Mr. MORGAN. Mr. President, when the commission got to Hawaii they found themselves confronted with a proposition of law enacted by Congress that the postal savings bank should be paid, and paid first. Naturally, therefore, the commission concluded that that establishment was to be wound up; and so in making up their bill for the purposes of carrying into effect what we thought was proper in changing the government of Hawaii, two bills were reported here, one for the repeal and winding up of the savings-bank system in Hawaii, and the other for regulating the currency between the two countries. One of those bills came before the Committee on Foreign Relations in the Senate, and the other before the Committee on Currency. They were put in separate bills because they were not supposed to be actually necessary to the reinstallation of a new government or a Territorial government in Hawaii. I do not know to what committee the other bill went.

Mr. CULLOM. I think both bills went to the Committee on Foreign Relations during the last session, but no action was taken there on either.

Mr. MORGAN. The bill relating to the postal savings bank went to the Committee on Post-Offices and Post-Roads of the Senate in December, 1898. It was expected, of course, that it would take three bills—the one for establishing the government, the one for regulating the coinage, and the other regulating the postal system and the winding up of the savings bank—would be reported either simultaneously, or pretty near so, and acted upon in the Senate according to their merit and according to the precedence they were entitled to.

Now, what we ought to do to carry out the intention of Congress as expressed in the act of annexation, is to take up the bill of the Committee on Post-Offices and Post-Roads and make it a part of this bill for the government. I will read it. It is very short:

"That the laws of Hawaii relating to the establishment and conduct of any postal savings bank or institution are hereby abrogated. And the Secretary of the Treasury, by the execution of the agreement of the United States as expressed in an act entitled "A joint resolution to provide for annexing the Hawaiian Islands to the United States, and for other purposes," signed on the 9th of August, 1898, and ratified by the Senate of the United States, in and for the said Hawaiian Islands, shall be applied in and for said government shall continue to pay the interest on said debt. Including the postal savings debt.

Mr. MASON. Certainly; that no deposit shall be made after annexation.

Mr. CULLOM. Does the Senator mean the laws?

Mr. MASON. No; I do not mean the laws. They have a government there now, and we propose here, if I understand this bill, to change in some way the form of that government and to make it a Territory of the United States.

Mr. CULLOM. Let me read a section to the Senator.

Mr. MASON. I only want—

Mr. CULLOM. It is a short section.

Mr. MASON. Section 8 provides:

That the offices of President, minister of foreign affairs, minister of the interior, minister of finance, minister of public instruction, auditor-general, district judges, attorney-general, governor, territorial marshal, and deputy marshal of the republic of Hawaii are hereby abolished.

That much of it goes out.

Mr. MASON. That is enough for my purpose, if the Senator will allow me.

Mr. CULLOM. And a good deal more, in one way and another.

Mr. ALLISON. As I understand these provisions, we propose to annex Hawaii as a Territory of the United States and extend our Constitution and laws over that Territory.

Mr. MORGAN. That has been done. Now the Senator from North Carolina proposes that we shall continue the savings banks of Hawaii, if we want to submit to him that that is an impossibility.

Mr. MASON. That is exactly what I want.

Mr. CULLOM. And I must say that I think it is impossible.

Mr. MASON. The effect of which would be that the Postal Savings Department shall establish a savings bank in one of its Territories, and whatever savings deposits there may be in that Territory, of course, if it is a postal savings bank, must go into the postal system in some form and the Post-Office Department is to be responsible.

Now, Mr. President, I submit that it is an impossibility. In the first place, you cannot amend this law in any way so as to do it unless you establish a postal savings bank system for Hawaii in the Territory of ours which we are legislating for. Then I submit further, the disposal of ours which we are legislating for. Then I submit further, the disposal of any money in the Treasury, which is held by the Post-Office Department. I do not see how you can approach that without manifest injustice for the Government of the United States, which is about to transfer its own public debt to an interest-bearing debt of 3 per cent, to pay 4 per cent to the depositors in the postal-bank service in Hawaii. So, not perhaps fully sympathizing with and realizing the great importance of this universal postal-savings system for all the United States, I submit now that it is better for us to await the report of the Senator from North Carolina and his Post-Office Committee, and get a general system, and when we get it all perfected and all in good play and shape we shall extend it, of course, to Hawaii.