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SPEECH
OF THE
RIGHT HON. F. J. ROBINSON,
Chancellor of the Exchequer,
ON THE
FINANCIAL SITUATION OF THE COUNTRY,
DELIVERED IN
A COMMITTEE OF WAYS AND MEANS,
ON MONDAY, THE 13TH OF MARCH, 1826.
TO WHICH IS ADDED,
AN APPENDIX,
CONTAINING VARIOUS ACCOUNTS REFERRED TO.

LONDON:
JOHN HATCHARD AND SON,
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MDCCCXXVI.

THE SPEECH

&c.

Mr. BROGDEN,

ALTHOUGH, Sir, the circumstances under which we are now called upon to review the situation of our finances, differ in some material respects from those which existed at the corresponding period of the last year, yet there is nothing, in my mind, in the present aspect of public affairs, which ought to create either alarm or despondency. There may be grounds, and no doubt there are grounds, for much of individual sympathy for the severe distress which recent events have brought upon many classes of the community; and it is impossible that the causes which have tended to produce that distress should not, at the same time, be accompanied by much public inconvenience and embarrassment. But, Sir, I think I may venture to say, that the violence of the

storm has passed away; that the clouds which impended over us have begun to disperse; and that, by the very conflict of the elements, the atmosphere has, to a certain degree, been cleared and purified.

If, indeed, there were any thing doubtful in the situation in which we now stand, and in the difficulties by which we have been so recently surrounded;—if there were any thing obscure or mysterious in their nature;—if they had arisen from causes beyond our comprehension;—then, indeed, there might be much more reason for uneasiness than appears to me to exist at the present moment. But in all the discussions which have taken place in Parliament upon this subject in the course of the present session,—although there has undoubtedly been a great difference of opinion as to the precise extent to which different causes may have operated to produce certain results, there has prevailed among us, I think, but one sentiment as to the general nature of those causes, and as to their general operation in producing such consequences. I confess, therefore, that to my mind, this circumstance is a source of no ordinary consolation.

In the course, however, of these discussions, there has been, in my opinion, a great deal of very unnecessary contest between those who are sneeringly denominated philosophers, and those who designate themselves by the more humble title

of practical men. I call it "unnecessary contest," because I consider it to be the bounden duty of the Legislature to endeavour at all times to render available the sound reasoning and theory of one class, by applying to them the practical experience of the other. It is only by a just application of the lessons of experience to the development of sound principles, that Parliament can be enabled to determine upon its course; it is only by a judicious combination of these, the two elements of all wise conclusions, that the House and the public can be empowered to form a just estimate of the situation in which the country may be placed, and to arrive at an accurate and satisfactory decision. But, if those who have to prepare their minds for the consideration, or for the determination of subjects of this nature, are to be told that books must be thrown aside, and elementary reasoning rejected, I know not at what fountain they are to drink, if they are to be driven from those springs where science and knowledge are the presiding deities. And, Sir, when we find that in every class of the community knowledge has extended, and is extending itself to a degree, which but half a century ago, would have been deemed impossible, are we who sit here, some of us as the Ministers of the Crown, and all of us as united in the important act of legislating for a great country,—are we, I ask, to be behind-hand in availing ourselves of the increasing lights of human intelligence? Is it not

on the contrary, our duty to struggle to be foremost in the race? Knowing, as we do, that the progress of human knowledge must, in the first instance, be gradual and limited, it is our business to take care that, instead of being out-stripped, we lead the way; and, by assisting the judgment of our countrymen, enable them to avoid the errors into which they might otherwise fall, in regard to those great questions which so nearly affect their own, and the national interests. I am aware, Sir, that there are some persons who think this general diffusion of knowledge the misfortune of the age; but, for my own part, I confess that I cannot conceive how that mind can be constituted which contemplates the progress of human knowledge with an eye of fear. On me it produces an impression diametrically the reverse. I am convinced, that the more accurately the mass of the people is informed, the more they are in a condition to see and comprehend what is essential for their good, and the means by which that good is to be attained; the more likely are they to abstain from the use of means which would be prejudicial in their operation, and which would be calculated to prevent, rather than to forward the attainment of the good which they naturally desire to possess. If then, all men (I was going to use that despised term, all philosophers) are agreed in the maxim, that "knowledge is power," the general diffusion of knowledge becomes of incalculable value to a nation; for if, with

reference to our present difficulties, and to all difficulties of a similar kind in which we may be placed hereafter, we find the people at large, if we find the Legislature in accordance with the people, and if we find the Government in accordance with the Legislature—all building their conclusions on sound principles, all proceeding on the foundation of correct reasoning, I confess I think we may treat with comparative indifference the recurrence of the dangers by which we have lately been assailed; partly, because the chance of their recurrence will be diminished, and partly, because, if they should recur, we shall know better how to meet them.

Sir, it is under these circumstances that we are called upon to look at the situation in which our finances now stand, and to consider what are the prospects of the country for the future. I think, however, that before I can satisfactorily proceed to explain the view which His Majesty's Government takes of what it is fitting to do under existing circumstances, I ought to recal the attention of the Committee to the course which has been pursued with respect to our financial system during the last two or three years. And I am the more anxious to do this because I have been reproached,—and reproached in no very equivocal terms,—with having, on former occasions, used warmer language than I ought to have used, and with having contributed by that language to the production of much of that mischief

which we all so deeply deplore. Sir, it may be true, it undoubtedly is true, that in adverting to the situation of the country in the last few years, during which it has been my lot to have any concern in matters of this kind, I have used strong expressions of congratulation. It is true, I say, that, on such occasions, I have described the country as in a condition of prosperity. And, Sir, I do not now regret that language; I do not now depart from that declaration; for surely the country is not to be considered in a state of decadence because some untoward circumstances may have occurred, to interrupt her progress, and even throw her back, for the moment, in her course. But this I will venture to add, that however I may have erred in the terms which I have employed; however, from the delight which every honest man must feel in seeing his native land flourishing and happy, I may have congratulated the House on the result with more of earnest warmth than of calculating hesitation, I have, in no case, stated any thing as fact but that which was strictly true: and, I think I can satisfy the Committee, upon a reference to what I have led them to expect during the last three years, and to the results which have actually ensued, not only that I have not intentionally deceived the country (though that, indeed, has, I believe, not been imputed to me) but that no deception at all has been practised.

When, in the year 1823, it first became my duty to submit to the House a view of our finances, I ventured to assume that, in the course of that year, a certain amount of revenue would be realised; and allow me to ask, What was the result? It was found that my estimate, not formed upon any over-confident anticipation of improvement and increase, but upon the plain and simple basis of the revenue which had been already received, was far below the actual amount. I assumed, in that year, that the Customs, the Excise, the Stamp Duties, the Assessed Taxes, and sundry miscellaneous items, would produce an income of £52,200,000. In the course of that session, we repealed taxes to the amount of about £3,200,000; of that sum I calculated that about a million and a half would be lost to the revenue in the course of 1823; so that in point of fact, my original estimate would have been borne out, if the receipts had been £1,500,000 less than £52,200,000. Now, what was the result? Why, that the actual revenue, after sustaining the loss that I have mentioned, amounted to £52,017,000; being less by £183,000, only than my first estimate; and exceeding, by £1,318,000, what would have been sufficient to realise my anticipations, after the reduction of taxes had been adopted. In regard to the year 1823, therefore, it is clear that I held out no expectations which were not

justified by the event. And if the Committee will examine the accounts for the following year, they will be led to the same conclusion. In the year 1824, I estimated the probable produce of the revenue at £.51,265,000. In the course of that session, however, taxes were repealed to a very considerable amount; and I calculated that the loss which the revenue would immediately sustain in consequence, would be £.630,000. But what was the fact? The actual receipts of the year, notwithstanding such a reduction of taxes, were considerably beyond the original estimate which I had formed: for, the estimate being £.51,265,000, the actual produce was £.52,562,000; being an excess of nearly £.1,300,000. Again, in 1825, I assumed that the revenue derived from the same sources would be £.51,975,000. From the repeal of taxes, subsequently enacted, I expected that in the course of that year the loss upon that assumed amount would be about £.650,000. Yet, the actual receipt, notwithstanding the defalcation occasioned by that cause, and by the commercial difficulties and pressure that began to be felt at the latter end of the year 1825, was £.52,259,000; or, £.284,000 above my original estimate in the statement of the Budget; an estimate founded upon an hypothesis which had no reference to any reduction of taxes in the course of that year.

The result of all these statements is this:

The estimated revenue for 1823 was		£.52,200,000
	1824	51,265,000
	1825	51,975,000
	Total	£.155,440,000
The actual receipt for 1823 was		£.52,017,000
	1824	52,562,000
	1825	52,259,000
	Total	£.156,838,000

It thus appears, that in those three years the actual receipts exceeded the estimates by the sum of £.1,398,000; notwithstanding the concomitant repeal of no less than £.8,000,000 of taxes. I say, then, and I say boldly, that I have not erred as to facts; and that I have not been guilty, even involuntarily, of deluding the country by the language which I employed.

