

6th CONGRESS.]

No. 147.

[1st SESSION.]

ESTIMATES FOR THE YEAR 1800.

COMMUNICATED TO THE HOUSE OF REPRESENTATIVES, FEBRUARY 21, 1800.

Mr. HARPER made the following report:

The Committee of Ways and Means, to whom was referred the estimates for the public service during the present year, having taken them into consideration, and obtained from the different Departments such further information as they deemed necessary, beg leave to submit to the consideration of the House the following report on that subject:

The committee thought it proper, before they entered into the subject referred to them, to obtain from the Treasury Department a detailed estimate of the revenue and expenditure of the present year, according to the existing laws. For this purpose was written to the Secretary of the Treasury, the letter, of which a copy, No. 1, together with his answer, No. 2, and the estimate requested, No. 3, is subjoined to this report.

From this estimate it appears, that the whole sum required for the public service, during the present year, including the interest and reimbursement of the public debt, of every description, the civil list, army and navy, and every incidental charge, amounts to fifteen millions three hundred and ninety-three thousand and thirty-four dollars and eleven cents. But this sum includes the whole army estimate, which was founded on the supposition that the twelve regiments of infantry and six troops of horse, composing the additional army, would be immediately completed. The act, however, for suspending further enlistments, having passed one branch of the Legislature, the committee thought it proper to ascertain, as nearly as possible, what reductions in the expense of that army would result from this bill, should it pass into a law. For this purpose they wrote a letter to the Secretary of War, a copy of which, No. 4, with his answer, No. 5, and an estimate of the reduction in question, No. 6, they have annexed to this report. From this paper it appears that the reduction may be calculated at about one million of dollars: which, as the bill has now passed into a law, must be deducted from the former estimate of fifteen millions three hundred and ninety-three thousand and thirty-four dollars and eleven cents; and will leave a balance of fourteen millions three hundred and ninety-three thousand and thirty-four dollars and eleven cents, for the expenses of the year.

From this balance, however, the committee are of opinion that a further deduction of six hundred thousand dollars ought to be made. This sum is added to the navy estimate, as a further appropriation, during the present year, for the building of the six seventy-fours. But the committee, entertaining doubts whether it would be for the benefit of the public to press the building of those ships, so fast as to require this further appropriation, since they must, in that case, be built of timber far from sufficiently seasoned, wrote to the Secretary of the Navy requesting his opinion on this point. A copy of their letter, No. 7, together with his answer, No. 8, is hereunto subjoined. This answer, to which the committee beg leave to direct the attention of the House furnishes, in their opinion, very sufficient reasons for avoiding that degree of expedition, in building the seventy fours, which would require the further appropriation of six hundred thousand dollars. And they therefore think it proper to deduct that sum, also, from the general estimates of expenditure for the year, which will reduce that expenditure to the sum of thirteen millions seven hundred and ninety-three thousand and thirty-four dollars and eleven cents.

The whole estimated amount of revenue, to meet this expenditure, is nine millions three hundred and one thousand two hundred and fifty eight dollars and fifty one cents, as detailed in the statement No. 3, furnished by the Secretary of the Treasury, and above alluded to, which sum being deducted from the sum of thirteen millions seven hundred and ninety-three thousand and thirty-four dollars and eleven cents, which has been stated as the amount of expenditure, leaves a balance of four millions four hundred and ninety-one thousand seven hundred and seventy-five dollars and sixty-one cents.

The Government, however, possesses funds to cover this balance in part. From the above mentioned statement, No. 3, it appears that, on the thirty-first of December, one thousand seven hundred and ninety-nine, there remained in the treasury an unexpended balance of the last year's supplies, amounting to two millions one hundred and fifty-nine thousand three hundred and seventy-seven dollars and ten cents. A considerable part of this sum has since been paid, or will be required, for the discharge of contracts remaining due for the service of last year. It is not easy to ascertain, with precision, what portion of this balance will remain, after satisfying all demands of this description, to be applied to the service of the present year; but the Secretary of the Treasury, in his above mentioned statement, No. 3, estimates it at one million of dollars; an estimate which the committee have no reason for considering as too high. They, therefore, place this sum to the credit of the Government, which reduces the balance to be provided for by loan to three millions four hundred and ninety-one thousand seven hundred and seventy-five dollars and sixty-one cents—say three millions five hundred thousand dollars.

