11th CONGRESS.

No. 301.

[1st Session.

STATE OF THE FINANCES.

COMMUNICATED TO THE SENATE, ON THE 2D OF JUNE, 1809.

In obedience to the directions of the act supplementary to the act, entitled "An act to establish the Treasury Department," the Secretary of the Treasury respectfully submits the following report:

The nett revenue arising from duties on merchandise and tonnage, which accrued during the year 1807, amounted, as appeared by the last annual statement, to \$16,060,000 A correct statement of that revenue, for the year 1808, cannot be prepared at this time, but may be estimated, as will appear by the estimate A, to about 10,270,000 The revenue arising from the same sources, which accrued during the first quarter of this year, did not much exceed one million of dollars; and although considerable importations may be expected from Great Britain and the West Indies, during the last six months of this year, yet, considering that there will be no arrivals from China and the East Indies, and the situation of the commercial intercourse of the United States with the rest of the world, it is not probable that the revenue, accruing during the year 1809, will exceed that of the year 1808. The specie in the treasury, on the 1st October, 1808, amounted to \$13,846,717 52
And the receipts, during the last three months of that year, as appears by the statement B, to 3,586,316 99
\$17,433,034 51
The disbursements, during the same period, have amounted, including 6,105,000 dollars paid in reimbursement of the principal of the public debt, to Leaving a balance in the treasury, on the 1st January, 1809, of
\$17,433,034 51
The cash in the hands of Collectors and Receivers, and the outstanding revenue bonds, amounted, on the 1st January, 1809, to From which, deducting for the expenses of collection and for the drawbacks payable during the year 1809,
Leaves, for the probable receipts of the year 1809, exclusively of the inconsiderable sums which may be received on account of the revenue accruing during that year, a sum of Making, together with the balance in the treasury, on the 1st of January, 1809, of 9,941,000
An aggregate of sixteen millions eight hundred and twenty-one thousand dollars, applicable to the expenditures of this year,
The expenses of the year 1809 are, in conformity with the existing appropriations, estimated at fourteen millions five hundred thousand dollars, consisting of the following items:
Civil list, including the expenses of this session of Congress, miscellaneous expenses and foreign in- tercourse,
Appropriation for the army and Indian department,
Naval department, this year's appropriation, Public debt. (1.547,000 of the appropriation of 8,000,000 of dollars for the year 1809 having been paid

Public debt, (1,547,000 of the appropriation of 8,000,000 of dollars for the year 1809 having been paid in advance in the year 1808, in order to effect the reimbursement of the whole of the 8 per cent. stock) •

6,453,000

\$14,500,000

It must, however, be observed, that the estimate of the sums, payable in the course of this year, on account of drawbacks, is conjectural; and that the exportations, particularly of colonial produce, would, if the restrictions laid by the continental Powers of Europe on neutral commerce were removed, produce a much greater defalcation in the nett receipts into the treasury, than the sum assumed in the preceding estimate. In order to guard against any the nett receipts into the treasury, than the sum assumed in the preceding estimate. In order to guard against any incovenience arising from that contingency, and for the purpose of keeping always a moderate sum in the treasury, it may be necessary to borrow a sum equal to the amount of the principal of public debt which will be reimbursed during the year, and which will exceed three millions of dollars. By the 10th and 19th sections of the act making further provision for the support of public credit, and for the redemption of the public debt, passed on the 3d of March, 1795, the commissioners of the sinking fund are authorized, from time to time, to borrow, and the Bank of the United States to lend, sums equal to the reimbursement of the public debt.

public debt. But some doubts having arisen whether the powers vested by those two sections are applicable to the new six per cent. stocks, issued by virtue of the act of February 11th, 1807, in exchange of the old six per cent. deferred, and three per cent. stocks, it is desirable that the authority should be expressly extended, by law, to that case; and no other provision seems necessary for the public service of this year.

It would be premature to attempt, at this time, an estimate of the receipts and expenditures of the year 1810. It is sufficient to observe, that, although the receipts may exceed those of the present year, it is highly improbable that they should be equal to the expenditures of that year, which, unless the military and naval establishments should be reduced, will amount to sixteen millions of dollars. But it is believed that the revenue will, after that year, be adequate to discharge the annual expenses.