Allow me, Sir, here to advert to another point, to which it is material that the attention of the Committee should be called. I have already stated, that in the course of the three years to which I have been alluding, taxes to the amount of £.8,000,000 were repealed. But I think I should give a very imperfect view of the situation of our finances, and of what has been done in respect to them, if I did not request the Committee to go back with

me a little further, namely, to the year 1816, when, after winding up all the expenses of the war, Parliament was enabled to establish and pursue something like a systematic diminution of our burthens. It is very material, Sir, that this subject should be adverted to, because it has been argued, in the course of the present Session, that in fact the reduction in the burthens of the people which has been made since the conclusion of the war, is not worth speaking of; that it is but a feather in the scale, opposed to the general amount of our expenditure; and that it has not been more than sufficient to balance the difference which has taken place in the value of our currency. It has also been maintained, that it is impossible for us to return to a more sound currency (for the purpose of returning to which, measures have lately been, and now are, under the contemplation of Parliament)—that that perilous experiment, as it is described to be, cannot safely be hazarded, unless His Majesty's Ministers are prepared decidedly and essentially to curtail the whole expenditure of the empire at once, inasmuch as it would be impracticable to effect the melioration of our currency, and at the same time continue to levy the amount of taxation of which the Exchequer is at present in the receipt. Sir, I consider these two propositions to be wholly unfounded in fact and in reasoning. I think I shall be able to show the Committee, that there is no ground whatever for the assertion that we have

done nothing,—or rather that we have not done enough. When I say that we cannot justly be charged with not having done enough, I do not by any means wish to be understood that we ought to stop in the course of reduction, where we are; that is far from being my view, or my feeling, on the subject; but I am prepared to prove, that there is no truth in the statement, that we have been doing little or nothing; and just as little in the assertion, that the melioration which we are endeavouring to effect in our currency is inconsistent with the present scale of our expenditure, and the present amount of our taxation.

Adverting, in the first place, to the reduction which has taken place since the year 1816, I will state to the Committee the precise process of the reduction which originated at that period,—the different items on which it has been made—and the principles by which it has been regulated. And, when I have made this statement, I think the Committee will see that Parliament has not been asleep upon its post; that it has not neglected the great duty—for a great duty I must always consider it—of endeavouring, in a time of peace, to relieve the people, as much possible, from the oppressive burdens which have been unavoidably imposed during the continuance of war.

In 1816 (the first year in which any reduction of taxation took place), the Property Tax was repealed. I know very well, Sir, that the repeal of

that tax was effected contrary to the opinion and recommendation of His Majesty's Government. It is undoubtedly true, that under the circumstances of the time, Government was desirous that the Property Tax should be continued for two years longer. The House thought otherwise; they thought it ought to be repealed immediately, and repealed it was. It is not my purpose now to inquire whether Government was right in proposing to retain it, or the House in resolving to take it away; but, at all events, the people gained the advantage of the repeal of a tax, the annual amount of which was no less than £14,320,000. In the same year, the War Malt Duty of £2,790,000 was abandoned; and further relief was afforded, in the diminution of war-customs, duties on tonnage, and coasting duties, to the extent of £828,000. To these are to be added, £35,000, arising from a small reduction of the Assessed Taxes in Ireland, and £315,000 from the diminution of the duty on Malt and Spirits in the same country. The total amount of taxation thus repealed in 1816 was £18,288,000. In the year 1817, partial relief, under the heads of Shop-windows, Husbandry, Horses, &c. was afforded, to the extent of £280,000. In 1818, various assessed taxes were reduced in Ireland, to the amount of £236,000. In 1819, the policy pursued by Parliament was of a different character; and a very considerable addition, to the amount of £3,190,000, was made to

the taxation of the country. In 1820, no alteration whatever took place. In 1821, the repeal of the Agricultural Horse Tax lessened the burdens of the farming class of the people by £480,000. In 1822, the duty upon Malt was reduced one shilling a bushel, and the public were relieved thereby to the amount of £1,400,000. Nearly the whole of the impost upon Salt was also removed, being a reduction of £1,295,000; there was likewise a reduction of half the duty upon Leather, £300,000; the Tonnage duty, £160,000; and the tax upon Hearths and Windows in Ireland, £200,000;—so that the total amount of taxes repealed in the year 1822 was £3,355,000. In 1823, various Assessed Taxes in England were repealed, to the amount of £2,250,000; whilst the relinquishment of the whole of them in Ireland, saved the inhabitants of that country the payment of £100,000. Added to this, was a reduction of the duties on Spirits, both in Ireland and in Scotland, to the extent of £800,000; and a reduction of £50,000 in several minor branches of the Customs. The total relief in 1823, therefore, was £3,200,000. In 1824, the following duties, to the following amount, were diminished: *viz.*—on Rum, £150,000; Coals, £200,000; Law Stamps, £200,000; Wool, £350,000; Silk, £527,000; Union Duties, from 1822, £300,000;—making a total of £1,727,000.—The total repeal in 1825,

was not less than £3,146,000; and it was produced in the following manner:—by the relinquishment of the remainder of the Salt duty, about £200,000; of the duty on Hemp, £100,000; on Coffee and Cocoa, £150,000; on Wine, £900,000; on British Spirits and Rum, £1,250,000; on Cyder, £20,000; on Assessed Taxes, £276,000; and, finally, on Customs, in various minor articles of commerce, £250,000.—Thus, Sir, it appears that the grand total of taxes repealed from 1816 to 1825, amounts to the sum of £30,712,000; from this, however, must be deducted the sum of £3,190,000, being the amount of taxes imposed in 1819, for the purpose of establishing an efficient Sinking Fund: but, taking that sum from the total of £30,712,000, it will leave £27,522,000 as the clear remission of taxation since the year 1816.

Now, Sir, I say with confidence, that the repeal of £27,522,000 of taxes is a substantial and important relief to the country; and that it is impossible for any man in his senses to argue, that this large remission of duties has not mainly contributed to that increased consumption which has itself augmented the revenue. It is very true, that in 1816, if the rates of exchange with foreign countries be taken as the criterion, the value of the currency was depreciated, perhaps to the extent of 5 per cent.; so that the whole reduction of taxes which,

as I have stated, took place in that year, cannot perhaps be looked upon as a clear reduction, since a part of it might be necessary, in order to meet the rectification of the circulating medium; if the depreciation were 5 per cent., then, upon the actual amount of taxation in the year in which it occurred, namely £61,000,000, that portion would amount to about £3,000,000; and if we deduct this £3,000,000 from the £27,552,000 of taxes remitted, it will leave £24,552,000 as the actual reduction of the burdens of the people, since 1816. And, when I assert and prove that actual relief has been afforded to this extent, I know not that it is necessary for me to argue, *a priori*, that it has done good; because I apprehend that the common sense of every man must demonstrate to him that that must be the inevitable consequence. Let us, however, look at it a little in detail; if we deduct the £24,000,000 from £58,000,000, (which would have been the amount of the revenue, after deducting the sum of £3,000,000, to which I have before alluded) the result would leave only £34,000,000 as the produce of the revenue; but the actual receipts of 1825, notwithstanding all the diminutions which I have been describing, were not less than £52,000,000. And how have the £18,000,000, the difference between the two sums, been obtained? solely from the greater means which the people have possessed of consuming the various articles upon which taxes are levied:

and if, Sir, we were to try this question by the test of the feelings of the people who had to pay the taxes, I ask whether we should not find that the remission of them had given the liveliest satisfaction? I see in his place the Honourable Member for Wareham, who so actively and successfully exerted himself to effect the repeal of the duty on salt. The ground which that Honourable Gentleman stated, and truly and clearly stated, for that repeal, was, the severity with which the duty upon salt pressed on the poor man. Ask the poor man, now that he has no duty to pay upon salt, whether, when he comes to sum up the amount of the charges for his maintenance and comfort, he does not feel better satisfied, and more at his ease? He will tell you that he is greatly obliged to the Honourable Member for Wareham, for having been the means of inducing the House to repeal that tax. I should like, Sir, to ask the 171,000 persons who were last year relieved from the payment of the house-tax, or the 625,000 persons who were last year exempted from the window-tax, if they have derived no practical benefit from those reductions, and if they do not feel grateful to Parliament for having made them. I should like to ask them, whether they agree with the Honourable Member for Aberdeen, that nothing has been done for their relief, either by His Majesty's Government, or by the Legislature; and whether they feel, as the Honourable Member for Aberdeen

would fain persuade them that they ought, that as much money is now taken out of their pockets in the shape of taxes, as was the case before those reductions took place. I should like to ask them whether they agree with the Honourable Gentleman, that their feelings and wishes have been set at nought; and that His Majesty's Government can think of nothing but plunging into some wanton and extravagant expense, for some wretched and trumpery purpose of patronage! I declare most sincerely, that if there be anything uppermost in my mind in the consideration of these matters, it is an earnest desire to lay aside all thoughts of mere official interest and patronage. In considering the expediency of the abolition of any particular tax, the miserable question of patronage has never crossed my mind. It has never occurred to me to ask myself, "What will be the consequence, if Government should lose this or that source of influence?" No doubt, Sir, that, in many respects, it would have been very agreeable to me, personally, if a different system had been pursued, and if the patronage of His Majesty's Government had not been cut down as it has been. I have many friends upon whom I should have been exceedingly glad to confer some convenient appointment. But, when applications have been made to me on such a subject, I have felt no difficulty in saying, "I am really very sorry, but I have nothing to give you; we have no

spare offices, and no spare money; we have reduced every thing to the lowest point; we cannot put any individual into a public situation who is either too old, or too young, or too idle, to do his duty. I can recommend to an office under Government only the man who is competent to fill it properly; if you are not competent, I am very sorry for it, but you cannot come in." This is the language which I and others invariably hold on such occasions; and the consequence has been, that I believe it is agreed, on all hands, that the efficiency of the public service, in every department, was never more complete than at the present moment.