In proposing a loan to the House, the committee wish to call its attention to the propriety of providing, at the same time, permanent revenues equal to the interest of the debt to be incurred; and of making provision, also, for the gradual and timely extinguishment of the principal—a policy which, in their opinion, ought to be invariably adhered to, as the only mean of avoiding that constant accumulation of debt, which is the great evil of the funding system. The committee have turned their attention to this interesting part of the subject, and have little doubt of being able to propose such measures to the House, as, without materially increasing the public burdens, will add to the present revenues a sum adequate to the accomplishment of so desirable an object. But as they are not yet possessed of all the information necessary for maturing their plan, they reserve it for the subject of a further report.

In the mean time they beg leave to present, for the consideration of the House, the following resolution, viz:

Resolved, That it is expedient to authorize the President of the United States to borrow, for the service of the present year, a sum not exceeding three millions five hundred thousand dollars, upon such terms and conditions as he shall judge most advantageous for the United States: *Provided*, That no contract or engagement shall be entered into, which shall preclude the United States from reimbursing any sum or sums borrowed, at any time after the expiration of fifteen years from the date of such loan.

No. 1.

Letter to the Secretary of the Treasury.

COMMITTEE ROOM, Jan. 6th, 1800.

SIR:

In compliance with a resolution of the Committee of Ways and Means, I have the honor to request from you, for their use, the following information, as speedily as may accord with your convenience.

1st. An estimate of the expense and revenue of the current year, according to existing laws.

2d. A statement of the receipts and expenditures for the last quarter of the last year, as far as they can be at present ascertained from the accounts made up at the treasury.

3d. A statement of the account between the United States and the Bank, as it now stands, more especially with respect to the reimbursement of former loans.

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

ROBERT G. HARPER.

The Honorable the Secretary of the Treasury.

| | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------|------------------------|
| <i>Interest on stock purchased or transferred to the trustees of the sinking fund.</i> | | | |
| On six per cent. stock, - - - - - | 1,841,607 09 | 110,496 42 | |
| On three per cent. stock, - - - - - | 614,836 47 | 18,445 09 | |
| On five and a half per cent. stock, - - - - - | 1,400 00 | 77 00 | |
| On foreign debt, redeemed at five per cent., - - - - - | 1,280,000 00 | 64,000 00 | |
| Deferred debt on which interest will accrue after the year 1800, - - - - - | 966,376, 04 | | |
| Amount of the interest fund in 1800, - - - - - | \$4,704,219 60 | | \$193,018 51 |
| <i>For the Interest and Reimbursement of temporary Domestic Loans.</i> | | | |
| Interest on 1,400,000 dollars, obtained of the Bank of the United States, at five per cent. per annum, - - - - - | | \$70,000 00 | |
| Interest on 2,240,000 dollars, obtained of the said bank, at six per centum, - - - - - | | 134,400 00 | |
| Reimbursement of the ninth instalment of the loan of two millions of dollars for stock of the said bank, pursuant to the 11th section of the act of March 3d, 1795, "making provision for the support of public credit and the redemption of the public debt" - - - - - | | 200,000 00 | |
| <i>Expenditures for the service of the year 1800, calculated upon the principles of the estimates reported to the House of Representatives, on the 7th December, 1798.</i> | | | 404,400 00 |
| For the civil list, - - - - - | | 562,275 95 | |
| For the payment of annuities and grants, - - - - - | | 953 33 | |
| For the support of the mint establishment, - - - - - | | 13,300 00 | |
| For the expenses of intercourse with foreign nations, per estimate, - - - - - | \$92,000 00 | | |
| Sum appropriated by the act of March 19th, 1798, - - - - - | 40,000 00 | | |
| | | 132,000 00 | |
| For expenses incident to certain treaties, per estimate, - - - - - | 244,000 00 | | |
| Sum appropriated in consequence of the treaty with Algiers, by the act of May 6th, 1796, - - - - - | 24,000 00 | | |
| | | 268,000 00 | |
| For expenses incident to the valuation of dwelling houses and lands, - - - - - | | 215,000 00 | |
| For the military establishment, as per estimate, - - - - - | 4,067,200 00 | | |
| Sum appropriated for payment of annuities to Indians, per act of May 6th, 1796, - - - - - | 11,000 00 | | |
| | | 4,078 200 00 | |
| For the navy establishment, per estimate, - - - - - | | 2,482,953 99 | |
| For the payment of military pensions, - - - - - | | 93,000 00 | |
| For the fabrication of cannon and arms, and the purchase of ammunition, for the army and navy, and for the militia, per estimate, - - - - - | 260,000 00 | | |
| The sum unexpended, October 1st, 1799, of the amount appropriated by the act of May 4th, 1798, - - - - - | 344,202 12 | | |
| The sum granted by the act of July 6th, 1798, - - - - - | 400,000 00 | | |
| | | 1,004,202 12 | |
| For the support of light-houses, &c., - - - - - | | 98,240 03 | |
| For miscellaneous claims, per estimate, - - - - - | | 34,000 00 | |
| | | | 8,982,125 42 |
| For building six 74 gun ships, as directed by the act of Congress, of the 25th of February, 1799, there will be required, if the business shall proceed in the manner suggested in the estimate of the Secretary of the Navy, the sum unexpended of the appropriation already made, being - - - - - | | 700,000 00 | |
| And a further appropriation of - - - - - | | 600,000 00 | |
| | | | 1,300,000 00 |
| For satisfying various demands upon the treasury, for which appropriations have already been made, it is necessary to reserve - - - - - | | | 200,000 00 |
| Estimated amount of expenditures, during the year 1800, - - - - - | | | \$15,393,034 11 |

Estimated Revenue for the year 1800, from duties on Imports and Tonnage.

The actual receipts during the three last years have been as follows:

| Product of the several quarters. | In the years ending | | |
|----------------------------------------------|---------------------|-------------------|-------------------|
| | Sept. 30th, 1797. | Sept. 30th, 1798. | Sept. 30th, 1799. |
| From October 1st to December 31st, - - - - - | \$1,786,966 30 | 1,982,927 54 | 1,683,568 61 |
| From January 1st to March 31st, - - - - - | 1,434,186 06 | 1,902,589 82 | 1,385,169 93 |
| From April 1st to June 30th, - - - - - | 2,337,935 80 | 1,700,378 32 | 1,868,661 34 |
| From July 1st to September 30th, - - - - - | 1,794,600 25 | 1,819,525 18 | 1,499,686 46 |
| | 7,353,688 41 | 7,405,420 86 | 6,437,086 34 |

The accounts for the quarter ending December 31st, 1799, are not settled, yet it is known that the receipts exceed 1,800,000 dollars. This branch of revenue may, therefore, it is believed, be safely estimated, for the year 1800, at \$7,000,000 00

From duties on domestic distilled spirits, and on stills, sales at auction, licences for selling foreign spirits and wines, by retail, refined sugar, carriages, and stamps.

