

A variety of modifications of the existing duties might be proposed; but as their principal object would be the improvement of the system of collection, by means of a new classification of the articles, without intending, thereby, to produce any considerable augmentation of the revenue, they are at this time omitted. Materials for a report on this subject are preparing, but it cannot be completed during the present session.

With respect to a general augmentation of the duties on imports, I conceive it to be my duty to observe, that the average rate already imposed, exceeds sixteen per centum *ad valorem*; that the last advance of the duties was made at a time when the commerce of the United States was far from being in a natural state; that the temptations to illicit trade will increase in proportion to any reduction of the general rate of mercantile profit; and that a considerable reduction of this general rate is to be expected, whenever the present war in Europe shall terminate. On these grounds, I conclude that present experience affords no certain data for an opinion respecting the permanent operation of the existing duties.

The domestic manufactures best established, are those of leather, iron, flax, potters' wares, including bricks, ardent spirits, malt liquors, cider, paper of all kinds, hats, stuff and silk shoes, refined sugars, spermaceti and tallow candles, copper, brass, and tin wares, carriages, cabinet wares, snuff, gunpowder, and salt.

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

OLIVER WOLCOTT, *Secretary of the Treasury.*

The Hon. WILLIAM SMITH, Esq.

Chairman of the Committee of Ways and Means.

4th CONGRESS.]

No. 110.

[2d SESSION.]

REDUCTION OF DUTIES ON COCOA.

COMMUNICATED TO THE HOUSE OF REPRESENTATIVES, FEBRUARY 8, 1797.

Mr. SWANWICK, from the Committee on Commerce and Manufactures, to whom was referred a memorial of sundry manufacturers of chocolate, made the following report:

That the petitioners complain of a hardship under which their manufactory labors, in consequence of the high duty laid on cocoa, which is the chief article in the composition of chocolate, and for the drawback of which, on the exportation of the chocolate, no provision is made.

The committee conceive that it would be impracticable to provide a regulation for allowing a drawback of the duty paid on cocoa, upon the exportation of it, in chocolate, without exposing the revenue to great danger of fraud and imposition.

The duty on this article, first laid by an act of the fourteenth of July, 1789, was at the rate of one cent per pound. By an act of the tenth of August, 1790, when that on many other articles was altered, it was continued at the same rate. By an act of the second of May, 1792, two cents were laid on cocoa, in lieu of one; and, by an act of the 7th of June, 1794, the duty was raised to four cents a pound.

The committee are of opinion that as much revenue was received from the article, while at two cents, as has been derived from it since the duty was raised to four; the increased duty having operated, if not to discourage the importation, to produce this effect, by causing an export of it before manufactured; and that the manufactory has, in consequence, been unreasonably oppressed, without benefit to the public revenue.

The committee are aware that objections might arise to a proposition of repealing the additional duty, on the ground of its being, among others, pledged and appropriated to certain purposes, not yet effected by the act of March 3d, 1795; yet, presuming that the House of Representatives have it in contemplation to lay some further impost duties, at the present session, which might be deemed a substitute for this, they recommend that the House adopt the following resolution:

Resolved, That the additional duty of two cents per pound, on cocoa, laid by the act of June 7th, 1794, ought to be repealed, from and after the — day of — next.

4th CONGRESS.]

No. 111.

[2d SESSION.]

MINT.

COMMUNICATED TO THE HOUSE OF REPRESENTATIVES, FEBRUARY 13, 1797.

Mr. HAVENS made the following report:

The Committee to whom it was referred to examine and report their opinion on the report of the Director of the Mint, communicated to the House by the Secretary of State, and suggesting the expediency of some alterations in its establishment, to render it less expensive to the public, and more accommodating to depositors, report:

That, by the act for the establishment of the mint, which was passed in April, 1792, no provision was made for purchasing gold and silver bullion, in behalf of the public, and replacing the capital that might be employed for that purpose, by the coins that might be produced from it, excepting that, in one case, it was provided that it should be optional for the depositors and the director of the mint to exchange coins of the United States for standard bullion, with a deduction of one half per cent. from the weight of the pure gold and silver that might be contained in the bullion, as an indemnification to the public for the loss that would be sustained by advancing the money for the time that would be necessarily required for coining it, and the Secretary of the Treasury was authorized to make the necessary advances for this purpose, whenever the state of the treasury would admit of it; but the great and continual demands upon the treasury for disbursements on other accounts, and the loss that would arise to the public by the delay that would frequently take place in coining, may be fairly assigned as the reasons why this provision in the law has never produced any effect, similar to that of purchasing bullion at its market price, and coining it in behalf of the public. It appears, however, by this act for regulating foreign coins, which was passed in February, 1793, that it was then intended to give some further employment to the mint, in coining the precious metals, than had before been provided for, at the time of its first establishment: for, this act provides that, at the expiration of three years next ensuing, the time when the coinage of gold and silver should commence at the mint, agreeably to the act for its establishment, which time should be announced by the proclamation of the President of the United