Allow me also to say, Sir, that, during the period to which I have been referring, the permanent burdens of the country—I mean those connected with the debt of the country—have been materially reduced. But, before I touch upon that point, it may be satisfactory to the Committee to know a little in what ratio the power of consumption in the country has increased since the year 1816; and here I shall be able to show, beyond the possibility of dispute, that the fears of such as assert that the country cannot go on without the adoption of some undefined and unintelligible change in our present system, are perfectly visionary.

I have in my hand a list of a great variety of articles paying duty, with a comparison of the amount of those articles on which duty was paid

in 1816, and the amount on which duty was paid in 1825. From this list I find that the increase has been in the following ratio:—

	PER CENT.
Auctions	64 $\frac{1}{2}$
Beer	16 $\frac{1}{2}$
Bricks	188
Candles	36 $\frac{1}{4}$
Licences	36
Paper	51 $\frac{2}{3}$
Printed Goods	110 $\frac{1}{4}$
Hard Soap	113 $\frac{1}{4}$
Soft Soap	121 $\frac{1}{4}$
Tea	20 $\frac{1}{4}$
Crown Glass	95 $\frac{1}{2}$
Green Glass	10 $\frac{1}{4}$
Flint Glass	104
Plate Glass	108 $\frac{1}{2}$
Leather	29
Malt	50
British Spirits	53 $\frac{2}{3}$
Foreign Spirits	81 $\frac{1}{2}$
Butter	317 $\frac{1}{2}$
Sugar	19
Tallow	201
Timber	196
Deals	182 $\frac{1}{3}$
Coffee and Cocoa	43
Hemp	74 $\frac{3}{4}$
Rum, a decrease of	12 $\frac{3}{4}$

PER CENT.

Raw Silk	274½
Thrown Silk	180
Tobacco	13¼
Wine	88
Sheeps' Wool	443
Cotton Wool	119

Honourable Gentlemen may exclaim, "Do you mean to say that the increase of consumption is to be taken strictly in that extravagant ratio; as upon Wool, for instance, at 443 per cent.?" I answer, Certainly not: but, I produce this document to show that there is that progressive power of consumption in this country which is indispensable to her greatness, and which forms the most convincing proof of the inherent vigour which has hitherto enabled her to meet and overcome difficulties the most formidable, and on which I confidently rely for similar success in future.

I will now return to what I was about to state with regard to the public debt. Whilst we have been decreasing the pressure of taxation, to the amount of £.27,522,000, since 1816, and of £.8,000,000, since 1823, we have not been inattentive to the permanent burdens of the kingdom. In this part of my statement, I will advert only to the transactions of the last three years, because, it was not till 1823 that the present arrangement of the Sinking Fund was carried into effect. On

the 5th of January, 1823, the public funded debt amounted to £.796,530,000; on the 5th of January, 1826, it amounted only to £.778,128,000; being a reduction in the three years of £.18,401,000; which is at the rate of nearly £.6,134,000 per annum. I will now direct the attention of the Committee to the unfunded debt. On the 5th of Jan. 1823, the unfunded debt was £.36,281,000; on the 5th of January, 1826, it was £.31,703,000; being a reduction of nearly £.4,578,000. The total charge—and that is the only true way of looking at the subject, for all that we are interested in knowing is, not what is the nominal capital of the debt, but what it costs us annually—the total charge (including the charge for management) on the 5th of January, 1823, was £.28,123,000; the total charge of the unredeemed funded debt, on the 5th of January, 1826, was £.27,117,000; being a reduction on the charge of the funded debt of £.1,006,000. The interest on Exchequer Bills, during the same period, was reduced from £.1,100,000 to £.820,000; being a reduction of £.280,000. The total charge of the two descriptions of debt was, on the 5th of January, 1823, £.29,286,000; on the 5th of January, 1826, only £.27,946,000; being a reduction of £.1,340,000, in the annual charge of the whole debt, in the course of three years. And yet, the Honourable Member for Aberdeen says, that all this is nothing—that it is a mere feather in the

scale—that it affords no substantial relief to the people! Now, Sir, in my view of the case, it is of no consequence whether this state of things has been produced by a sinking fund, or by a surplus, or by any other means. It is not the name of the thing, but the substance, that is important. If the nation pays less in this respect now by £1,340,000 than it did in 1823, and if, at the same time, good faith has been preserved with the public creditor, and adequate provision made for the maintenance of the character, honour, and security of the country; if we have also been enabled to do much towards the extension of the benefits of religious instruction and worship to the poorer classes; if we have furnished the means of interior improvement, in the construction and repair of roads, bridges, harbours, and objects of that kind; if we have had something likewise to bestow on the promotion of the arts and sciences; and if, in three years, we have nevertheless repealed £8,000,000 of taxes, and have reduced the annual expense of the debt considerably more than £1,000,000, I say, fearlessly, that we have done something, and that we may boldly face our constituents, in whatever part of the country, and at whatever time, we may have to appeal to them for their suffrages.

Sir, I have just been alluding to that portion of our annual charge which has been diminished by a reduction of the charges of the debt. There is,

however, another part of our expenditure, against which I have always felt inclined to wage the most unrelenting warfare;—I mean, the expense attending the collection of the revenue. It is a subject which has often attracted the attention of the House; and I have never allowed it to go out of my sight. We have not been idle or inattentive on this point. In 1818, the expense of collecting the taxes of the United Kingdom was £4,353,000; in 1825, it was reduced to £3,832,000; being a diminution of no less than half a million. This was a great deal to do in the time. Considering that great changes in such matters cannot be accomplished all at once, let me say, that this reduction of half a million affords, at least, *prima facie* evidence that we have endeavoured to do our duty. Nor, Sir, let it be supposed that this was a very easy task. We have had many strong prejudices, many powerful interests, many deep rooted habits, to contend with. I think I cannot give a better proof of the sort of feeling which we have had to encounter, than by adverting to what has been recently published to the world in the northern part of this Island. It seems that the extinction of the two independent Boards of Customs and Excise in Scotland (and the same course has been pursued in Ireland), and their amalgamation with the central Boards in England, are to be considered by every true Scotchman as

derogatory to his national dignity, offensive to his national pride, and subversive—Good God! of what?—subversive of his prescriptive rights! When Antony, in the beautiful speech which Shakspeare puts into his mouth over the dead body of Cæsar, after an eloquent and pathetic description of the wounds under which Cæsar had fallen, exclaims, in a burst of passionate enthusiasm,—