The product of all the internal revenues during three years, has been as follows. The duties on stamps have been collected only since July 1st, 1798.

| Product of the several quarters. | In the years ending | | |
|------------------------------------|---------------------|-------------------|-------------------|
| | Sept. 30th, 1797. | Sept. 30th, 1798. | Sept. 30th, 1799. |
| From October 1st to December 31st, | \$132,949 47 | \$137,389 37 | 195,867 65 |
| From January 1st to March 31st, | 142,108 58 | 174,399 79 | 165,183 04 |
| From April 1st to June 30th, | 140,557 42 | 115,492 46 | 211,999 95 |
| From July 1st to September 30th, | 155,436 08 | 158,598 05 | 200,512 12 |
| <i>Dollars,</i> | 571,051 55 | 585,879 67 | 773,562 76 |

The product of the internal revenue, during the quarter, ending December 31st, 1799, was about 200,000 dollars; and it is estimated that they will produce, in 1800, the sum of \$800,000 00

From the Direct Tax.

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------|
| The valuations have been completed, and directions issued for collecting the tax in the States of Vermont, New Hampshire, Massachusetts, Connecticut, New Jersey, Delaware, Kentucky, and Tennessee. In some of those States collections have been commenced. The returns of the valuations will be soon completed in the States of Rhode Island, New York, Pennsylvania, Maryland, and Virginia. Owing to the resignation of commissioners, and other causes, the requisite arrangements for commencing the valuations were considerably delayed in certain districts of the other States; a great part of the business is, however, understood to be completed, and all the returns are expected in a few months. Under these circumstances, it is difficult to form an opinion respecting the proportion of the tax which will reach the treasury in the course of the present year; a considerable part of sums, which will be assessed on new lands, must remain uncollected till the ensuing year; it is, however, expected that there will be received, during the year 1800, the sum of | \$1,200,000 00 |
| From revenue on the postage of letters, | 36,000 00 |
| From fees on letters patent, | 1,200 00 |
| From dividends on bank stock, | 71,040 00 |
| From the proceeds of that part of the sinking fund which consists of interest on the stock purchased or redeemed, and which is appropriated, with other funds, towards the reimbursement of the public debt, | 193,018 51 |
| <i>Estimated amount of revenue for 1800,</i> | 9,301,258 51 |
| The moneys which remained in the treasury, on the first of January, 1800, may be considered as a fund for defraying the expenses, herein before enumerated, to the extent of | 1,000,000 00 |
| Leaving the balance to be provided for, about | 5,091,775 60 |
| | 6,091,775 60 |
| | <u>\$15,393,034 11</u> |

TREASURY DEPARTMENT, January 22, 1800.

OLIVER WOLCOTT, *Secretary of the Treasury.*

B.

Account of receipts and expenditures of the United States, from the 31st October, 1799, to 1st December following, so far as the accounts have been received at the Treasury.

RECEIPTS.

| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|
| 1799, 1st October. | |
| By balance in the treasury, this day, subject to warrants, | \$2,422,783 38 |
| By amount of receipts into the treasury, viz: | |
| For duties of merchandise and tonnage, | 1,854,931 58 |
| For duties on spirits distilled within the United States, on stills, sales at auction, licences for selling wines, &c. by retail, carriages, refined sugar, and stamp duties, | 201,441 33 |
| For postage of letters, | 20,000 00 |
| For fees on letters patent, | 330 00 |
| For cents and half cents, coined at the mint, | 2,613 50 |
| For domestic loans received on account of 5 millions, at 8 per cent., | 1,000,912 50 |
| For prizes arising from the sales of French armed vessels, | 4,231 75 |
| For fines, recovered from sundry persons for breach of the laws of the United States, | 2,000 00 |
| For re-payment made by individuals on settlement of their accounts at the treasury, viz: | |
| Joseph Williams, | \$13 50 |
| Samuel & Jos. Sterret, | 172 58 |
| | 186 58 |
| | <u>\$5,518,430 12</u> |

EXPENDITURES.

