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THE
I N C O M E
AND
E X P E N D I T U R E
OF
G R E A T - B R I T A I N
OF THE LAST
SEVEN YEARS,
E X A M I N E D
AND
S T A T E D.

BY ROBERT RAYMENT.

LONDON:

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1791.

ERRATA.

- Page 12, line 23, for 1715, read 1785.
 13, 18, for rated, read stated.
 32, 1, for 1773, 1783, read 1773 to 1783.
 36, 19, for stated, read states.
 39, 22, for only, read out.
 57, last, for, page 1786, 69, read 1786, page 69.
 75, last, for 2,380,000, read 2,330,000.
 76, 8, for 522,500, read 522,400.
 77, 17, for four pounds, read four pounds five shillings.
 85, 19, for civil list, read civil list.
 86, 11, for 7789, read 1789.
 90, 1, for those articles, read the appropriated duties.
 94, 9, for are, read is.
 97, 1, for 3,317,93, read 3,317,093.
 Ibid. 10, for 2,487,186, read 2,441,053.
 Ibid. 12, for 4,797,039, read 4,751,006.

ADDRESS

TO THE

Stock-holders, Land-holders, Manufacturers, &c.

THE Proprietors of the Public Funds are said to be in number about one hundred and twenty-nine thousand; the nominal value of their property is called two hundred and forty millions, but their actual property is about nine millions one hundred and sixty thousand pounds a year.

To raise this sum on the nation at large, many very heavy taxes have been imposed, which by advancing the price of provisions, and consequently of labour, must cause the manufactures of this country to go at higher prices to foreign markets than formerly.

The consumer pays in the price of the commodity not only for the materials, and labour bestowed thereon, but also the taxes that attach thereto.

If by an export of three millions of manufactures to America, or any other foreign country, a fifth part, or six hundred thousand pounds, have been paid in taxes to Government by the manufacturers, it is evident that America, or such other country, being the consumer, actually pays the six hundred thousand pounds, through the medium of the price; it is also evident, that were the taxes abolished, the manufacturer could afford to sell the same quantity of goods to the Americans, or other foreign countries, for two millions four hundred thousand pounds instead of three millions. It is therefore by foreign trade that the manufacturers are enabled to pay their taxes.

But is there no danger of losing this foreign trade by extending taxation too far? Is there not danger from foreign rival nations less taxed, underselling our manufacturers in the American market? Is there not great probability from our

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manufactures,

manufactures, going so dear to market, in consequence of the great load of taxes, that the Americans will be induced to manufacture for themselves? It is well known, that the great trade this country formerly possessed to Turkey for woollens, is now in possession of France, from our manufacturers being underfold; the French manufacturers being able to work cheaper, from being less taxed than our own manufacturers.

If France was able to beat us out of the Turkey trade, when the interest of our National Debt was not more than 2,200,000l. a year, what chance can our manufacturers have in competition with the French manufacturers, now that the interest of our National Debt is above 9,200,000l. a year; especially as the French nation have wisely determined to lessen their taxes and National Debt.

The scheme of the Sinking Fund* of the year 1717, was a trick and an imposition on the people at large; there cannot be an instance produced from that time to this, that the people ever derived the least benefit or advantage therefrom, or that any tax or imposition was ever extinguished or lessened by it, except the land tax being occasionally lowered, at the desire of the monied people who begged they might not be paid off, because they did not know how to employ their money.

Convinced that the security of the public creditors could be rendered more firm by lessening the taxes, the people at large relieved immediately by lessening the taxes, and the commerce of Great Britain placed on more secure ground by lessening the taxes, I submitted the following plan to the consideration of government, through the hands of Mr. George Rose, Secretary to the Treasury, on the 3d of June 1784, who affected to rejoice at the first dawn of light, then thrown on the dark prospect of the national concerns.

The income of 1783 could not be estimated at more than	£12,000,000
The expenditure at	14,400,000
Consequently deficient	£2,400,000

* Taxes imposed for limited periods were then made perpetual, under the pretence of making a strong Sinking Fund.

