

had arrived last night in this city, whence, it is said, he will depart to-morrow on his way to Brussels and Vienna.

The British Commissioners stated that their Government had felt some surprise that we were so interested respecting the Indians, as it could not have been expected that they would leave their Allies in their comparatively weak situation, exposed to our resentment. Great Britain might justly have supposed that the American Government would have furnished us with instructions, authorizing us to agree to a positive article on the subject; but, the least she could demand was that we should sign a provisional article admitting the principle, subject to the ratification of our Government, so that, if it should be ratified the treaty would take effect; and, if not, that it should be null and void on our assent or refusal to admit such an article would depend the continuance or suspension of the negotiation.

As we had represented that the proposition made by them, on that subject, was not sufficiently explicit, their Government had directed them to give us every necessary explanation, and to state distinctly the basis which must be considered as an indispensable preliminary.

It was a *sine qua non* that the Indians should be included in the pacification, and, as incident thereto, that the boundaries of their territory should be permanently established. Peace with the Indians was a subject so simple, as to require no comment. With respect to the boundaries which was to divide their territory from that of the United States, the object of the British government was, that the Indians should remain as a permanent barrier between our western settlements, and the adjacent British provinces, to prevent them from being contiguous to each other; and that neither the United States, nor Great Britain, should ever hereafter have the right to purchase, or acquire any part of the territory thus recognized, as belonging to the Indians. With regard to the extent of the Indian territory and the boundary line, the British government would propose the lines of the Greenville treaty, as a proper basis, subject, however, to discussion and modifications.

We stated that the Indian territory, according to these lines, would comprehend a great number of American citizens; not less perhaps than a hundred thousand; and asked, what was the intention of the British government, respecting them and under whose government they would fall? It was answered that those settlements would be taken into consideration, when the line became a subject of discussion; but that such of the inhabitants, as would ultimately be included within the Indian territory, must make their own arrangements and provide for themselves.

The British Commissioners here said that, considering the importance of the question we had to decide, (that of agreeing to a provisional article) their Government had thought it right that they should also be fully informed of its views, with respect to the proposed revision of the boundary line, between the dominions of Great Britain and the U. S.

1st. Experience had proved that the joint possession of the Lakes, and a right common to both nations to keep up a naval force on them, necessarily produced collisions, and rendered peace insecure. As Great Britain could not be supposed to expect to make conquests in that quarter, and as that province was essentially weaker than the United States, and exposed to invasion, it was necessary, for its security, that Great Britain should hereafter require that the United States should keep no armed naval force on the Western Lakes, from Lake Ontario to Lake Superior, both inclusive; that they should not erect any fortified or military post or establishment on the shores of those Lakes; and that they should not maintain those of which were already existing. This must, they said, be considered as a moderate demand, since Great Britain, if she had not disclaimed the intention of any increase of territory, might with propriety have asked a cessation of the adjacent American shores. The Commercial navigation and intercourse would be left on the same footing as heretofore. It was expressly stated, (in answer to a question we asked,) that Great Britain was to retain the right of having an armed naval force on those lakes, and of holding military posts and establishments on the shores.

2d. The boundary line west of lake Superior, and from the Mississippi, to be revised; and the Treaty of 1763, to be revised; and the navigation of the Mississippi to be continued. When asked, whether they did not mean the line from the lake of the Woods to the Mississippi, the British Commissioners answered, that they meant the line from Lake Superior to that river.

3d. A direct communication from Halifax and the Province of New Brunswick to Quebec, to be secured to Great Britain. In answer to our question, in what manner this was to be effected, we were told that it must be done by a cession to Great Britain of that portion of the district of Maine (in the State of Massachusetts) which intervenes between New Brunswick and Quebec, and prevents that direct communication.

Referring to the proposed provisional article, respecting the Indian pacification and boundary, the British Commissioners concluded by stating to us, that if the conferences should be suspended by our refusal to agree to such an article, without having obtained further instructions from our Government, Great Britain would not consider herself bound to abide by the terms which she now offered, but would be at liberty to vary and regulate her demands according to subsequent events, and in such manner as the state of the war, at the time of renewing the negotiations might warrant.