| | | | | | | |
|------------------------------------------------------------------------------------|---|---|---|---|---|----------------|
| For civil department, | | | | | | \$99,000 03 |
| Expenses of the valuation of lands and dwelling houses, and enumeration of slaves, | | | | | | 9,676 10 |
| Military department, | - | - | - | - | - | 108,676 13 |
| Naval department, | - | - | - | - | - | 670,529 53 |
| Fortification of ports and harbors, | - | - | - | - | - | 860,000 00 |
| Light house establishment, | - | - | - | - | - | 10,000 00 |
| Annuities and grants, | - | - | - | - | - | 15,875 41 |
| Military pensions, | - | - | - | - | - | 573 33 |
| Mint establishment, | - | - | - | - | - | 900 00 |
| Purchase of vellum, &c. for stamps, | - | - | - | - | - | 7,000 00 |
| Unclaimed merchandise sold and reclaimed, | - | - | - | - | - | 429 03 |
| For miscellaneous expenses, | - | - | - | - | - | 120 05 |
| Relief and protection of American seamen, | - | - | - | - | - | 338 47 |
| Diplomatic department, | - | - | - | - | - | 10,000 00 |
| Treaties with Mediterranean Powers, | - | - | - | - | - | 30,000 00 |
| Treaty with Great Britain, | - | - | - | - | - | 12,000 00 |
| Paying agents under the sixth article of the British treaty, | - | - | - | - | - | 11,250 00 |
| Interest and reimbursement of the domestic debt, | - | - | - | - | - | 150 00 |
| Paying the Dutch debt, | - | - | - | - | - | 1,174,875 24 |
| Domestic loans, | - | - | - | - | - | 246,335 83 |
| Amount of expenditures, | - | - | - | - | - | 200,000 00 |
| | | | | | | \$3,359,053 02 |
| Money in the Treasury, December 31st, 1799, | | | | | | \$2,159,377 10 |

The accounts of the Treasury, for the period above mentioned, have not been closed, owing to the want of certain returns from distant parts of the United States: the foregoing statement may, however, be considered as essentially correct.

OLIVER WOLCOTT, *Secretary of the Treasury.*

TREASURY DEPARTMENT, *January 22d, 1800.*

C.

A statement of the loans obtained of the Bank of the United States, and the sums remaining unpaid on the first of January, 1800.

| Titles and dates of the acts authorizing the loans. | Dates of the Contracts. | At what rate of interest. | Amount of each loan in \$ dollars | Sums which have been reimbursed. | Balances unpaid Jan. 1st, 1800. | | |
|-------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|---------------------------|-----------------------------------|----------------------------------|---------------------------------|-----------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------|
| | | | | | | Reimbursable in installments of \$200,000 on the 31st Dec., in the years 1800 and 1801. | Due by the terms of the contract, but continued on loan with the consent of the bank. |
| "An act to incorporate the subscribers to the Bank of the United States," February 25, 1791, - - - | 1792, June 25, | 6 per cent. | 2,000,000 | 1,600,000 | 400,000 | | |
| "An act to authorize a loan of two millions of dollars," December 18th, 1794, - - - | 1794, Dec. 31. | 5 per cent. | 2,000,000 | 600,000 | 1,400,000 | | |
| "An act for the reimbursement of a loan, authorized by an act of the last session of Congress, February 21st, 1795, - | 1795, March 5, | 6 per cent. | 800,000 | 400,000 | 400,000 | Ditto. | |
| "An act making further appropriations for the military and naval establishments, and for the support of Government," March 3, 1795, - - - | 1795, March 24, | 6 per cent. | 500,000 | 260,000 | 240,000 | Ditto. | |
| "An act making further provision for the support of public credit, and for the redemption of the public debt," March 3d, 1795, - - - | 1795, Sept. 30. | 6 per cent. | 500,000 | - - - | 500,000 | Ditto. | |
| Ditto, - - - | 1795, Dec. 31. | 6 per cent. | 500,000 | - | 500,000 | Ditto. | |
| | 1799, January 1. | 6 per cent. | 200,000 | - - | 200,000 | Reimbursable on the 1st of January, 1803. | |
| | | | 6,500,000 | 2,860,000 | 3,640,000 | | |

OLIVER WOLCOTT, *Secretary of the Treasury.*

TREASURY DEPARTMENT, *January 22d, 1800.*

No. 4.