All which is respectfully submitted.

ALBERT GALLATIN.

TREASURY DEPARTMENT, June 1st, 1809.

A.

An Estimate of the duties which accrued on merchandise, tonnage, and passports, of debentures issued for drawback on foreign merchandise exported, of payments for bounties and allowances, and for the expenses of collection, during the year 1808.

1808.	DUTIES ON			Debentures	Bounties and	Gross Reve-	Expenses of	Nett Reve-
	Merchandise.	Tonnage.	Passports.	issued. (a)	Allowances.	nue.	Collection.	nue.
1st quarter, 2d quarter, 3d quarter, 4th quarter,	\$4,285,766 3,124,217 1,867,069 1,878,991	\$32,607 31,151 26,923 29,116	\$166 - 212 - 98	\$198,895 30,244 14,259 4,851	\$185,395 5,640 3,608 2,052	\$3,934,249 3,119,484 1,876,337 1,901,302	\$154,874 120,519 142,995 142,530	\$3,779,375 2,998,965 1,733,342 1,758,772
	11,156,043	119,797	476	248,249	196,695	10,831,372	560,918	10,270,454

(a) On account of drawbacks for exportations made prior to the embargo.

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DR. Account of the Receipts and Expenditures of the United States, from the 1st October to the 31st Dec. 1808. CR.

To expenditures under the following heads, viz: Civil department, Comprising compensation to the President, Vice President, Senate, and House of Re- presentatives, Judges, Officers of Govern- ment, Commissioners of Loans, &c. <i>Miscellaneous.</i> Surveys of public lands, - 5,069 81 Public buildings in the city of	178,275 62	1808. October 1. By balance in the hands of the Trea- surer this day, 13,847,835 26 Deduct warrants drawn prior to that day, and which then remained un- paid, 1,117 74 By receipts into the treasury from Duties on imports and tonnage, Duties on stills, and other inter- nal revenue,	13,846,717 52 3,409,638 43 959 59
Public buildings in the city of Washington, 15,500 00		Direct Tax.	909 D V

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Light house establishment, - 17,616 54 Miscellaneous expenses, - 2,973 01 Ascertaining land titles in Louisi- ana,	66,938 78	From the supervisors of the follow- ing districts: Kentucky, 1,700 00 South Carolina, - 611 09 <i>Public Lands.</i> From- Zaccheus Biggs, Steu- benville, - 34,569 73 Peter Wilson, do. 1,199 76 Levi Barber, Marietta, 3,248 72 Jas. Findlay, Cincinnati, 25,405 75 Sam'l Finley, Chillicothe, 5,920 09 Isaac Van Horne, Zanes- ville, 8,630 41 Nathaniel Ewing, Vin- cennes, 406 98 Lemuel Henry, fort St.	2,311 09
American claims assumed under the second convention with France,	60,294 90	Stephens, 620 00 John Sloane, Canton, 12,571 55 John Henderson, Wash- ington, Mississippi ter- ritory, 500 00 Fees on letters patent-from Thos. T. Tucker, Treasurer of the United States,	93,072 9 9 900 00
Military department, - 216,190 40 Arming and equipping the militia, 100,000 00 Fortifications of ports and harbors, 300,000 00 Trading houses with the Indians, 750 00	616,940 40	Cents and half cents coined at the mint—from Benj'n Rush, trea- surer of the mint, - Stamp duties and penalties—from David Gelston, collector, New York, -	2,860 35 10 25