PLAN

PLAN FOR ANNIHILATION OF TAXES.

It is proposed, that a fund be formed, under the direction of the Lords of the Treasury, to be called the Redemption Fund.

The money to be invested, from time to time, in such of the Public Funds as are most productive, for the sole purpose of suppressing such taxes as bear hardest on the trade and manufactures of Great Britain.

The tax to be suppressed, to be declared in the first instance.
That when the Redemption Fund shall amount to, or exceed the annual sum of the tax to be suppressed, so much of that fund as is equal to the tax, shall sink, and the tax be no longer levied.

The Redemption Fund to be formed of—	
One per cent. on 20,240,000l. the loans of 1760, and 1762, for 21 and 19 years, at four per cent. now fallen to three per cent.	£ 202,400
Half per cent. on 4,500,000l. three and an half per cent. 1758, now fallen to three per cent.	22,500
	224,900

Those two sums to be invariably applied to this purpose; and when the half per cent. 1777 annuity, for ten years (amount 25,000l.) falls in, to be added for the same purpose, as well as the Long Annuities granted in the reigns of King William and Queen Ann.*
If a Lottery be added to the above sum of 224,900l. to consist of 50,000 tickets, at 13l. each, the prizes to be paid at 10l. each out of the Sinking Fund in 1785, the following application may be immediately made

650,000
£ 874,900

* On the 5th Feb. 1791	Annuities of	1692	amount	£ 48,515	2	6
10th Oct. 1790	—	1694	—	6,365	12	0
At Lady Day 1803	—	1704	—	30,400	6	8
1805	—	1706	—	23,254	11	6
1806	—	1707	—	7,776	10	0
1807	—	1708	—	4,710	10	0
At Midsummer 1807	—	1708	—	10,181	0	0
				131,203	12	8

} falls in.

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APPLI-

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APPLICATION.

The additional duty on Salt laid on in 1782, and taken for 60,000l. per annum, to cease on January 5, 1785.

375,000l. part of the above sum, invested in annuities 1778 and 1779, before July 1784, if at 12½ years purchase, would buy - - - £30,000 0 0 per ann.

The remaining part of 874,900l. being - £499,900

With the half year dividend on 30,000l. 15,000

514,900

Invested in like manner before January 1785, at 12½

years purchase, would buy - - - 41,192 0 0 per ann.

Half year dividend on 71,192l. payable January 5, 1785,

being 35,596l. invested in like manner and same rate,

would buy - - - 2,847 13 6 per ann.

74,039 13 6 per ann.

Salt duty suppressed January 5, 1785 - - - 60,000 0 0

Remains - - - 14,039 13 6 per ann.

towards suppressing tax on in the course of 1785.

Produce of Salt, as stated in the Receipt of the Exchequer.

Salt, Michaelmas 1773 to 1774 £233,256 9 9½

1775 203,254 0 8

1776 237,390 18 0½

1777 224,120 13 7½

1778 221,863 13 6½

1,119,885 15 8

Average 223,977 3 1½ duty at 3s. 4d. per bushel

Salt, Michaelmas 1782 to 1783 249,963 9 7 duty at 5s. per bushel

Increased revenue 25,986 6 5½

In-

[5]

Increased duty 1s. 8d. per bushel, being a premium of so much above the old duties in favour of smuggling, and a tax of so much on the industrious poor consumers of this necessary article of life.

This plan would discourage smuggling, lessen the annual payments to the public annuitants, and be a saving to the revenue of 60,000l. per annum.

The Salt duties would remain at 4s. 2d. per bushel, at which rate the produce would probably be much greater than at the present duties.

The annihilation of 60,000l. per annum Annuities 1778 and 1779, would be equal to the paying off 2,000,000l. 3 per Cent. Annuities.

The disbursements by the Sinking Fund would be

In 1784	—	£224,900	—	—
1785	—	500,000	—	—
		724,900	—	—

14,039l. 13s. 6d. would remain per annum, to be applied to the further object of this plan.

June 3, 1784.

REMARKS ON THE PLAN.