COMMITTEE ROOM, *January 23d, 1800.*

As the bill, sir, for suspending enlistments, should it pass, will make a material variation in the army expenditures during the present year, and as the estimates now before the Committee of Ways and Means are predicated on the existing law, without any reference to that measure, it will be important for the committee to be informed, as speedily as possible, of the probable amount of those expenditures, in case the bill in question should be agreed to. I have, therefore, the honor of requesting, that you will be so good as to furnish me, as soon as circumstances may permit, with an estimate of the nature alluded to, for the use of the committee, and also with an abstract of the statements and returns whereon it may be founded.

I have the honor to be, sir, &c.

ROBERT G. HARPER.

The Honorable Secretary of War.

No. 5.

WAR DEPARTMENT, 30th January, 1800.

SIR:

I have the honor to enclose the copy of a letter from me to Major General Hamilton, the object of which is to provide, as far as practicable, against a waste of public moneys, in either of the events, of a suspension of enlistments being directed by law, or of the speedy settlement of our differences with the French republic.

I enclose, also, agreeably to your request, an estimate, intended to exhibit, as far as practicable, the probable amount of the military appropriations that will be required for the present year, in case the bill for suspending enlistments, now before the Senate, should pass into a law.

It must be supposed, that several impressive circumstances require to be weighed with due consideration, when deciding upon an appropriation, with either of the events mentioned in prospect.

1st. The time which must be consumed in transmitting orders to the officers at the different rendezvous, to dismiss their recruits or suspend further enlistments. There are in New Hampshire, four recruiting rendezvous, in Vermont, three, Rhode Island, three, Massachusetts, twenty, Connecticut, ten, New York, ten, New Jersey, six, Pennsylvania, thirteen, Delaware, one, Maryland ten, Virginia, twenty, North Carolina, nine, South Carolina, six, Georgia, two, Kentucky, two, and Tennessee, one.

2d. The time it will require for each officer and soldier to return home, and for which they are, by law, to be allowed pay and rations, or an equivalent in money.

3d. The time it will take to pay off the officers and men.

4th. The expense which will attend removing to the public depots, the several articles of clothing, tents, and camp equipage, which are widely scattered over a great extent of country.

5th. The expenses to contractors, on breaking up of the army, for transporting provisions from places where they have been ordered, to other places, where they can be consumed, conformably to the uniform provision of contracts.

The disbanding of an army, settlements with the individuals who composed it, and due attention to collect, and deposite safely, the various articles of public property it had in use, will always occasion considerable extra expenses, respecting which it is impossible to furnish precise and satisfactory items.

I am, sir, with great respect, your obedient servant,

JAMES M'HENRY.

ROBERT GOODLOE HARPER, Esq. Chairman of the Committee of Ways and Means.

| | | | | |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---|------------|----------------|
| Amount of estimate for the year 1800, as rendered, exclusive of military pensions, - | - | - | - | \$4,077,200 00 |
| From which deduct the pay, subsistence, and clothing, for 5,049 privates, being the number, per last return, wanted to complete the twelve additional regiments, viz: | | | | |
| Pay, | 302,940 00 | | | |
| Rations, at 17 cents per ration, | 313,290 45 | | | |
| Clothing, | 126,225 00 | | | |
| | | | 742,455 45 | |
| Deduct also the pay, subsistence, clothing, and forage, of the non-commissioned officers, musicians, and privates, of the six companies of cavalry, viz: | | | | |
| Pay, | 25,632 00 | | | |
| Rations, at 17 cents per ration, | 23,827 20 | | | |
| Forage, | 27,648 00 | | | |
| Clothing, | 9,600 00 | | | |
| | | | 86,707 20 | |
| Also, for the purchase of 150 horses, at 150 dollars each, | 92,500 00 | | | |
| From quartermaster general's and hospital department, | 335,467 00 | | | |
| | | | | 1,187,129 65 |
| | | | | 2,890,070 35 |