“ O what a fall was there, my countrymen!
Then you, and I, and all of us fell down,
And bloody treason flourished over us :”

the appeal was not more vehement, the passions of his auditors were not more keenly excited, than the appeal which is now made, and the fire which is now kindled, against the unfortunate author of the woful tragedy which terminated the existence of two insignificant fiscal departments! Sir, I could not imagine, at first, what was meant by all this indignation. I felt almost like “ a guilty thing,” oppressed by the weight of some undefined offence. If I chanced to meet my Noble Friend at the head of the Admiralty, or any of my Honourable Friends who sit at the same Board, I hardly dared look them in the face. I felt confident that the denunciation was for some dreadful crime, but I knew not what; and I was left for some time in all the agony of doubt. At last, I had the consolation of recollecting that I had Scotch blood, and good old Scotch blood too, flowing in my

veins; and was persuaded that I could never be insensible to the honour and dignity of that ancient country. But, Sir, I confess that, when I have been passing in review all the signal triumphs which Scotland has achieved, in all that adorns, and ennobles, and benefits the human race; when I have been calling to mind the originality, the grace, and the genius of her poets; the eloquence, the accuracy, and the research of her historians; the elaborate lucubrations, and the profound discoveries, of her philosophers; when I have been watching their progress as they respectively either traversed the delightful regions of fancy, or penetrated the depths and recesses of history and of science, I never thought of including among the worthies of Scotland, the members of her independent Board of Excise. And when I have been reading with grateful exultation of the heroic exploits of an Abercrombie, a Moore, a Lynedoch, and a Hopetoun; when, two years ago, it fell to my lot to propose to this House to do an act of tardy justice, by proposing to vote a monument to the memory of Lord Duncan; I certainly never dreamt that the honour of Scotland would be tarnished, if in the same year I transferred the seat of the Board of Customs from Edinburgh to London. I always thought that the honour of Scotland rested on a more solid basis. I thought that the glory of the great men who have adorned the annals of that country, would have shone with perennial light, if the Excise had never meddled with

her whiskey, nor the Customs controlled her commerce; and I trust we may long continue to contemplate their lustre with instruction and delight, although her revenue boards have lost the affected importance of their imaginary independence, and have been swallowed up, O! dreadful catastrophe! in the all-devouring vortex of English uniformity. When, too, I am told, that the abolition of these and similar offices is something disrespectful to the what is called (not however by me) the impoverished nobility of Scotland, I think that if I were a real Scotchman, I should be too proud to admit that the honour of the ancient lineage of that ancient kingdom would be diminished, because the Government had less patronage to offer, and her nobility less of emolument to covet. These measures, dictated alone by the necessity of judicious retrenchment, may indeed be represented as punishments inflicted on an innocent and unoffending people, and the wrath of Scotland may be denounced against their author; but, as long as I am armed with the consciousness of seeking to diminish the burdens, and to increase the happiness of the people, I can look without terror upon the flashing of the Highland claymore, though evoked from its scabbard by the incantations of the first magician of the age.

I shall now, Sir, proceed to the subject more immediately under our consideration, and call the attention of the Committee to the financial condition of the country for the present year. I have

already stated to the Committee the great extent to which taxation has been diminished; I have stated the benefit which I am sure the country must have derived from the reduction; I have also shown how, out of that very reduction itself, may arise the means of carrying the benefit still further; and I shall now proceed to detail the estimate for the present year, 1st, as respects the charges, and, 2ndly, the means by which I propose that those charges shall be met. The expenses are divided into two parts, *viz.*—the permanent charges, and those which are the subject of annual votes; and as of the latter, a considerable portion has already been sanctioned by the House, I do not think it will be necessary for me to trouble the Committee with any comments or details respecting it. But the general heads of the two branches are as follows, *viz.*—

Interest and Management of the	
Public Debt - - - - -	£.27,117,186
Interest of Exchequer (deficiency)	
Bills - - - - -	50,000
Civil List, and Pensions of a permanent nature, charged on the Consolidated Fund, and not the subject of an annual vote	2,065,000
Half-pay Annuity - - - - -	2,800,000
Sinking Fund - - - - -	5,585,235
Permanent charge on Consol. Fund	<u>£.37,617,421</u>

The annual votes this year in the Committee of Supply are as follows:—

Army - - - - -	£.7,747,000
Navy - - - - -	6,135,000
Ordnance - - - - -	1,754,000
Miscellaneous - - - - -	2,225,000
Interest of Exchequer Bills - - - - -	850,000
Annual Votes - - - - -	£.18,711,000
Add the Permanent Charge	£.37,617,421
The whole expenditure of the year	£.56,328,421

I now, Sir, proceed to state the revenue upon which I calculate to meet this expenditure:

A small item, being the surplus of last year beyond the demand of the Sinking Fund, which I consider myself entitled to make available towards the expenditure of the present year - - - - - £.167,000

Customs and Excise; which I take together, on account of the transfer to the Customs of a large proportion of the duties formerly collected by the Excise; and the impossibility of separating the items without great confusion - - - - - 37,446,000

Stamps - - - - - 7,400,000

Brought forward .	£.45,013,000
Taxes (including the Assessed Taxes)	4,800,000
Post Office - - - - -	1,550,000
Miscellaneous - - - - -	1,360,000
The total Income from these sources	£.52,723,000
Payment from the Trustees of Half-pay and Pensions - - - - -	4,320,000
The whole Receipts of the year -	£.57,043,000
Deduct the Expenditure - - - - -	56,328,421
Surplus, for Parliament to deal with as they may think fit - - - - -	£.714,579

Having thus stated the revenue on which I calculate to meet the expenditure of the present year, it is fit that I should state the grounds of that calculation. It may appear to the Committee that, under all the existing circumstances, I am now looking to a receipt higher than that which I have a right to expect; but I will distinctly specify the reasons which induce me to believe, that the amount on which I calculate will be realised. I begin by laying down, as the basis of my estimate, the actual receipt of the past year; making, afterwards, such variations as circumstances may appear to require. The actual receipt of the Customs and Excise, for the year 1825, was £.37,546,000. But this sum would have been much larger, had it

not been for various occurrences which happened in the course of the year, and which affected those branches of the revenue to an extent much greater than I had anticipated; occurrences which cannot again take place. I allude, principally, to the amount repaid, in consequence of the reduction of the wine duty, to the holders of the stock on hand. This was no less than £.1,050,000; a formidable sum; and much more, as I have already observed, than I conceived it would be. Since, however, it arose from a cause of only casual occurrence, and since there can be no operation parallel to it upon the Customs and Excise of the present year, I am entitled to assume, supposing no other circumstance interferes to reduce the nett receipt of the revenue, that this sum of £.1,050,000 would be receivable in the year 1826; that is to say, that it will not be abstracted from the gross revenue of Customs and Excise in 1826, as it was in 1825. I calculate, also, upon a small addition to the receipts of the present year, arising from the further operation of those measures for getting rid of divers useless or mischievous bounties, which my Right Honourable Friend, the President of the Board of Trade, introduced so beneficially for the commerce of the country, in the last session of Parliament. I take the amount of these to be about £.50,000. There was also another circumstance which most unexpectedly affected the revenue of last year. The Committee is aware that, in the course of the

last session, there was carried into effect one of the most extensive alterations and amendments ever made in the laws of Customs. Several hundred Acts of Parliament relating to them were, by the laborious and joint exertions of my Honourable Friend near me (one of the Secretaries of the Treasury), and of the Gentlemen who were associated with him in the task of getting rid of so multifarious and inconvenient a system of legislation, reduced to about six clear and intelligible statutes. In the accomplishment of so great a work, it is not wonderful that some minor errors should have crept in and escaped detection; and it so happened that by one of those minor and venial errors, the revenue has been affected in a way for which we were not quite prepared. The duty on Tobacco, which, at the beginning of the year 1825, was four shillings a pound, and which was meant to be continued at that rate during the remainder of the year, was so dealt with in one of these new Acts, that, by some strange mischance, one shilling of it lapsed on the 5th of July; so that for one half of the last year, that is to say, from the 5th of July, 1825, to the 5th of January, 1826, the duty on Tobacco has been reduced from four shillings to three shillings a pound. This accidental omission has cost the revenue £.450,000. But, I am entitled to assume that, unless it should be the pleasure of the House to confirm permanently this temporary diminution of the duty on

Tobacco, that loss will not occur in the present year. The three items, then, to which I have alluded, are as follows:—

Progressive reduction of Bounties - £.	50,000
Wine Drawback, allowed last year to the wine merchants, but not to be deducted from this year's revenue - - - - -	1,050,000
Loss by the lapse of Tobacco duty - - - - -	450,000
	<hr/>
	£1,550,000
If to this be added the actual produce of the Customs and Excise in 1825 - - - - -	37,546,000
	<hr/>
We have a Total of - - - - -	£39,096,000

It is, however, obvious, that it would be quite preposterous in His Majesty's Government to calculate upon such a receipt as this, under the present circumstances of the country. I think it would be exceedingly imprudent to do so, as I am perfectly ready to admit, that such a receipt is not likely to be realised in the course of the present year. It is our duty, then, to see what deductions from this amount of £39,096,000 we ought to calculate upon. In the first place, there is to be taken into the account a further loss to the revenue, arising from the reduction of taxation last year; which further loss I estimate at £350,000. The statement of the views of Government, in respect to the

reduction of taxes, took place at so early a period last year, that the effect of them began to be felt almost as soon as they were announced. In point of fact, during three quarters of the last year, we experienced three quarters of the whole amount of the loss which I had calculated as likely to accrue from the operation of the reductions. I therefore imagine that we may lose in the present year, from the same cause, not more than the amount of loss on the remaining quarter; and I estimate it at £350,000. I feel, however, that I ought to explain to the Committee how it happens that, after having stated the total amount of reductions effected last year to be no less than £3,146,000, I now, when speaking of the loss to be expected in one quarter, state it at no more than £350,000. The reason is this: although the reduction of taxation, as estimated by a comparison with the previously existing rate, amounted to £3,146,000, yet, upon the principle that a judicious reduction of a high rate of taxation naturally leads to a great increase in the consumption of the articles taxed, I took the actual loss to the revenue at not much more than £1,500,000, of which sum £276,000 would fall upon the assessed taxes; so that £350,000, being rather more than one-fourth of the actual loss assumed upon the Customs and Excise, is as much as we may expect to lose in 1826.

