

By THE SENATE, JANUARY 21, 1785.

GENTLEMEN,

SUPPOSING your bill to impose duties on certain enumerated articles imported into and exported out of this state, and on all other goods, wares, and merchandise, imported into this state, might be considered so much of the nature of a money bill, as to prevent this house from a right to propose amendments, and wishing to avoid every occasion of dispute between the two houses upon the subject of the separate rights of either, we adopted the usual mode of communication to obtain amendments to the bill, by reducing the duty on salt to four-pence per bushel, shortening the continuance of the bill for three years, and striking out every part which relates to imposing a duty on exports, and to add a clause for appropriating the money, or part of it, to congress, for the current year. Having failed in the attempt to obtain these amendments, we were constrained to negative the whole bill, or to adopt those parts which we consider as impolitic. We have dissented to the bill, though very desirous of laying the duties proposed by it upon imports; except on salt; though the duty on this article will perhaps in its operation be more equal than any other, yet we think it too high, and its equality is rather an objection than a recommendation of it; for if indirect taxation is to be as equal as a direct assessment, we see no reason for preferring the first to the last mode of drawing money from the people. Indirect taxation, or laying duties on such articles as are consumed, has been generally adopted, with a view to throw the burthens of government on those who are best able to bear them; pursuing this principle, the articles generally consumed by the rich, ought to pay a higher duty than those in the use of which the poor participate with the rich in a degree proportionate to their circumstances; the duty upon salt, according to this reasoning, ought to be much lower than we proposed to make it; but as it appeared to us that you were desirous of laying a duty on this article, and we wished to gratify your views as far as we could, without laying too heavy a burthen, we proposed fixing the duty on salt as high as could be done, without its being too burthenome. The continuance of the bill we think too long. In matters so important as the regulation of trade, great caution ought to be used, and we ought to know by experience the effect of a system, before we establish it for a length of time. If the regulations are good, there can be little doubt but the act will be continued; if injurious, the sooner they end the better; and although it may be said, that if this act is found by experience to be improper, it may be repealed, we think it is more prudent to depend on the wisdom of both houses, to continue a beneficial law, than on their concurrence to repeal an act which may have effects injurious to commerce, though its immediate tendency is to bring money into the treasury. A commission of four per cent is given by the bill to the naval officers, exclusive of the fees of office. We admit that the naval officers in general, and particularly the naval officer at the port of Baltimore, should be men of character and strict integrity, and therefore that they ought to have a decent support, so as to place them above temptation. The naval officer at Baltimore-town in particular deserves well of this country; the responsibility of his office, the trouble and expences attending its due execution, require that the salary should be liberal; but while we express this opinion, it is our duty to guard against profusion, and to provide against the gradual introduction of lucrative offices, which might injure and corrupt our government in process of time. Not being able to ascertain the fees of office, nor what sum the duties collected in the district of Baltimore, may amount to, we do not pretend to decide on the propriety or impropriety of the commission allowed by the bill; the collection of the duties during three years would furnish the legislature with sufficient data to govern them in the allowance of a commission to be given to the naval officers at the expiration of that time; and therefore we wish the continuance of the law to be restricted to three years; the objections to these parts of your bill we think weighty; but the duties on exports we consider altogether inadmissible at present. It has generally been thought impolitic to lay duties on the export of commodities produced in any country, especially where the same kind of commodities are produced in other states which trade in the same channel, and the commodities produced by all are amply sufficient for the demand; for as in this case the commodities will sell at foreign markets at an equal price, the merchant will estimate the duty in the price given, and of course the duty will fall on the maker, and not the consumer, of the commodity; and thus the incentive to industry will be less in the states imposing a duty, than in those where no duty is laid, or it may induce the citizens of the state where a duty is laid, who live convenient, to use the ports of a neighbouring state, and thus the advantages of shipping will be lost. Consider what effects a duty on wheat and flour exported from this state would have. We have understood, that the supply of those articles from this to foreign countries have for some time been so considerable, and of consequence the price so low, that the exporter has lost money by them; there is no duty on those articles that we know of in the neighbouring states, from which great quantities are exported; we conceive, that should we impose even the duties intended by your bill, before a similar duty is laid by the neighbouring states, the ill effects above stated would be in proportion to the duty imposed. And although it may be said, that the articles of wheat and flour are generally higher in price in Pennsylvania than in Maryland, it may be answered, that this difference of price in the article is made up by savings and other conveniences to the merchant in shipping from their ports, so that the commodity, when it gets to foreign markets, costs him no more exported from Pennsylvania than from Maryland. We believe the price of wheat and flour is less in Virginia than in Maryland, and the convenience of exportation in favour of this state. Some of these objections do not apply to laying a duty on tobacco; the demand for this article being great, the produce being confined in

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