N. B. The Secretary thinks it probable that, since the returns, there may have been enlisted about six hundred privates; the pay, rations, and clothing

for whom, would amount to,

And for quartermaster's and hospital department, agreeably to ratio,

88,230 00

36,776 00

125,006 00

WAR DEPARTMENT, 28th January, 1800.

JAMES M'HENRY, Secretary of War.

No. 7.

COMMITTEE ROOM, January 23d, 1800.

The Committee of Ways and Means, sir, having turned their attention to the amount of the supply which will be required for the various branches of the public service, during the present year, find, in the estimates which have been laid before them, an item of \$600,000 for the six seventy-four gun ships, ordered by an act of the last session. They also find, that, of the former appropriation for that object, amounting to \$1,000,000, there remained, at the beginning of this year, an unexpended balance of \$700,000. It appearing doubtful whether it will be expedient to hasten the building of those ships, so much as to require, for the present year, an expenditure beyond the amount of that balance, and, consequently, whether the good of the service will require any additional appropriation for that object, at this time, I have the honor of requesting that you will be so good as to furnish me, for the use of the committee, with your opinion on that point. I am persuaded that it would be gratifying to the committee to be favored, also, with a statement of the facts and reasons whereon that opinion may be founded.

I have the honor to be, with sentiments of very high respect, sir, your most obedient very humble servant,

ROBERT G. HARPER.

The Honorable the Secretary of the Navy.

No. 8.

NAVY DEPARTMENT, 8th February, 1800.

SIR:

The live oak frames for the six 74 gun ships will cost, delivered at the building places, \$300,000; the other timber will cost \$180,000. The necessary preparations at each yard, for building, not only these, but ships that may be hereafter authorized, securing the timber for seasoning, purchasing sufficient ground for capacious building yards, where the timber can be deposited in order, so as to avoid considerable expense in piling and unpiling, to get at the particular pieces wanted, will cost 200,000—making \$680,000.

The greater part of these expenses are already incurred, and the whole must be incurred early in the spring. This amount added to the cost of the six small vessels to be built out of the appropriation of one million of dollars,

being \$300,000, will absorb nearly the million of dollars appropriated for these objects. The sums which have been advanced, and must be advanced for copper, will amount to more than the difference, but there may be a saving in the expense of preparing the yards.

It is for the wisdom of Congress to determine whether we shall stop here, or go on, rapidly, in building the six 74 gun ships. In the latter case, \$600,000 dollars will be wanted for these ships, in the present year. But, if we may safely wait until the timber for the ships is properly seasoned, they will be infinitely better, and more durable, by many years, than if they are now built with timber cut from the woods only in the present winter, and, consequently, in a very green state; and if we can so wait, this \$600,000 will not be wanted for the present year.

If we stop here, we shall always be in a situation to lay the keels, and to proceed with such rapidity in building the ships, as to afford ground to hope that they may be sent to sea in less than a year from the commencement of the building.

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

BENJAMIN STODDERT.

Hon. R. G. HARPER,
Chairman of the Committee of Ways and Means.

6th CONGRESS.]

No. 148.

[1st Session.]

MINT.

COMMUNICATED TO THE SENATE, MARCH 14, 1800.

Mr. HILLHOUSE, from the Committee to whom was referred the message of the President of the United States, of the 8th day of January, 1800, together with the report of the Director of the Mint, of the 1st of January last, made the following report:

That the existing law requires the removal of the mint to the permanent seat of Government; that such removal would, in many respects, be inconvenient; but the policy of keeping up that establishment, in a situation where its operations will not be under the immediate superintendence and direction of the principal officers of Government, is questionable.

