

CONGRESS.

HOUSE OF REPRESENTATIVES, February 28.
REPORT

Of 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 existing laws. For this purpose was written to the Secretary of the Treasury, the letter, of which a copy [No. I.] together with his answer [No. II.] and the estimate requested [No. III.] 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 million 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. IV.) 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 hereto 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 expenditures 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 the expenditure, leaves a balance of four millions, four 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 million, 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 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 in-

terest 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 means 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. 6, 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 receipt and expenditures for the last quarter of the last year, as far as they can at present be 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 honour to be, Sir, your obedient servant.

ROBERT G. HARPER.

The Hon. the Secretary of the Treasury.

(No. 2.)

Letter from the Secretary of the Treasury.

Treasury Department, Jan. 22, 1800.

SIR,

I have the honor to transmit herewith three statements, which have been prepared in compliance with the request of the committee of ways and means—

1st. An estimate of the revenue and expenditures of the year 1800, according to existing laws.

2d. A statement of the receipts and expenditure of the United States, from the 1st of October to the 31st December 1799.

3d. A statement of the loans made by the Bank of the United States, exhibiting the sums remaining unpaid.

Various enquiries having lately been made respecting the public debt, I have judged it expedient to state the capitals of the different stocks, at the close of the last year.

The following debts have been incurred and remain unpaid, in consequence of expenditures authorized by Congress, under the present constitution of the United States.

The balance due to the Bank of the United States, being

	Dollars.
	3,640,000
From which deduct the cost 2220 shares, which are held by the United States,	888,000
	2,752,000

The amount of 6 per cent. stock, issued pursuant to an act of Congress passed on the 31st May, 1796; the proceeds of which were applied towards the payment of a loan obtained of the bank of New-York. 80,000

The 8 per cent. stock issued in 1799, pursuant to an act passed on the 16th July, '98. 5,000,000

The 6 per cent. navy stock, issued in 1799, pursuant to an act passed on the 30th June, 1793. 109,200

There will be issued of 6 per cent. navy stock, in payment, for ships now preparing for service, which may be deemed a debt already incurred, though not liquidated about 820,000

Amounting in the whole to, 8,761,200

The following sums may be properly opposed to the debts above enumerated.

The sums of stock purchased and redeemed, the interest whereon is vested in the trustees of the sinking fund, 4,704,219 60

The sums reimbursed on the 1st of Jan. 1800 of the principal of the 6 per cent. stock, pursuant to the act of March 3d, 1795; computed at 2,540,641 90

Amounting to 7,244,861 50

The principal debt of the United States, has therefore increased, since the establishment of the present government, the sum of one million five hundred and sixteen thousand three hundred and thirty eight dollars and fifty cents.

I have the honor to be, with the greatest

Respect, Sir, your obedient servant,

OLIVER WOLCOTT.

To the Hon. Robert Goodloe Harper, Esq. Chair-

man of the committee of ways and means.

(No. 3. is an estimate of the expenditure and revenue of the United States, during the year 1800; the former is estimated at

	Dols.	cts.
	10,312,585 51	5,393,034 22

The latter at

Leaving the balance to be provided for about

	5,091,775 60	15,393,035 11
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dated Treasury Department, Jan. 22d, 1800, and signed OLIVER WOLCOTT, Secretary of the Treasury.)

(No. 4.)

Committee Room, January 23, 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.

With sentiments of very high respect, I have the honour to be, Sir, your most obedient very humble servant,

(Signed) ROBERT G. HARPER.

The Hon. the Secretary at War.

(No. 5.)

War Department, 30th Jan. 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 monies, in either of the events of 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 the recruits or suspend further enlistments. There are in New Hampshire 4 recruiting rendezvous, in Vermont 3, Rhode Island 3, Massachusetts 20, Connecticut 10, New-York 10, New Jersey 6, Pennsylvania 13, Delaware 1, Maryland 10, Virginia 20, North Carolina 9, South-Carolina 6, Georgia 2, Kentucky 2, and Tennessee 1.

2. 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.

3. 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 cloathing, 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 deposit 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. }

[The estimate accompanying this letter amounts to 3,005,076 dollars 85 cents.]

(No. 7.)

Committee Room January 3d, 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, and in the estimates which have been laid before them, an item of 600,000 dollars for the six seventy four gun ships or-