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	101,567 80 - 5,000 00	404,067 80	Repayments. From— Jonathan Burrall, agent for purchasing stock, 10,573 7 George Simpson, do. 16,019 3 Peter Roe Dalton, do. 41,881 2 Edmund Randolph, for- merly Sec'tary of State, 4,500 (4 4
 Interest and reimbursement of the domestic debt, paid from the customs, Appropriation of moneys arising from interest on stock purchased and redeemed, Appropriation of moneys arising from the sales of public lands, Interest on Louisiana stock, 129,036 78 Dutch debt, 1,640 00 Balance in the hands of the Treasurer on the 1st of January, 1809, Deduct warrants drawn prior to that day, and which then remained unpaid, 	5,128,589 84 305,047 38 600,508 29 130,676 78 9,941,779 96 85 24	6,164,822 29 9,941,694 72	Daniel Brent, agent for defraying certain ex- penses relative to trea- ties with Mediterra- nean Powers, - 1,612 9 Samuel A. Otis, agent for paying the contingent expenses of the Senate, 1,110 0 Thomas Claxton, agent for procuring furniture for the south wing of the Capitol, - 7 4 Maria Beckley and Ma- ria Prince, executrixes of Jno. Beckley, late agent for paying the contingent expenses of the House of Represen- tatives, - 859 0	3
		\$17,433,034 51		\$17,433,034 51

ACCOUNT-Continued.

TREASURY DEPARTMENT, Register's Office, May 31, 1809.

JOSEPH NOURSE, Register.

11th CONGRESS. 7

No. 302.

[1st Session.

PROTECTION TO MANUFACTURES.

COMMUNICATED TO THE HOUSE OF REPRESENTATIVES, JUNE 7, 1809.

To the Honorable the Congress of the United States, the petition of the subscribers, manufacturers of hemp into linen, and inhabitants of the State of Kentucky, respectfully showeth:

The subscribers having, since the passage of the acts commonly called the "embargo" and "non-importation acts," engaged in the manufacture of hemp into linen, and many of them having expended great part of their respective capitals in preparing machinery and erecting buildings to carry on the same, beg leave, upon the approach of a new state of affairs, to call their situation to the attention of your honorable body. Whilst they rejoice, in com-mon with their fellow citizens, that the returning sense of justice of one of the great belligerent Powers of Europe, as displayed in some recent communications to our Government, affords a hope that our country may esaape the calamities of war, they must be permitted to state that this cause of national rejoicing will, in all human probability. be greatly oppressive to them. Their establishments have grown out of our differences with foreign nations. The "non-importation act," which passed, as your petitioners always understood, as much to change the direction of some of the national capital from commercial to manufacturing pursuits, as with a view to bring a great foreign Power to a sense of justice, by prohibiting the introduction of coarse linen, &c. into the United States, gave being to their manufactories; and with the further patronage of your honorable body, will, beyond all doubt, rapidly increase in the Western country. Already there is manufactured, in Kentucky, a quantity of baling linen sufficient for the consumption of the greater part of the cotton country; other manufactories are erecting, and several citizens are extending their views to finer linens and sail cloth. Such, however, is the superiority of European capital and arts; such the cheapness of labor in Great Britain and Ireland; such the aid given there to manufactures by bounties from the Government; such the obstacles which an American manufacturer has to combat and overcome; and such the lessons furnished by experience; that your petitioners forebode the annihilation of their respective establish-ments, unless some aid is afforded them, at this moment, by the interposition of Congress.

That this protection of your honorable body will be given to them at the present moment, they are the more persuaded, when they review the proceedings of every Congress which has sat, since the formation of the federal constitution. Every law which has been enacted; every declaration which has come to the People, from that quarter; has shown it to be the wish of Congress to make the United States independent of the world, as to articles of the first necessity, as she is in her political rights as a nation. And for this purpose Congress have laid duties upon all raw or manufactured articles, to an extent sufficient to prohibit their importation, whenever it was ascertained that the country could produce a sufficiency for home consumption. And, in some instances, protecting duties have been laid with such efficacy, as not only to produce internal manufactures, sufficient for the supply of the demand at home. but to become, also, articles of considerable amount in the scale of our exports.

Not merely, however, have Congress, in laying prohibitory or protecting duties, evinced a disposition to encourage this species of domestic industry, but that body has also granted bounties to encourage the industry of an isolated part of the Union-a species of industry, too, in which but a small portion of the citizens could participate-the fisheries. Far be it from the subscribers to repine at a policy of this kind, because it could not have an operation upon them. or affect the great mass of the People. They have no such views: for, they well know that the United States com.