taken by the Assembly to-day, the bill to repeal the act to establish the "legal paper job," the publication of legal notices in *The Daily Register*, came up in Committee of the Whole. Mr. Vedder of Cattaraugus, who has been the persistent supporter of this swindle, moved to strike out the title of the bill, and made a protracted address in support of the original act which it was proposed to repeal. While he was speaking the enemies of the effort at repeal were active in endeavoring to influence votes. Mr. T. C. Campbell of New-York began a reply to Mr. Vedder, but the time was so limited that he consented to a motion that the Committee rise and report progress on the bill. The bill was made a special order for the next Committee of the Whole, whose time is not taken up.

There was an extended discussion earlier in the session over the bill of Mr. Brogan of New-York to require all street railway companies, whose cars are drawn by horse power, to keep their cars warmed by stoves or other proper method during December, January, February, and March. This bill imposes a fine of $50 for each car which is not thus warmed. Numerous amendments were offered to this bill, most of them intended to defeat it. It was sharply opposed by Mr. Wachner, T. C. Campbell, and others, on the ground that the car companies would be forced to alter all their cars, and that on the leading lines of New-York, during the hours when travel is most brisk, the crowding of cars with stoves, or other heating apparatus, would be productive of great discomfort and danger to health. Mr. Wachner's amendment to strike out the title of the bill was finally passed, but when the bill was reported to the Assembly this action was reversed, and the bill was ordered to a third reading by a vote of 55 to 50. Negative votes were given by the majority of members from New-York and Brooklyn.

Mr. Daly, from the Committee on Cities, reported the important bill for the creation of a Board of Audit to adjust and allow claims against the City of New-York. The Controller is to be one of the Board, and the Mayor is to appoint the two other members within thirty days after the passage of the act. The Board is empowered to decide on all legal and equitable claims which arose prior to 1874, provided that action might be brought on them, and also on claims which are only barred from prosecution by action, because no appropriation was made, or there was no fund to meet them.

Mr. Selkreg in the Senate to-day moved to reconsider the resolution that 500 copies of the testimony taken by the commission appointed two years ago to investigate Mr. McGuire's charges against Ezra Cornell be printed for the use of the Senate, which had been defeated. He said the Senate would be called upon to take action relative to that matter, and he thought the evidence in the case should be for them.

Senator Johnson opposed the resolution on the ground that there was a greater percentage of stealing in public printing than in any other department in New-York State.

Mr. Woodin said that although the reports of the

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GENERAL FOREIGN NEWS.

THE CONTEST BETWEEN GERMANY AND THE CATHOLICS.

LEGAL PROCEEDINGS AGAINST THE BISHOP OF BRESLAU—ARREST IN AUSTRIA OF A MUNICH EDITOR.

BERLIN, Thursday, April 8, 1875.

The Bishop of Breslau has refused to resign his see. Legal proceedings will be begun immediately to enforce compliance with the decree of the court.

LONDON, Thursday, April 8, 1875.

The Times's Berlin special dispatch says: Herr Sigl editor of the Ultramontane *Vaterland* of Munich, who was recently sentenced, in default of his appearance for trial, to imprisonment for publishing an article insulting to Prince Bismarck, has been arrested by the Austrian authorities at Salzburg, on application of the German Government. It is understood that he will be sent to Berlin instead of Munich, where he was tried. The case is likely to attract much attention.

DISSENSIONS IN SPAIN.

ARREST OF PROTESTING PROFESSORS OF THE MADRID UNIVERSITY—SUBSCRIBERS IN GERMANY TO THE CARLIST FUND TO BE PROSECUTED.

MADRID, Thursday, April 8, 1875.

The Government has decided to send 15,000 soldiers to Cuba.

Señor Salmeron, a Professor of the Madrid University and formerly President of the Ministry, and Prof. Azcarate, also of the Madrid University, have been arrested. The former has been sent to Ceuta, and the latter to Miranda. Other arrests are expected. The Government declares its intention of exiling all professors who protest against the recent educational laws or who resign chairs on account of their promulgation.

Señor Castelar has resolved to go to Rome.

BERLIN, Thursday, April 8, 1875.

It is reported that the Government intends to prosecute German subscribers to the Carlist fund for fomenting rebellion against a friendly power.

A DEFEAT OF THE CARLISTS.

MADRID, Thursday, April 8, 1875.

Gen. Campos has entered Ripoll, after a fight in which he lost 40 killed and wounded. The loss of the Carlists is not known.

UNSEAWORTHY SHIPS.

PROGRESS OF THE MERCHANT SHIPPING BILL—AMENDMENT TO BE PROPOSED BY MR. PLIMSOLL.

LONDON, Thursday, April 8, 1875.

In the House of Commons this evening the Merchant Shipping bill passed its second reading. It makes owners of vessels liable for compensation to sufferers by their loss, increases the efficiency of surveys, and includes regulations in regard to loading.

Mr. Plimsoll gave notice that he would move in committee amendments limiting deck cargoes, prohibiting stowage of grain in bulk, establishing a maximum