I am, however, Sir, very sensible that under all

the circumstances attending the late derangement and confusion of the money market, and the consequent stagnation of the external commerce and the internal industry of the country, it would be very unsafe to frame any estimate of the revenue of the present year, without making a fair allowance for a further loss, which may be expected to arise from diminished consumption. I have endeavoured to form, as well as I could, some sort of calculation of the amount at which that loss ought to be taken. It is, undoubtedly, very difficult to come to any such precise conclusion upon this subject, as can be satisfactorily exemplified at once by any mere statement of figures. It must depend upon such an infinite variety of considerations, that possibly no two persons, although working with the same materials, and reasoning upon the same principles, would arrive at precisely the same result. But having already assumed that there will be a deficiency in the Customs and Excise of £.350,000, being the remainder of the loss occasioned by the reduction of taxation last year, I anticipate from diminished consumption a further loss of £.1,300,000; which, notwithstanding the difficulty of coming to any precise decision upon the subject, I take to be as reasonable a view of the matter as can be taken under such uncertain circumstances. And I am confirmed in this view of the subject, when I refer to what has been the actual state

of the Excise Revenue during the two first months of the present year, which were months of great pressure and great uneasiness, and during which the officers of the revenue were directed to abstain as much as possible from pressing inconveniently on those who were not in a condition to meet their demands, a course of proceeding which we felt ourselves called upon by the severity of the distress in some districts to adopt.— Looking, then, to the general receipts of the Excise in January and February, on all the articles in which there has been no alteration in the duties, and comparing them with the receipts in the corresponding months of 1825, it appears that the loss has not exceeded, for that period, the sum of £.2,389.

The gross receipts for January and	
February, 1825, were	£.2,259,669
Those for January and February,	
1826, were	2,257,280
	<hr/>
Decrease	£.2,389

On those items in which a reduction of duty was effected last year, such as Cyder, Glass, Licences, Sweets, and Vinegar, there has been a diminution of produce in the two months of January and February last, as compared with 1825, of £.102,000.

The produce in January and February,
 1825, was ----- £.292,933
 The produce in 1826 was ----- 190,933

 Decrease - - - - - £.102,000

But this decrease does not arise principally from a diminished consumption of exciseable articles. It arises almost entirely from an alteration of a very extensive nature, which has been effected in regard to the system of granting licences in Ireland, and to the scale of duties payable on those licences. That system, the Committee is perhaps aware, is now entirely changed. A great number of absurd regulations which formerly existed in that country have been abolished; as for example, that which in various places in Ireland regulated the duty upon licences according to the fact of whether or not the Borough returned Members to Parliament. That was an absurdity, the reason of which I do not profess to be able to divine. But, at all events, the system upon which the duties on these licences are payable, has been, in almost every respect, assimilated, as much as possible, to that more reasonable arrangement which prevails in England. The consequence, however is, that whereas formerly the duties on licences were payable early in the year, they will, most of them, not now be payable until after the 5th of July; and from this change there has resulted in the present quarter a loss of not less than

£.100,000. If, therefore, I may venture to judge from the result of the two months in question, as regards the Excise, of the effect which diminished consumption may have, during the whole year, upon the two branches of Excise and Customs, taken together, I do not think that I am taking too sanguine a view, when I estimate the probable loss in this year from that cause at £.1,300,000. Deducting, then, this sum, and the deficiency to which I before alluded, from the amount of the Customs and Excise of last year, together with the additions which I have above specified, it will leave £.37,446,000, as the estimate of that branch of the revenue in 1826. The next head to which I shall advert, is that of Stamps. Stamps produced last year £.7,447,923; I shall take their produce this year at £.7,400,000. The Post Office, last year, produced £.1,595,461; I will suppose a falling off, in the present year, of £.45,461; which will leave the Post Office estimate £.1,550,000. The Assessed Taxes produced last year £.4,990,961. The loss to the revenue on this head will be somewhat more considerable, since, of the £.276,000 remitted in 1825, not more than one fourth was lost in that year. I anticipate, therefore, a decrease of £.190,961; which will leave that estimate £.4,800,000. The Miscellaneous Items for 1826, will, on the other hand, be much larger than usual. The increase will proceed from three or four casual causes. In the first place, there is a sum of £100,000, which, by treaty with the

Government of Holland, was to have been paid to this country in 1825. That sum, however, was not actually received within the year, and consequently could not form any part of the produce of 1825; although, as it is now, I believe, received, it will form a part of the estimate for 1826.

There is another sum, with respect to which I confess I did not anticipate that money from such a source would again find its way into the Exchequer—a sum which arises from what I am afraid many persons believe to be the never-ending lottery. The last lottery, I must explain to the Committee, was contracted for in 1823. I acknowledge that, for my own part, I was not aware, when that contract was made, that the usual system upon which lotteries are conducted would protract their existence one or two years beyond the period at which they might be contracted for. It appears that I was in the wrong; and it certainly was my mistake: it cannot, however, be now helped; and the consequence of this is, that in the present year, a sum of about £.180,000 will be derived to the revenue from these lotteries, which have so often, and so justly, met with the reprobation of the House. I am as rejoiced at their approaching termination as the House can be; for I felt it my duty to take the first opportunity of putting an end to a system which, however it might be glossed over by ingenious reasoning, was exceedingly inconsistent with those principles of good government which would seek to derive

no advantage from any practice of gambling, which, whilst it is prohibited by the general law in its application to individuals, was permitted, under the lottery system, to be carried on by the Government. There is another item, of some importance, which will come into the Exchequer in the course of the present year; and that is, the return from Ireland of the old silver coinage, which has been called in, and replaced by the new. That new coinage cost us, last year, £.500,000. This year the old coin will come back, and will be available for the public service: it will, probably, amount to not less than £.400,000. The last point to be noticed, in respect to the miscellaneous receipts, is a sum arising from an arrangement between the Admiralty and the East India Company; who, in consideration of the increase of the Navy, made with a view to the state of their affairs in India, have felt themselves bound in justice (as, it is my duty to say, they have with the utmost cheerfulness admitted), to pay £.60,000 for the benefit they are deriving from the augmented naval force stationed in the Indian seas to defend their possessions.— These several sums account for the increase of the miscellaneous items from £.619,088, which was their produce last year, to £.1,360,000, which is my estimate of them for the year 1826. The general Estimate for the present year, therefore, stands thus:—

CUSTOMS AND EXCISE.

Produce of 1825	£.37,546,000
Add—Progressive Reduction of Bounties	£. 50,000
Wine Drawback	1,050,000
Loss by lapse of Tobacco duty	450,000
	<u>1,550,000</u>
	£.39,096,000
Deduct—Further loss from Reductions last year	£.350,000
Further loss from diminished consumption	1,300,000
	<u>1,650,000</u>
Estimate for 1826	£.37,446,000

STAMPS.

Produce of 1825	£.7,447,923
Deduct assumed loss in 1826	47,923
Estimate for 1826	£.7,400,000

TAXES.

Produce of 1825	£.4,990,961
Deduct loss from reduction in 1825	190,961
Estimate for 1826	£.4,800,000

POST-OFFICE.

Produce of 1825	£.1,595,461
Deduct assumed loss in 1826	45,461
Estimate for 1826	£.1,550,000

MISCELLANEOUS.

Produce of 1825	£.619,088
Add—Payment from Holland, Lottery, and East India Company, on account of naval force	£.340,912
Add, also—Silver from Ireland	400,000
	<u>740,912</u>
Estimate for 1826	£.1,360,000