“ IT is proposed that a fund be formed under the direction of the Lords of the Treasury, &c.” The act of 1786, for laying out a million, adopted this idea as far as the Chancellor of the Exchequer, who happens to be First Lord of the Treasury, and no one can doubt but that the Lords of the Treasury would have been as proper and as ostensible as the Speaker of the House of Commons, the Master of the Rolls, the Accountant General of the Court of Chancery, and the Governor and Deputy Governor of the Bank of England. “ The money to be “ invested from time to time, in such of the Public Funds as are most productive, “ for the sole purpose of suppressing such taxes as bear hardest on the trade and “ manufactures of Great Britain.” The act of 1786 directs the million to be laid out in 3 per Cent. Stock *, which is the least productive; and so far from

* This was a master stroke in finance, and must have been intended to shew that Mr. Pitt could make the nation believe that it was better to buy an annuity of 3l. than 8l. a year with the same money.

having

having the most distant view of suppressing any tax whatever, or of relieving the trade and manufactures from the heavy burthens they labour under, not one word of the kind appears in the act.

"The tax to be suppressed to be declared in the first instance."

By the act of 1786, the purchase of stock is intended to be carried on until the accumulated interest amounts to 4,000,000l. a year, and then to be at the disposition of Parliament; could the country bear the great load of taxes so as to allow a million a year to be laid out for 28 or 30 years (the time calculated by Mr. Pitt) one of two things would certainly happen; either the country would sink under the hands of an ignorant financier, of which there is too much probability, or, which is not very likely (the circumstances of other countries considered) would be so strong as not to need the ignorant financier's assistance, at the end of 28 or 30 years.

"When the Redemption Fund shall amount to or exceed the annual sum of the tax to be suppressed, so much of said fund as is equal to the tax shall sink, and the tax be no longer levied."

The act of 1786 certainly is not *guilty* of lessening the burdens of the people; but in this part of the Plan, the Minister must have seen that, at least *once* a year, it would be necessary by Act of Parliament, to declare the repeal of a part of the taxes, a measure, no doubt, the most grateful to the beneficent mind of his Majesty; and, in order to prevent the measure being overlooked, or neglected (let the Minister be whoever he might) the words "when the Redemption Fund shall amount to" were inserted, to prevent a continuance of the tax to be suppressed a moment longer than was necessary.

"The Redemption Fund to be formed of 1 per Cent. on 20,240,000l. the loans of 1760 and 1762 for 21 and 19 years, at 4 per Cent. now fallen to 3 per Cent. and half per Cent. on 4,500,000l.—3½ per Cent. 1758, now fallen to 3 per Cent. the saving thereon being 224,900l."

When taxes are imposed for the specific purpose of paying annuities to the money-lenders, and that those annuities are for a limited number of years, when those annuities are expired the tax should also cease.

But if the taxes (the cause for which they were imposed being at an end) should still continue to be levied, they should be applied to the extinction of such taxes as have been recently imposed, and are found on experiment to be un-

Pro-

productive: by such means the security to the landholder, the stockholder, and and the manufacturer, will be increased and not diminished.

By this Plan, the first year 60,000l. of taxes on salt would be paid off, at an expence of 724,900l.; and there would remain 14,039l. 13s. 6d. a year towards paying off 60,000l. a year more of tax on salt in the year 1785, which would require the profit of a second Lottery, and the further sum of 375,000l.:—the National Account would then stand—

120,000l. a year lessened of the National Debt by the

— Annuitants; for that sum being paid, the value of their annuity

120,000l. a year paid *less by the People at large*, and the *Income of the Revenue increased* 94,013l. per annum. To explain this a little further:—

The whole produce of Salt in 1783	£. s. d.
was	- 249,963 9 7 at 5s. per bushel
The average of five years, from	
1774 to 1778	- 223,977 3 1 at 3s. 4d. per bushel

The gain of 1s. 8d. additional duty was only 25,986 6 5½

By purchasing up annuities of the years 1778 and 1779 to the amount of 120,000l. a year, the Exchequer has so much less to issue, though the receipt of the Exchequer is lessened only 25,986l. and the whole revenue would be 94,000l. a year stronger; and at the same time the people at large, by being relieved from 120,000l. a year, would be better able to bear their other taxes, the whole expence to the nation would be 1,100,000l. and the profit of two Lotteries, rated at 300,000l. or in all 1,400,000l.; and that this service was practicable is plain, because the amount of the annuity that remained over at the end of 1784, after purchasing 60,000l. a year annuities 1778

and 1779, was £14,039 13 6 per annum.