We asked whether the settlement made, respecting the proposed revision of the boundary line between the U. States and the dominions of Great Britain, embraced all the objects we meant to bring forward for discussion, and what were, particularly, her views with respect to Moose Islands, and such other Islands in the Bay of Passamaquoddy, as had been in our possession at the present war, but had been lately captured? We were answered, that those Islands, being a part of the U. States, [as much as one of the Commissioners said, as N. Hampshire,] they could not be kept by us, and were not even supposed to be an object of discussion.

From the forcible manner, in which the demand, that the United States should keep no naval armaments on the Lakes, nor any military post on their shores, had been brought forward, we were

induced to inquire whether this condition was also meant as a *sine qua non*? To this the British Commissioners denied giving a positive answer. They said that they had been sufficiently explicit, that they had given us one *sine qua non*, and when we had disposed of that, it would be time enough to give us an answer as to another.

We then stated that, considering the nature and importance of the communication made this day, we wish the British Commissioners to reduce their proposals to writing, before we give them an answer? This they agreed to and promised to send us an official note without delay.

We need hardly say that the demands of Great Britain will receive from us an unanimous and decided negative. We do not deem it necessary to detain the John Adams for the purpose of transmitting to you the official notes which may pass on the subject and close the negotiation. And we have felt it our duty immediately to apprise you, by this hasty, but correct sketch of our last conference, that there is not, at present, any hope of peace.

We have the honor to be, sir, with perfect respect, your obedient servants,

JOHN QUINCY ADAMS,  
J. A. BAYARD,  
H. CLAY,  
JONAS RUSSELL,  
ALBERT GALLATIN.

Vote of the British Commissioners.

[Received after the above letter was written.]

The undersigned, Plenipotentiaries of His Britannic Majesty, do themselves the honor of acquainting the Plenipotentiaries of the United States, that they have communicated to their Court the result of the conference which they had the honor of holding with them upon the 29th inst. in which they stated that they were unprovided with any specific instructions, as to comprehending the Indian Nations in a treaty of peace to be made with Great Britain, and as to defining a boundary to the Indian territory.

The undersigned are instructed to acquaint the plenipotentiaries of the United States, that His Majesty's Government having at the outset of the negotiation, with a view to the speedy restoration of peace, reduced as far as possible the number of points to be discussed, and having professed themselves willing to forego on some important topics any stipulation to the advantage of Great Britain cannot but feel some surprise that the government of the United States should not have furnished their Plenipotentiaries with instructions upon those points which could hardly fail to come under discussion.

Under the inability of the American plenipotentiaries, to conclude an article upon the subject of Indian pacification and Indian boundary which shall bind the government of the United States, His Majesty's Government conceive that they cannot give a better proof of their sincere desire for the restoration of peace, than by professing their willingness to accept a provisional article upon those heads, in the event of the American plenipotentiaries considering themselves authorized to accede to the general principles, upon which such an article ought to be founded. With a view to enable the American plenipotentiaries to decide, how far the conclusion of such an article is within the limit of their general discretion, the undersigned are directed to state, fully and distinctly, the bases upon which alone Great Britain sees any prospect of advantage in the continuance of the negotiations at the present time.

The undersigned have already had the honor of stating to the American plenipotentiaries, that in considering the points above referred to, as a *sine qua non* of any treaty of peace, the view of the British government is the permanent tranquility and security of the Indian Nations, and the prevention of those jealousies and irritations, to which the frequent alteration of the Indian limits has heretofore given rise.

For this purpose it is indispensably necessary, that the Indian Nations who have been during the war, in alliance with Great Britain should, at the termination of the war, be included in the pacification.

It is equally necessary, that a definite boundary should be assigned to the British, and that the contracting parties should guarantee the integrity of their territory, by a mutual stipulation, not to acquire by purchase, or otherwise, any territory within the specified limits. The British government are willing to take, as the basis of an article on this subject, those stipulations of the Treaty of Greenville, subject to modifications, which relate to a boundary line.

As the undersigned are desirous of stating every point in connection with the subject, which may reasonably influence the decision of the American plenipotentiaries in the exercise of their discretion, they avail themselves of this opportunity to repeat what they have already stated, that Great Britain desires the revision of the frontier between her North American dominions and those of the United States, not with a view to an acquisition of territory, as such, but for the purpose of securing her possessions, and preventing future disputes.