I assume, under these circumstances, that (as I before stated) the condition of the revenue, during the present year, will be such as to leave us a surplus, a clear surplus, after all the deductions which I have described, of £.714,000. Now, this sum is, perhaps, not a very large one; but I think it is worth something: and I also think that it may be made available to some useful purpose. At the same time, I apprehend that our choice as to its application is very limited on

the present occasion, on account of the circumstances to which I have already alluded, regarding the unintentional alteration of the duty on Tobacco, which took place in the course of the last year. I should state to the Committee that, when it was ascertained that that one-shilling duty had elapsed, the parties interested became very anxious to know what His Majesty's Government intended to do with regard to it;—whether they intended to let it lie dormant, or to allow it to revive, as by law it would have done, on the 5th of January last. Our answer was, that at all events we should not revive the lapsed duty until the pleasure of Parliament should be taken on the subject. But now, I have no hesitation in saying, that it appears to me to be incumbent upon us to recommend to Parliament to continue the reduction of that one-shilling duty, although I do not mean to say that, if our means had not enabled us to continue the reduction, we should not have been perfectly justified in allowing the full duty to continue in operation. I should greatly have preferred carrying this reduction still further; but in the actual condition of the country, I do not think it would be prudent or expedient to do so. At the same time I must say, that a great deal of good has arisen from this reduction, apparently small as it is; it has had no inconsiderable effect in checking the smuggling of Tobacco, particularly in Ireland, where that practice is carried on to an extent beyond all imagination or belief. I

do not suppose that the ingenuity of man was ever exercised to a bad purpose with greater success than it is in the smuggling of Tobacco; and the Committee would be astonished if I were to enter into a detail of the devices to which that most ingenious class of persons, the smugglers, have recourse in order to carry on the illicit introduction of this article; but the reduction of the one-shilling duty has, I repeat, already had an exceedingly beneficial effect in the discouragement of the illicit traffic in Tobacco; and whenever circumstances may enable us to carry the reduction still further, I have no doubt that the revenue will derive a large compensation for its first loss, not only from the increased consumption, but also from the more complete extirpation of the extended evils of smuggling. The amount of the loss resulting from the abandonment of this part of the Tobacco duty, I estimate for the whole year at about £600,000; and although I do not mean to deny that it would have afforded me great pleasure, either to extend the amount of this particular reduction, or to apply a similar principle of reduction to other articles, I do not feel that at present I should be justified in doing so. I do not profess to be a prophet; and it would be foolish in me to hold out positive expectations on a subject liable to the operation of so many uncertain contingencies; but, when I state that during the last three years I have had the good fortune to propose the reduction of eight millions of taxes, I think I

say enough to entitle me to ask of Parliament to believe that I shall not be slow in carrying the principle of reduction further, whenever a fit opportunity may present itself.

There is another subject, connected with the financial arrangements of the year, to which I now wish to call the attention of the Committee. I have endeavoured to show the grounds upon which I am satisfied that we are at present in a situation, not only to meet all the necessary demands that the public service may require, but to carry still further, although to a more limited extent than I would desire, the reduction of taxation. There are, however, certain other points, connected with our financial system, which are of the greatest importance, and to which I think the attention of Parliament ought to be devoted with peculiar care. Gentlemen are aware how much has been said, in the course of the discussions of the present session, upon the subject of the situation in which the Bank of England is placed in consequence of its advances to Government. And although I have always been ready to defend the conduct of Government in respect to those advances, as well as in respect to the general amount of the unfunded debt, I have never contended that it would not be a very desirable thing to diminish the amount, not only of those advances by the Bank, but also of that portion of the unfunded debt which is in the hands of the public, whenever those objects could be safely and

properly accomplished. On the 5th of January, 1826, the Bank of England held Exchequer Bills, upon advances to the Government, to the extent of about £.6,000,000. These bills were independent of any which the Bank might have purchased in the market, and which they deal with as they think proper; but in the month of February, in the present year, it is well known that the Bank, at the instance of Government, consented to purchase £.2,000,000 of outstanding Exchequer Bills. The object of this measure was partly to relieve the money-market from the pressure which at that time seemed to operate with peculiar force upon this species of security; and partly in the hope that various classes of the community, who were suffering from the forced contraction of the currency, which alarm and want of confidence had produced, might obtain a certain degree of relief from this mode of extending the general circulation. But it is quite clear, that, however willing the Bank might be to purchase these £.2,000,000 of Exchequer Bills, it would not have been prudent for them to do so, unless they received an assurance that the amount should, if necessary, be repaid them at no very distant period; and accordingly they were informed by His Majesty's Government, that the amount should be repaid in the present year—I believe in the month of June. At a subsequent period the Bank consented to make ad-

vances to a large amount on goods, for the purpose of still further contributing in a more direct way to relieve the difficulties of the commercial world; and having undertaken to do so, it becomes still more important, with a view to save that Corporation from possible embarrassment, that the Government should provide itself with the means of giving to the Bank every facility in their operations, which can be derived from a diminution of their general advances to the Government. The proposition, Sir, which I intend to submit to the Committee, is, that in the course of the present year, and as early as circumstances may render it advisable, the Bank shall be repaid £6,000,000 of the Exchequer Bills in their possession. The Committee will observe, that the Bank hold of these Bills, first, the £6,000,000, which they possessed on the 5th of January last; secondly, the £2,000,000, of which they became possessed, by purchase, in February; and thirdly, rather more than £3,000,000, upon which they had made advances for the purpose of paying off the four per cent. dissentients; and the total of these various sums is rather more than £11,000,000. With respect to the last class of advances, however, (those which were made by the Bank on account of the four per cent. dissentients), provision has already been made for them by their being charged upon the Sinking Fund;

and at the close of the present year they will be nearly extinguished. There remains then the sum of £8,000,000; £6,000,000 of which, as I have already mentioned, I propose to pay off in the course of the present Session, or as soon after as the general circumstances of the case may render advisable. In addition to what I propose to do with respect to Exchequer Bills held by the Bank of England, I cannot but think that it is very desirable to effect some reduction in that portion of the unfunded debt which is in the hands of the public; I shall therefore propose a moderate reduction of the outstanding Exchequer Bills of that description; and I conceive that we may carry that arrangement to the extent of two or three millions. In order, therefore, to effect these two purposes, I propose to fund, in the course of the present Session, Exchequer Bills to the amount of eight or nine millions. I am by no means prepared to say, that I should not be glad to see the unfunded debt reduced in a greater proportion than that which I now recommend; but I am satisfied that every one will see, that too rapid a course of reduction by means of funding, might, at this moment, be attended with great inconvenience, and lead to a very injurious derangement in the circulation of that species of security. At the same time, I can see no reason why, after the present year, when the Sinking Fund shall have been relieved from the

payment of that portion of the unfunded debt which is now charged upon it, it should not be made applicable to the reduction generally of the unfunded, as well as of the funded debt. Such an application of the Sinking Fund would be strictly in conformity to its original object; for in the Act by which the present Sinking Fund is established, it has been provided, that it shall go on accumulating at compound interest, until it reaches one per cent. on the capital of both debts, funded and unfunded, taken together. Parliament has, therefore, already so connected the two descriptions of debt with the Sinking Fund, as to render such an application of it quite consistent with the principle of its formation; and the only effect would be, that the daily amount of stock bought in the market would be diminished—a circumstance, which, at present at least, is comparatively of no very great importance. It is my intention, therefore, either in the present, or early in the next session, to propose such an alteration in the mode of applying the Sinking Fund, as may render it, if necessary, as available to the reduction of the unfunded, as it is now to the reduction of the funded debt.

I have thus, Sir, endeavoured to state to the Committee the circumstances under which our revenue stands at present; I have endeavoured to explain the course which His Majesty's Government, sanctioned by Parliament, have pursued

during the last few years; and I have endeavoured to show the grounds on which I relied (and, as the event has fully shewn, justly relied) in framing the estimates of preceding years; as well as the grounds on which I consider myself warranted in relying now upon a prosperous future. Sir, I am not afraid or ashamed to use the word "prosperous." I say, that a nation may safely be termed prosperous, when, combining within itself all the great elements of wealth and power, it finds the Legislature and the Government striving, with a generous emulation, to promote the development of the national resources, by correcting what is defective, removing what is obstructive, and giving life and scope to what is active. I see the foreign policy of this country confirming and extending that just and independent influence amongst other nations, which the fair dealing, the honesty, and the prudence of England have heretofore entitled and enabled her to maintain. I see, year after year, the most vigilant attention paid to all practicable improvements in the construction and administration of the laws; whereby, whilst the liberty of the subject is never overlooked, justice is rendered more intelligible to those by whom it is dispensed, and more satisfactory, as well as accessible, to those for whose benefit its dispensation is intended. I see the commercial policy of the country adapted to

more enlightened views, and every amendment of the system pursued with a spirit and a perseverance worthy of so good a cause, and essential to its final success. I see, that in the management of our finances, the ruling principle is, to combine a due provision for what the honour, the dignity, and the safety of the country require, with a just circumscription of unnecessary patronage, and a well-considered reduction of excessive taxation. I see all these useful measures suggested, enforced, and sanctioned by the deliberate, and I might almost say the unanimous, voice of Parliament: and when, in addition to all this, I see that, as respects the people at large, the light of knowledge and of reason is gradually dispelling the mists of ignorance and of prejudice, and opening their minds to a discriminating appreciation of what ought to be the conduct of those to whose care their interests are confided—am I using the language of exaggeration and over confidence, when I say, that the affairs of this kingdom are in a right and prosperous course? There may still be many difficulties to meet us on our way. We may have to undergo, as we recently have experienced, the sudden violence of the unexpected tempest;—we may have at times to encounter “the slings and arrows of outrageous fortune;”—but, Sir, if we have only resolution and constancy enough—

“To take up arms against that siege of troubles,
And by opposing—end them;”

if we pursue our path with steadiness and fidelity, we shall find our dangers and our difficulties diminishing with our progress; and we shall advance with systematic regularity towards that great end of all good government—the happiness and well-being of the people.

No. 1.