375,000l. laid out before the 5 July, 1785, would, at 12½ years purchase, buy - 30,000 0 0 per annum.

44,039 13 6

Half

[8]

Brought over	-	44,039 13 6	
Half year's Dividend on 44,039l. due 5 July, 1785, being invested in like manner, amounting to 22,019l. at 12½ years purchase, would buy	—	—	1761 0 0 per annum.
150,000l. laid out before the 5 January, 1786, would, at 12½ years purchase, buy		12,000 0 0	
		57,800 13 6	
Half year's Dividend on 57,800l. due 5 Jan. 1786, would be 28,900l. at 12½ years purchase, would buy	-	-	2308 0 0 per annum.
		60,108 13 6	
Salt duty suppressed from 5 Jan. 1786,		60,000 0 0	
	Remains	£. 108 13 6	per annum,
towards suppressing tax on	in the year	1786.	
Carrying on the purchase of the same annuities in the year 1786 to the amount of 83,170l. 10s. per annum, at the same rate as was proposed for the year 1784, the sum required would be 1,038,271l. 11s. the whole sum laid out in the three years, and annuities purchased, would be			
In 1784—	874,900 0 0	would purchase annuity	74,039 13 6 per ann.
1785—	525,000 0 0	would purchase annuity	46,069 0 0 do.
1786—	1,038,266 11 0	would purchase annuity	83,061 16 6 do.
	2,438,166 11 0		203,170 10 0

By this Plan, Annuities to the amount of 203,170l. 10s. per annum might have been purchased, taxes to the same amount might have been suppressed, by the application of the sum of 2,438,166l. laid out in the annuities of the years 1778 and 1779; which annuities, if purchased, would have been exactly the same annual amount as have since been purchased in the three per cents. under the act of

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of 1786, which cost the sum of 5,424,592l. 4s. 7d.*; or nearly three millions of money more, without having afforded the least relief to the tax-payers (the people at large); without adding any further security to the stock-holders; or without gratifying his majesty, by enabling him to give his assent to acts for lessening the burthens of the people; or by decreasing the price of some of the necessities of life, thereby lessening the price of provisions, and, consequently, the price of labour; and by so doing, give security to the commerce of this country with foreign nations.

It may be said, the annuities proposed to be purchased will expire in 1808, and that the purchases made in the three per cents, are of perpetual annuities. In answer to this objection, the state of the country *required*, and *still requires* immediate relief from the burthen of taxes; therefore the greatest amount of annuities that can be purchased for the least money, can only produce that relief. And as the tax originated with the loan, the moment any surplus arises from a prosperous trade, or any other cause, that surplus, whatever be the amount, of right belongs to the people, and can only be applied to and for their use, in the diminution of their taxes, and to and for no other use or purpose whatever. What would a nobleman or gentleman say of his steward, who, having the means of paying off the mortgages on his estate, should pay those which stood at the lowest interest, and suffer those that bore the highest interest to remain undischarged? It is evident that the three per cents. being at the price of 80, three pounds a year can be purchased for that sum, which is exactly after the rate of 3l. 15s. per cent. on 100l. so laid out. It is also clear, that four per cents. being at par, 4l. a year, can be bought for 100l. That Long Annuities being at 23½ years purchase, 4l. a year can be bought for 94l. and Short Annuities being at 12½ years purchase, 4l. a year may be bought for 50l. At those different rates and proportions, a thousand pounds a year will cost, in those different funds, the following sums:

£ 1000 a year in three per cents. at 80l. will cost	-	£26,666 13 4
1000 a year in four per cents. at 100l. will cost	-	25,000 0 0
1000 a year in long annuities, at 23½ years purchase, will cost	23,500 0 0	
1000 a year in short annuities, at 12½ years purchase will cost	12,500 0 0	

* Account of stock bought, monies issued, and accruing interest, for reduction of the national debt, laid on the table of the House of Commons, and ordered to be printed, 28th Feb. 1791.