It appears by official reports, that, on the 31st of December, 1799, there had been coined and issued from the mint, since its first establishment, 696,530 dollars in gold; 1,216,158 dollars and 75 cents in silver; and in copper, 50,111 dollars and 42 cents; amounting in the whole, to 1,962,800 dollars and 17 cents. That the expense, during the same period, has been 213,336 dollars and 2 cents, of which sum there has been reimbursed, by the payment of cents and half cents, into the treasury, 48,041 dollars 42 cents; leaving a balance of 165,294 dollars 60 cents—an expense, in the opinion of the committee, disproportionate to the advantage which has been derived from a circulation of the coins of the United States, which have been very limited, and mostly confined to places in the vicinity of the mint.

To furnish coin sufficient for a circulating medium, throughout the United States, would be impracticable, unless the powers of the mint should be greatly increased, and the practice of melting down the coin, and the exportation to foreign countries, prevented; which may be done by debasing the coin—a measure which the committee cannot recommend.

The providing a fixed and permanent standard, by which the value of property, contracts for money, and foreign coins, shall be regulated, is an object of great importance. This may be effectually done without the aid of a permanent mint establishment: for it is not an indispensable requisite, that the whole circulating medium should be of the coins of the United States. Wholly to exclude foreign coins from circulation, if not impracticable, would be attended with great inconvenience, especially in the extreme parts of the Union.

The banks afford the most effectual guard against the circulation of base coin; a regard to their own interest will induce caution, and such coin will not be there received for more than its intrinsic value; which will fix the rate at which it will have a currency. An authority might be, by law, vested in the bank, for ascertaining the intrinsic value of coins of a new impression, by assaying them at the expense of the United States: for these purposes the present mint establishment cannot be necessary.

Causes, in their nature temporary, have, hitherto, furnished a great proportion of the bullion which has been coined at the mint, and the committee do not discover any mode which can in future be relied on, for furnishing a regular and certain supply, but that of prohibiting the circulation of foreign coins, and converting them into bullion, which seems to have been the mode contemplated. In addition to the inconvenience attending this measure, the Committee are strongly impressed with an apprehension, that it will be ineffectual, unless the transporting bullion to the mint, and the replacing the value in coin, is to be at the risk and expense of the United States: for the difference in value, between bullion and coin, will be so small, that no individual would be induced to take upon himself the risk and expense. And the vast extent of the territory of the United States, the foreign commerce which is carried on from the various ports, almost wholly disconnected from, and independent of each other, and there being no place where the trade of this country is, or can be concentrated, will always make that risk and expense an object of no small importance.

The furnishing a supply of cents and half cents, sufficient for circulation, would, in the opinion of the committee, be a desirable object, but they are well satisfied that the mint, upon its present establishment, will not furnish such supply. The efforts of almost seven years have done very little towards it. Perhaps a more economical, and the most effectual mode, would be by contract.

Though the coining of gold and silver may, at times, be deemed expedient, there will still remain a doubt as to the propriety of keeping up the present mint establishment. And the Committee have no hesitation in declaring it as their opinion that a plan may be devised, which will be more eligible, and better comport with economy, and the interest of the United States, for securing every object of importance in relation to a national coin.

As the removal of the mint must be attended with expense, and probably a derangement of many of the officers, if a change of the system is to take place, the present is beyond a doubt the most convenient time for effecting it.

The Committee, therefore, recommend the following resolutions:

Resolved, That a committee be appointed to bring in a bill for repealing the first section of the act, entitled "An act establishing a mint, and regulating the coins of the United States," and such other sections and parts of sections of said act, and other acts, as relate to the establishment of a mint, and to provide for taking care of the materials and property appertaining to the mint, and which belong to the United States.

Resolved, That the Secretary of the Treasury be directed to report a plan for furnishing the United States with cents and half cents, and such other coins as shall be deemed necessary or expedient.