An ACCOUNT of the Net PUBLIC INCOME of the United Kingdom of GREAT BRITAIN and IRELAND, in the Year ended 5th January, 1826, after abating the Expenditure thereout, defrayed by the several Revenue Departments, and of the Actual Issues or Payments within the same period, exclusive of the Sums applied to the Redemption of Funded Debt, or for paying off Unfunded Debt.

INCOME.	Applicable to the Consolidated Fund.			Applicable to other Public Services.			Income paid into the Exchequer.			EXPENDITURE.			NET EXPENDITURE.				
	£.	s.	d.	£.	s.	d.	£.	s.	d.	£.	s.	d.	£.	s.	d.		
CUSTOMS	13,530,524	0	1	3,011,000	0	0	16,541,524	0	1	Dividends, Interest and Management of the Public Funded Debt, four quarters to 10th October, 1825, exclusive of £.5,486,475. 7s. 8d. issued to the Commissioners for the Reduction of the National Debt	27,230,789	19	6½				
EXCISE	21,000,487	6	10½	4,000	0	0	21,004,487	6	10½								
STAMPS	7,447,923	18	11	-	-	-	7,447,923	18	11	Interest on Exchequer Bills	829,498	2	5	28,060,288	1	11½	
TAXES under the management of the Commissioners of Taxes, including Arrears of Property Tax	4,990,961	2	4¾	-	-	-	4,990,961	2	4¾	Issued to Trustees of Military and Naval Pensions, per Act 3 Geo. IV. c. 51	2,214,260	0	0				
Post Office	1,595,461	10	9¾	-	-	-	1,595,461	10	9¾	Ditto - Bank of England - 4 Geo. IV. c. 22	585,740	0	0	2,800,000	0	0	
One Shilling and Sixpence Duty on Pensions and Salaries; and Four Shillings in the Pound on Pensions	56,730	5	11¾	-	-	-	56,730	5	11¾	Civil List, four quarters to 5th January, 1826	1,037,000	0	0	366,028	8	2½	
Hackney Coaches, and Hawkers and Pedlars	59,857	0	0	-	-	-	59,857	0	0	Pensions charged by Act of Parliament, on Consolidated Fund, four quarters to 10th October, 1825	87,641	5	0½				
Small Branches of the King's Hereditary Revenue	5,442	9	7	-	-	-	5,442	9	7	Salaries and Allowances - ditto - ditto	98,642	0	4	2,189,947	3	10	
Surplus Produce of Lottery, after payment of Lottery Prizes	-	-	-	295,390	0	0	295,390	0	0	Officers of Courts of Justice	14,748	15	10				
Surplus Fees, regulated Public Offices	56,091	14	7	-	-	-	56,091	14	7	Expenses of the Mint	2,956	13	8	100,000	0	0	
Poundage Fees, Pells Fees, Casualties, Treasury Fees, and Hospital Fees	11,520	6	11¾	-	-	-	11,520	6	11¾	Bounties	261,845	18	0				
Total ORDINARY REVENUE	-	-	-	-	-	£.	52,065,389	16	2	Miscellaneous	301,084	2	9	650,000	0	0	
The Amount brought from Civil List, on account of the Clerk of the Hanaper	2,000	0	0	-	-	-	2,000	0	0	Ditto Ireland	-	-	-				
By the East India Company, on account of retired Pay, Pensions, &c. of H. M. Forces serving in the East Indies, per Act 4 Geo. IV. c. 71	-	-	-	60,000	0	0	60,000	0	0	Repayment of Loan from Royal Exchange Assurance Company on account of the New Street	100,000	0	0	500,000	0	0	
By the Trustees of Military and Naval Pensions, &c.	-	-	-	4,507,500	0	0	4,507,500	0	0	For Purchase of Silver for the New Coinage in Ireland	500,000	0	0				
By the Commissioners for issuing Exchequer Bills for Public Works	-	-	-	208,307	0	0	208,307	0	0	For Building New Churches in the Highlands of Scotland	50,000	0	0	7,579,631	4	4½	
Money repaid in Ireland, on account of advances from the Consolidated Fund, under various Acts for Public Improvements	210,388	14	10¾	-	-	-	210,388	14	10¾	Army	5,849,119	4	3				
Imprest and other Monies paid into the Exchequer	218,240	7	6	2,043	3	6¾	220,283	11	0¾	Navy	1,567,087	7	7¾	17,211,919	11	7½	
	£.	49,185,628	18	0¾	8,088,240	3	6¾	57,273,869	2	1½	Ordnance	2,216,081	15				4½
										Miscellaneous	-	-	-	50,912,154	17	5	
										TOTAL	-	-	-				
										Money paid to the Bank of England more than received from them on account of Unclaimed Dividends	49,464	11	6	707,872	18	8½	
										By the Commissioners for issuing Exchequer Bills, per Act 3 Geo. IV. c. 86, for the Employment of the Poor	125,150	0	0				
										Advances out of the Consolidated Fund in Ireland, for Public Works	533,258	7	2¾	£.	51,620,027	16	1½
										TOTAL	-	-	-				
										SURPLUS of INCOME over Expenditure thereout	-	-	-	£.	5,653,841	6	0¾
														£.	57,273,869	2	1½

No. 2.

Estimate of Revenue and Expenditure, 1826.

RECEIPT.

	£.
Surplus of 1825	167,000
Customs and Excise	37,446,000 (A. No. 3.)
Stamps	7,400,000 (B. No. 3.)
Taxes	4,800,000 (C. No. 3.)
Post Office	1,550,000 (D. No. 3.)
Miscellaneous	1,360,000 (E. No. 3.)
	<u>£.52,723,000</u>
Trustees, Half-Pay and Pensions	4,320,000
	<u>£.57,043,000</u>
Expenditure	56,328,421
Surplus	<u>£.714,579</u>

EXPENDITURE.

Consolidated Fund.—Interest of Debt	£.27,117,186
Ditto of Exchequer (De- } ficiency) Bills }	50,000
Civil List, Ditto	2,065,000
Half-Pay Amnity	2,800,000
Sinking Fund	5,585,235
	<u>£.37,617,421</u>
Supply.	
Army	7,747,000
Navy	6,135,000
Ordnance	1,754,000
Miscellaneous	2,225,000
Interest of Excheq. Bills	850,000
	<u>£.56,328,421</u>

No. 4.

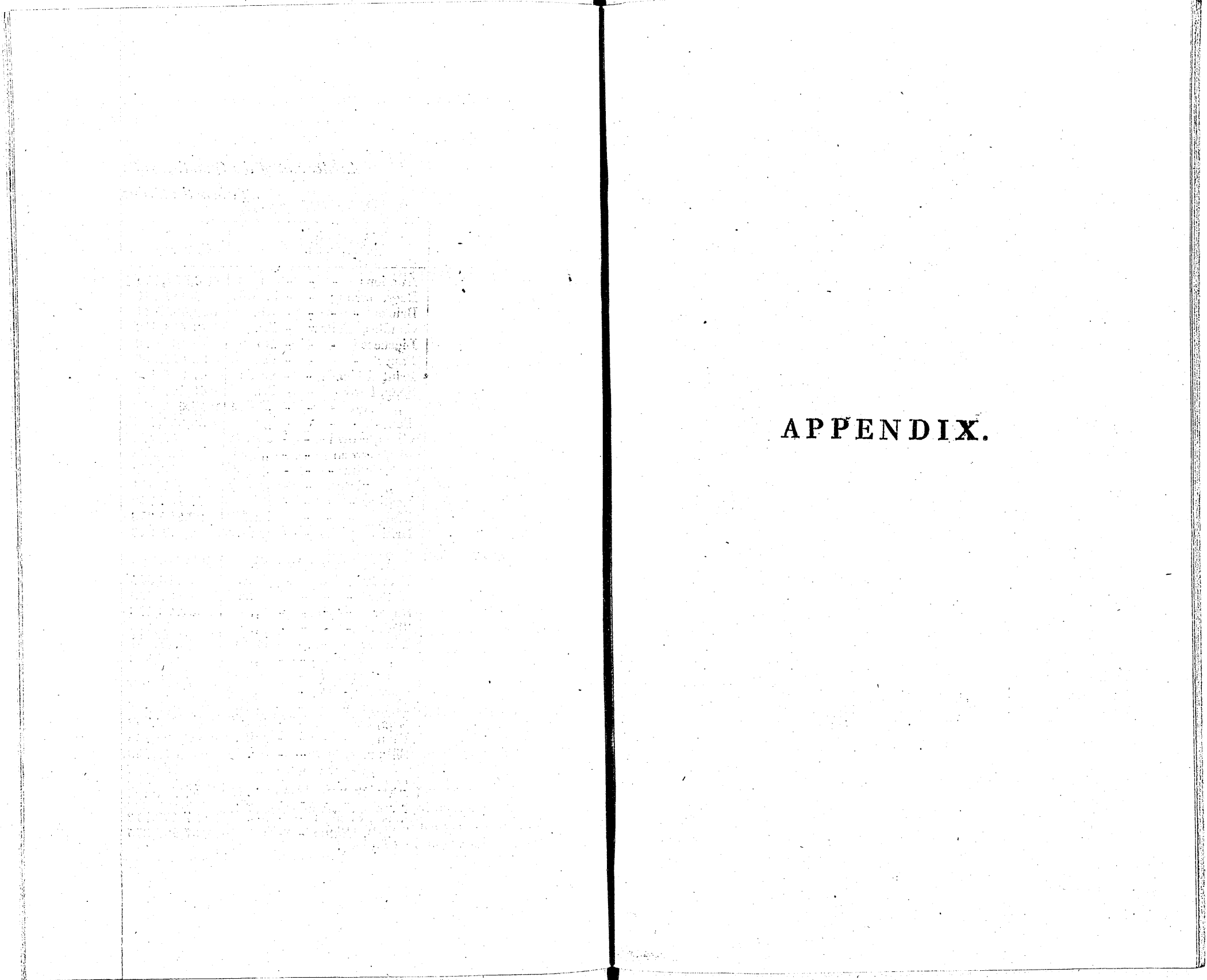
Estimate of Taxes repealed since the Termination of the War.