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The purchasing, therefore, in the three per cents. in preference to the four per cents. or Long and Short Annuities, is buying the dearest, and not the cheapest article; it is buying a nominal sum in the founding idea of the purchase of six million of stock, when the thing actually purchased is the annuity, or 180,000l. a year.

Nothing can be more delusive or more dangerous in a manufacturing country than excessive taxes. The public annuitant, who is only eager to get possession of his annuity, deceives himself, if from an increase of taxes the commerce of the country is endangered; and indeed his true interest is, that taxation should not be carried too far.

The injudicious manner in which the public money has been laid out, can be equalled only by the wasteful manner in which the Navy, Victualling, and Ordnance Debts, were funded in 1784 and 1785, of which we shall treat particularly in the following statement of the income and expenditure of the kingdom.

THE AUTHOR.

INCOME

INCOME AND EXPENDITURE OF GREAT BRITAIN
EXAMINED.

But all was false and hollow: though his tongue
Dropt' d manna, and could make the worse appear
The better reason, to perplex and dash
Maturest counsels: for his thoughts were low.

MILTON.

MONTESQUIEU says, "It is no longer customary with us to give the appellation of a great minister to a *wife* dispenser of the public revenues; but to a person of *dexterity* and *cunning*, who is clever at finding out what we call the ways and means."

Whether this description applies to the present minister (1) or not, every reader of the following statement and management of the finances, during the last seven years, will decide for himself.

The most disastrous as well as the most expensive war this country was ever engaged in, may be considered as brought to a conclusion, and peace restored, when conditional articles of peace had been signed with America (2), preliminaries with France (3) and Spain (4), and a cessation of hostilities with Holland (5) was agreed to.

It is true, that preliminaries with Holland (6), and the definitive treaties with France, Spain, and America, were not signed for some months after (7); and the definitive treaty with Holland not until the year following (8).

- (1) Mr. Pitt. (2) On the 30th of November 1782.
- (3) On the 20th of January 1783. (4) Ditto. (5) Ditto.
- (6) On the 2d of September 1783. (7) On the 3d of September 1783.
- (8) On the 20th of May 1784.

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In treating of the national debt, we shall speak only of the interest payable by the public to the annuitants; because the engagements with the public are for the payment of perpetual annuities, life annuities, or annuities for a specified number of years, and not for the re-payment of the principal.

INTEREST OF THE NATIONAL DEBT AFTER THE FUNDINGS
HAD TAKEN PLACE IN 1784 AND 1785,

		Annual Interest.			Charges of Management.		
		£.	s.	d.	£.	s.	d.
1786, Jan. 5.	Bank Stock	354,604	—	—	1,898	3	5
	3 per Cent. 1726	30,000	—	—	360	—	—
	3 per Cent. Confol.	3,221,199	17	9	48,838	—	10½
	3 per Cent. Red.	1,120,202	4	3	16,803	—	7½
	4 per Cent. Confol.	1,310,000	—	—	14,737	10	—
	5 per Cent. Navy	893,499	13	6	8,041	10	—
	Long Annuities	680,375	—	—	7,654	4	3
	Ann. 1777	25,000	—	—	281	5	—
	Ditto 1778 and 1779	404,331	8	5	4,548	14	6
	Life Ann. 1745	12,383	5	—	—	—	—
	Ditto 1746	22,821	10	—	—	—	—
	Ditto 1757	25,213	7	6	—	—	—
	Ditto 1778	2,769	13	—	—	—	—
	Ditto 1779	5,174	18	7	—	—	—
	South Sea House	779,540	10	9	15,101	18	8
	East India House	126,000	—	—	1,687	10	—
	Exchequer Annuities	131,203	12	8	5,250	—	—
	Ditto Life Annuities	8,735	12	—	—	—	—
		£9,153,054	13	5	£125,201	17	4