The British government consider the Lakes from Lake Ontario to Lake Superior, both inclusive, to be the natural military frontier of the British possessions in North America. As the weaker power on the North American continent, the least capable of acting offensively, and the most exposed to sudden invasion, Great Britain considers the military occupation of these lakes as necessary to the security of her dominions. A boundary line equally dividing these waters, with a right to each nation to arm, upon the lakes and upon their shores, is calculated to create a contest for naval ascendancy in peace as well as in war. The power which occupies these lakes should, as a necessary result, have the military occupation of both shores.

In furtherance of this object, the British government is prepared to propose a boundary. But as this might be misconstrued as an intention to extend their possessions to the southward of the lakes, which is by no means the object they have in view, they are disposed to leave the territorial limits undisturbed, and as incident to them, the free commercial navigation of the lakes, provided that the American government will not stipulate to maintain, or construct, any fortifications upon, or within a limited distance of the shores, or maintain, or construct any armed vessel upon the lakes in question, or in the rivers which empty themselves into the same.

If this can be adjusted, there will then remain for discussion the arrangement of the north western boundary between Lake Superior and the Mississippi, the free navigation of that river, and such evacuation of the line of frontier as may secure a direct communication between Quebec and Halifax.

The undersigned trust, that the full statement which they have made of the views and objects of the British government in requiring the pacification of the Indian Nations, and a permanent limit to their territories, will enable the American plenipotentiaries to conclude a provisional article upon the basis above stated. Should they feel it necessary to refer to the government of the United States for further instructions, the undersigned feel it incumbent upon them to acquaint the American plenipotentiaries, that the government cannot be precluded by any thing that has passed from varying the terms at present proposed, in such a manner as to the state of war, at the time of resuming the conferences, may, in their judgment, render advisable.

The undersigned avail themselves of this occasion to renew to the plenipotentiaries of the U. States, the assurances of their high consideration.

(Signed) GAMBIEE,  
HENRY GOULBURN,  
WILLIAM ADAMS.

Given 19th August, 1814.

THE BUDGET.  
REPORT OF THE COMMISSIONERS OF THE PUBLIC DEBT OFFICE.

That three loans, and treasury notes, to appear be the resources on which we must rely for carrying on the war. The product of the first loan is commanded in time to meet the immediate demands on the treasury—a reliance on loans, in the present situation of this country, would be uncertain, and the terms on which they would be obtained not such as to induce a resort to them at the present moment—treasury notes, combined with a system of taxation more extended than the one heretofore adopted, will, it is believed, in the present state of bank credit, be found to be a much better resource.

The want of some medium, which, resting on a firm and solid basis, may unite public confidence, and have a general, instead of a local circulation, is now universally acknowledged. The stoppage of specie payments by the principal banks of the middle states, has embarrassed greatly the operations of the treasury, and by confining the circulation of notes to the limits of the states within which they are issued, has deprived the government of all the facilities, in the remittance of money, which was afforded while public confidence gave to bank notes a general circulation. The notes of New York and Philadelphia will not be received in Boston; the notes of Baltimore, or of the District of Columbia, will not answer for payments in Philadelphia. If, by any new modification, treasury notes could be made to answer the purposes of a circulating medium, between the different states, they would greatly facilitate the operations of government, and free from embarrassment the transactions of individuals. To secure their circulation, it would be necessary, 1. To issue notes in sums sufficiently small for the ordinary purposes of society. 2. To allow the individual who holds them, to fund them at pleasure at any of the loan offices, and to receive their amount in stock of the United States, bearing an interest of 8 per cent. 3. To make them payable to bearer, and transferrable by delivery. 4. To make them receivable in all payments for public funds and taxes. 5. To pledge, for the payment of the interest on the amount issued, so much of the internal duties as shall be necessary. To prevent an accumulation of circulating medium, the United States to retain the power, on giving six months notice, of redeeming them with specie, or exchanging for their stock, bearing an interest of 8 per cent. If these provisions are adopted, and taxes imposed, which shall manifest clearly the ability of government to meet its engagements, our present difficulties will vanish, confidence be restored, and the capital, hoarded by avarice, or locked up from timidity, will be again restored to the accustomed channels of circulation. In presenting additional objects of taxation, care has been taken to select such as will bear equally on every portion of the community. In Europe, the price of agricultural products is not materially affected by a state of war; the produce of the earth is there consumed within the country, in peace and in war. The situation of the United States is totally different—with an extensive and fertile country and a small population, compared with the extent of our territory, we have annually a large surplus to export to foreign markets, over and above what is necessary for consumption. On the export of this surplus, which is cut off by war, depends, in a great degree, the ability of the farmer to meet taxes. While, however, war depresses the agricultural interest, it gives vigor to various manufactures; by destroying all foreign competition, the war has brought many of these manufactures to a state of perfection, which will secure their successful prosecution even after peace shall be restored. In times of difficulty and danger, we must appeal to the patriotism of every class of our citizens. These establishments, under the fostering hand of the government, have grown to maturity, and will not hesitate to bear, with the agricultural interests, their portion of the taxes necessary to maintain, unimpaired, that character for punctuality and good faith, for which the American government has heretofore been distinguished. Several of these manufactures have been selected as proper subjects of taxation; and it is proposed to unite with the taxes, a pledge of the public faith for the continuance of the double duties, until the tax shall be repealed.