	Property Tax	£. 14,320,000	
	War Malt	2,790,000	
1816	War Customs—Tonnage, Coasting, &c.	828,000	
	Hearths and Windows—Ireland . . .	35,000	
	Malt and Spirits—Ditto	315,000	
			18,288,000
1817	Assessed Taxes,—England,—Partial Relief, under the heads of Shop-Windows, Husbandry Horses, &c.	280,000	
1818	Assessed Taxes,—Ireland,—various	236,000	
1821	Agricultural Horses	480,000	
	Malt	1,400,000	
	Hides	300,000	
1822	Salt	1,295,000	
	Tonnage Duties	160,000	
	Hearths and Windows,—Ireland . . .	200,000	
			3,355,000
	Assessed Taxes,—England,—various Ditto,—Ireland,—the whole	2,250,000	
1823	Spirits,—Ireland and Scotland	100,000	
	Customs—Reductions in several minor Branches	800,000	
		50,000	
			3,200,000
	Rum	150,000	
	Coals	200,000	
1824	Law Stamps	200,000	
	Wool	350,000	
	Silk	527,000	
	Union Duties, from 1822	300,000	
			1,727,000
	Salt (the Remainder) about	200,000	
	Hemp	100,000	
	Coffee, &c.	150,000	
1825	Wine	900,000	
	British Spirits and Rum	1,250,000	
	Cyder	20,000	
	Assessed Taxes	276,000	
	Customs, minor Branches	250,000	
			3,146,000
			*30,712,000
	Deduct, Taxes imposed in 1819	3,190,000	
			£. 27,522,000
	* Remission of Direct Taxes	£. 18,177,000	
	Taxes upon Articles of Consumption . .	7,620,000	
	Taxes for the Relief of Trade, &c. . . .	4,915,000	
			£. 30,712,000

No. 5.

An Account of the Quantities of several Articles charged with Duty for Home Consumption in the Year 1816,
(when the Reduction of Taxation first began to operate) and the Year 1825.

ARTICLES.	1816.		1825.		Consumption of 1825 per Cent. of Increase, compared with 1816.
	QUANTITIES.	RATES OF DUTY.	QUANTITIES.	RATES OF DUTY.	
Auctions - - -	6,227,120	7d. in the pound	10,249,796	7d. in the pound	64½
Beer, strong - - barrels	5,933,031	10s. 0d. a barrel	6,922,842	10s. 0d. a barrel	16½
Bricks - - - No.	690,634,164	5s. 10d. per 1,000.	1,991,391,325	5s. 10d. per 1,000	188
Candles, Tallow - lbs.	83,748,513	1d. per lb.	114,140,511	1d. per lb.	36½
Licences - - - No.	308,670	various	419,579	various	36
Paper - - - lbs.	38,677,559	3d. & 1½d. per lb.	58,637,522	3d. & 1½d. per lb.	51½
Printed Goods - - yards	67,935,489	7d. & 3½d. per yrd.	142,610,106	7d. & 3½d. per yard.	110¼
Soap, hard - - lbs.	48,107,196	2¼d. per lb.	102,695,016	3d. per lb.	113¼
" soft - - - "	4,030,068	1½d. per lb.	8,916,808	1½d. per lb.	121¼
Tea - - - "	20,604,414	96 per cent.	24,030,817	100 per cent.	20½
Glass, crown - - cwt.	52,178	3l. 13s. 6d. per cwt.	160,717	3l. 13s. 6d. per cwt.	95½
" green - - - "	365,558	8s. 2d. per cwt.	402,464	8s. 2d. per cwt.	10¼
" flint - - - "	50,442	4l. 18s. 0d. per cwt.	102,832	3d. per lb.	104
" plate - - - "	7,511	4l. 18s. 0d. per cwt.	15,646	3l. 0s. 0d. per cwt.	108½
Leather - - - lbs.	47,137,749	3d. per lb.	60,908,285	1½d. per lb.	29
Malt - - - bush.	22,954,318	4s. 4d. per bush.	34,445,565	2s. 6d. per bush.	50
British Spirits - - galls.	6,071,063	9s. 2d. per gall.	9,343,311	5s. 10d. per gall.	53¾
ARTICLES OF IMPORT.					
Brandy and Geneva, galls.	916,544	18s. 10d. per gall.	1,665,837	18s. 10d. per gall.	81½
Butter - - - cwts.	63,969	1l. 0s. 0d. per cwt.	263,842	1l. 0s. 0d. per cwt.	317½
Sugar - - - "	2,228,176	1l. 10s. 0d. per cwt.	2,657,546	1l. 7s. 0d. per cwt.	19
Tallow - - - "	353,546	3s. 2d. per cwt.	1,063,586	3s. 2d. per cwt.	201
Timber - - - loads	217,887		643,401		196
" Deals - - - "	17,358		48,783		182¾
Coffee and } - - lbs. }	7,786,133	{ 3d. & 6d. } per lb.	11,120,248	6d. & 1s. 3d. per lb.	43
Cocoa - - - }					
Hemp - - - cwts.	350,853	9s. 1¼d. per cwt.	612,739	4s. 8d. per cwt.	74¾
Iron, bars - - - tons	6,708	6l. 9s. 10d. per ton	13,708	1l. 10s. 0d. per ton	104½
Rum - - - galls.	2,892,753	11s. 7½d. per gall.	2,475,308	7s. 1d. per gall.	12¾ (less)
Silk, raw, &c. - - lbs.	849,409	4s. & 3s. 6d. per lb.	3,178,744	3d. per lb.	274¼
" thrown - - - "	193,735	14s. 8d. per lb.	542,022	7s. 6d. per lb.	180
Tobacco and Snuff "	12,888,636	2s. 2d. per lb.	14,601,174	3s. 0d. per lb.	13¾
Wine - - - galls.	4,700,435	11s. 5¼d. & 7s. 7d. per gall.	8,835,170	6s. & 4s. per gall.	88
Wool, Sheep's - - lbs.	7,493,713	1d. per lb.	40,674,794	1d. per lb.	443
" , Cotton - - - "	87,909,245	8s. 7d. per 100lbs.	192,698,431	6l. 0s. 0d. per cwt.	119



APPENDIX.

No. 3.

Revenue—Mode of estimating the Receipts for 1826.

A.—*Customs and Excise.*

Produce of 1825	£. 37,546,000
Add — Progressive Reduction of Bounties	£. 50,000
Wine Drawback	1,050,000
Loss by lapse of Tobacco Duty . .	450,000
	<u>1,550,000</u>
	£. 39,096,000
Deduct—Further Loss from Reductions last Year	£. 350,000
Further Loss from diminished Consumption	1,300,000
	<u>1,650,000</u>
Estimate for 1826	<u>£. 37,446,000</u>

B.—*Stamps.*

Produce of 1825	£. 7,447,923
Deduct—Assumed Loss in 1826	47,923
	<u>7,400,000</u>
Estimate for 1826	<u>£. 7,400,000</u>

C.—*Taxes.*

Produce of 1825	£. 4,990,961
Deduct—Loss from Reductions for 1826	190,961
	<u>4,800,000</u>
Estimate for 1826	<u>£. 4,800,000</u>

D.—*Post Office.*

Produce of 1825	£. 1,595,461
Deduct—Assumed Loss in 1826	45,461
	<u>1,550,000</u>
Estimate for 1826	<u>£. 1,550,000</u>

E.—*Miscellaneous.*

Produce of 1825	£. 619,088
Add — Payment from Holland, East India Company, on Account of Naval Force, &c.	£. 340,912
Add also, Silver from Ireland	400,000
	<u>740,912</u>
Estimate for 1826	<u>£. 1,360,000</u>