On

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On the 5th Jan. 1776, at which time (though the war with America may be considered to have been some time begun, no loans had been made to carry it on) the amount of the (9) interest of the National Debt, and charges of management, appears to have been

£4,411,826 11 7½

To which must be added the interest on the million (10)

1726, 3 per cents. not being then considered as a part of the National Debt, with 360l. for charges of management to the Bank

30,360 — —

There were at that time, also, Exchequer Bills, amounting to 1,250,000l. the interest (11) paid thereon in 1775 was

17,598 13 10

Total of interest of National Debt

£4,459,785 5 5½

The land tax of 1775 was three shillings in the pound, and the sum applied to the current service, from the Sinking Fund, was (12) 2,811,239l. 10s. 10d.

There must then have been a considerable Navy Debt, because 1,000,000l. was applied in 1776 towards the discharge of it.

The eleventh report of the Commissioners of the Public Accounts (13) rated the interest of the National Debt (including the loan of 1783) to have been

£7,951,930 1 —

(9) Annual interest

£4,339,502 2 5

Charges of management

72,324 9 2½

£4,411,826 11 7½

(10) Civil list debts of George I. for the payment of the interest of which 6d. per pound was laid on pensions, which produced in the year, ending at Michaelmas 1715, £45,800.

(11) The small sum of interest paid, proves, that the Exchequer bills in 1775 were made use of, only a part of the year, at 3 per cent. if used the whole year, the interest would have been £37,500.

(12) Sinking Fund on 5th April

£ 895,686 13 10¼

Future produce

1,915,552 16 11¾

£2,811,239 10 10

(13) Appendix, No. XXXIII.

Brought

[14]

Brought over	£7,951,930	1	—
But they having taken life annuities 1779 (14) twice, there must, therefore, be deducted	5318	18	7
	£7,946,611	2	5
The charges of management not being (15) included must be added	134,291	13	1
The interest on (16) 4,091,900l. Exchequer bills was	147,005	—	—
	£8,227,907	15	6
The Unfunded Debt, consisting of (17) Navy Bills and Ordnance Debentures, amounted to the sum of 12,742,415l. subject to an annual interest of	465,737	—	—
(Interest of National Debt 31 Oct. 1783	£8,693,644	15	6
Deduct the Debt as it stood on 5 Jan. 1776	4,459,785	5	5½
Increased on the 31 Oct. 1783, per annum	£4,233,859	10	0½

It was found necessary to borrow 12,000,000l. in the year 1783, which was effected on the following terms: (the interest on which is included in the foregoing statement.)

£12,000,000 (18) three per cent. stock	—	—	£360,000
3,000,000 four per cent. stock	—	—	120,000
Long Annuity for 77 years, 13s. 4d. per cent.	—	—	80,000
Annual interest on £12,000,000 borrowed	—	—	£560,000
(14) Appendix, No. XXXII, £262,500, being the whole amount of annuities for 29 years, and for lives. The life ann. (No. XXXI.) being 5318l. 18s. 7d.			
(15) Appendix, No. XXXIII.		(16) Appendix, No. XXXIX.	
(17) Appendix, No. XXXIX.			
Navy	£11,758,699	9	2
Ordnance	983,715	10	11
	£12,742,415	0	1
	Valued at		
(18) £100 0 0 3 per cent. at 66	£66	0	0
25 0 0 4 per cent. at 84	21	0	0
— 13 4 per ann. at 20 years purchase	13	6	8
Lottery tickets	1	4	0
	£101	10	8

To

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To which the douceur of a Lottery, consisting of 48,000 tickets was added, which valued at 3l. above the actual cost, and reckoning four tickets to each thousand pounds subscribed, was a profit of 1l. 4s. per cent.