The committee deem it unnecessary, at present, to present any view of the expenditures for the next year, reserving a report on that subject, until the estimates of the treasury shall be forwarded. Confiding, therefore, in this report to the additional taxes, necessary for the support of the public credit, they submit the following resolutions:

- 1. Resolved, That it is expedient to continue the direct tax, and to increase the same 1/10 per cent.
- 2. Resolved, That it is expedient to increase the duty on spirits distilled, by an additional duty of twelve and a half cents on the gallon.
- 3. Resolved, That it is expedient to add one hundred per cent. to the present duty on sales at auction.
- 4. Resolved, That it is expedient to add fifty per cent. to the present duty on the conveyance of papers & letters.
- 5. Resolved, That it is expedient to impose a duty on the following articles, viz. manufactured tobacco and snuff, in the hands of the manufacturer; candles, of tallow and spermacetti; hats; cotton yarn spun by machinery, worked by steam or water; leather; pig iron; castings; bar, rolled and six iron; and on hardware made by the aid of machinery, in furniture, above a certain value, except beds, bedding, and articles of domestic manufacture, in the hands of the owner; beer, ale, & porter, in the hands of the manufacturer; boots and shoes above a certain price, in the hands of the manufacturer; on plated harness, in the hands of the owner; on vats for the manufacture of paper; on saddles and bridles; above a certain price, in the hands of the owner; on gold and silver watches, in the hands of the owner; on pleasure horses, kept exclusively for the saddle or carriage; on playing cards, and on lotteries.

Estimate of the amount of the proposed increase, and of the new duties.

50 per cent. on the direct tax.	\$ 1,000,000
Addition duty on distilled spirits.	3,000,000
100 per cent. on the present auction duties.	100,000
50 per cent. on postage.	200,000
Manufactured tobacco and snuff, 10,000,000 of lbs. at 4 cents.	400,000
Candles of tallow 6,000,000 lbs. at 2 cents.	120,000
Spermacetti and white wax 400,000 lbs. at 10 cents.	40,000
Hats—on beaver 1 dollar, castors 75 cents, & furons 25 cents, payable by manufacturers.	600,000
Cotton yarn, spun by aid of machinery, worked by steam or water, 400,000 spindles, at 25 cents.	100,000
Leather—sole, seals, harness, calf, horse and hog, kid and neat skins, 18,000,000 lbs. at 3 cents.	540,000

Lead and sheet-iron, with or without zinc, in round, square, or flat, in the form of rods, and in other shapes, and of diameter, with alloy, averaged at 3 cents per lb.	67,000
Iron, 200,000 tons of pig, at 1 dollar.	200,000
100,000 tons of cast iron, at 1 1/2 dollars.	150,000
100,000 tons of bar iron, at 1 dollar.	100,000
On beer, ale, and porter, 6,000,000 gallons, at 1 cent.	60,000
Furniture tax, excluding beds, bedding, kitchen furniture, carpets and curtains of domestic manufacture, a family picture, and including also from the operation of the tax, every portion of furniture, exclusive of the above articles, does not amount to 200 dollars. The estimate is made on a supposition that the U. States contains 800,000 families exempt, as possessing less than 200 dollars worth of furniture, 250,000.	
Passing between	
200 and 400 dolls. 300,000 at \$1	300,000
400 and 600 do. 1,000,000 at 1/2	500,000
600 and 1000 do. 70,000 at 3	210,000
1000 and 1500 do. 25,000 at 8	200,000
1500 and 2000 do. 15,000 at 10	150,000
2000 and 3000 do. 10,000 at 17	170,000
3000 and 4000 do. 10,000 at 25	250,000
4000 and 6000 do. 10,000 at 45	450,000
6000 and 9,000 do. 6000 at 75	450,000
Above 9,000 do. 1,000 at 75	75,000
Boots, white top and full dress military boots, 100,000 pair, at 75 cents.	75,000
Other boots or brogues of the value of 8 dollars, 250,000 pair, at 50 cents.	125,000
Boots or brogues, not less than 5 dollars in value, and not exceeding 8, 600,000 pair, at 25 cents.	150,000
Five shoes, above 1/2 dollar, at 75 cents, 1,000,000 at 10 cents.	100,000
Plated harness in the hands of the owner, 50,000 pair, at 2 dollars.	100,000
On the manufacture of paper, on vats exclusively employed in making white paper, 90 dollars, on vats employed in making part white and part brown, 30 dollars; on vats exclusively employed in making brown paper, 15 dollars, 2000 vats averaged.	30,000
On nails made by the aid of machinery, 30,000,000 lbs. at 1 cent.	300,000
On saddles under 10 dollars value, 50 cents; over 10 and under 15, 75 cents; and above the value of 15 dollars, 1 dollar.	100,000
On bridges of less value than 2 dollars, 10 cents; \$2 and under 5, 5 cents; \$5 and under 10, 40 cents; above \$10, 1 dollar.	100,000
Pleasure horses kept exclusively for the saddle, 24 horses kept exclusively for the carriage, \$100.	10,000
Gold watches, 250,000, at \$1.	250,000
Silver watches, 250,000, at \$1.	250,000
Playing cards, 400,000 packs at 25 cents.	100,000
Lotteries, a per cent on the amount.	50,000
	11,000,000
Add the revenue of 1815, as estimated by the Secretary of the Treasury.	10,000,000
Makes for 1815, a revenue of	\$21,000,000

The Star.  
RALEIGH,  
FRIDAY, OCTOBER 21, 1814.

[We have been politely favored by His Excellency the Governor with the following letter for publication.]

Raleigh, October 17, 1814.

Sir—It is known to you that at a early period of the present war with Great Britain, I was appointed to an high and honorable command in the Army of the United States. It is also within your knowledge as well as that of many other of my fellow-citizens, the reasons which influenced me in a non-acceptance of that appointment.

Having discharged no small portion of that duty which every citizen owes to his country, in a service of seven years in the revolutionary Army, having subsequently performed the duties of a laborious office under the general government, being somewhat advanced in life, the fire of youth and with it ambition having ceased to exist, I had determined some time past not again to engage in public employment and particularly in the army—long since having known that to avoid slander and the reproaches of bad and ambitious men, was to live undistinguished and that to enjoy peaceful repose was to be a private citizen. This determination would have been scrupulously and firmly adhered to had I not seen the degrading conditions demanded by the British Commissioners from the American government as the price of peace—conditions as new as they are humiliating; inadmissible under circumstances far more perilous than the present, and such as no American ought to submit to. And whilst those terms are contended for and made the *sine qua non* to an adjustment of our differences, I hesitate not to declare my intention to unite with and support the government in such a system as shall compel the enemy to respect our rights and bring the war to an honorable termination. In making this declaration, it is not, however, to be understood, that the avowed cause for the war or the manner in which it has been conducted, have ever met my approbation. My objections are well known, and in this communication it is unnecessary if not improper to state them. The crisis has arrived when it would be useless to enquire what were the causes or who were the authors of the misfortunes which have overtaken the country. It is enough to know that dishonorable conditions have been demanded, and that danger does exist. It now behoves us to show to the world that there is firmness enough in the Nation to reject the one and spirit sufficient to meet the other.

With these sentiments I offer to your Excellency my services, inefficient as they are, with a hope that you will employ them in that situation wherein you may deem them most useful.

With sentiments of much respect,  
I am your most obedient servant,  
WILLIAM POLE.

His Excellency William Hawkins, Governor of N. C.

We have not room to indulge our inclination in a few remarks called for by the important matter in our columns of to-day. The reading will suggest the proper ones to every mind. America will correct every man to his duty.

The House of Representatives has rejected the Bill for a temporary removal of the seat of Government, by a majority of nine votes.

OBITUARY.  
Died in this County on the 17th inst. Mr. Isaac Gould, aged 51, a respectable and valuable citizen.