Each subscriber received for his (19) hundred pounds a perpetual annuity of 3l. in the Three per Cent. Annuities; a perpetual annuity of 1l. in the Four per Cent. Annuities; and an annuity of 13s. 4d. per cent. for 77 years; so that the whole expence to the public (exclusive of the lottery) was 13s. 4d. per annum for 77 years, and perpetual annuities of 4l. a year.

This loan bore for a considerable time a high premium (20); but soon fell to a discount of eight per cent. when it was known that the Bank of England (21) refused to advance money on the subscriptions, as had uniformly been done on the loans of the preceding years.

The reason assigned by the bank was, that they did not *lend money on loans in time of peace.*

It is true, the bank sometime afterwards consented to advance money on the loan; but not until the price had fallen, and instead of bearing a large premium, was at a discount, (of eight per cent.) which caused much ill humour among the monied people.

In order to improve the revenue, it was thought right to repeal the act, (21*) by which persons might commute the malt tax, on paying the sum of five shillings for each person (22) in the family, making malt for their own consumption, which occasioned much discontent among the country gentlemen, who were for the first time placed on a fair footing with their own day labourers. The administration of that day got all the odium of that measure; the succeeding administration got all the credit of an increase of revenue arising therefrom.

The East-India Company were found not only unable to pay the duties to Go-

(19) Or 4l. 13s. 4d. per cent. (20) Was at 8l. per cent. premium.

(21) In 1789, a million was borrowed on Tontine—the Bank lent money on it, when only a small part (10 per cent.) was paid. The Bank also lent money on East India Stock, though *not Government security.*

(21*) Lord John Cavendish being then Chancellor of the Exchequer.

(22) Sir Richard Hill, member for , had not forgotten this matter in the year 1790. When any necessary regulation causes persons to pay the taxes they have been excused from, such payers of taxes never forgive those who have been the occasion of such regulations, however fair or necessary.

vernment

vernment, they had received from the (23) public, on the India goods sold at their sales, but to make any dividend to the proprietors of India stock: it therefore became necessary for Government to prevent the mischief that would have arisen for want of payment of the dividend to the proprietors of stock, to advance under certain (24) restrictions the sum of 300,000l. in Exchequer Bills, which Exchequer Bills the Bank of England undertook to lend money upon, to the East-India Company, at four per cent. per annum interest.

The inability of the East India Company to pay the duties to government they had received from the purchasers of East India goods, caused the revenue of 1783 to fall short of the year preceding, to which deficiency of revenue the bad harvest of 1782 did not a little contribute.

Had not the administration of that day taken the concerns of the East India Company into consideration, and endeavoured effectually to prevent the Company from running into arrear from that time forward, they would have been without excuse.

Another measure caused great uneasiness—the Civil List had run into arrear to the amount of near 300,000l.; it was thought right that the public should advance the money, and that such an arrangement should take place as to repay to the public the money in six years at 50,000l. a year.

Accordingly such arrangement did take place in 1783, but was broke through the year following (25). £60,000 was voted to discharge arrears; and in 1786 (26) 210,000l. was voted to wipe off the remainder of this debt: thus the public actually paid 270,000l. of the 300,000l. debt contracted before 1783.

(23) 24th Geo. III. chap. 34th clause 1.—Payment of duties postponed, amount 923,519l. 5s. 2d. to the 1st day of January 1786.

(24) See 23d Geo. III. chap. 83. By which it was particularly provided that this money should be repaid by the 6th of April 1786, but was not repaid on the 5th of April 1790. 24th Geo. III. chap. 34. clause 4. The company to divide 8l. per cent.—to pay the debt due for duties repaid—next the 300,000l. borrowed on Exchequer bills—and then to reduce the bond debts to 1,500,000l. When that was effected, the same participation was to take place as in the 21st Geo. III. between the Company and the Public.

(25) See Miscellaneous Services of 1784.

(26) See Miscellaneous Services of 1786.

£180,000 to pay Exchequer Bills
30,000 Arrears to 5th January
210,000

Of

Of the 12,000,000l. borrowed in 1783, there was 825,179l. 13s. 6d. applied *Mary* to discharge (27) Navy and Victualling Bills registered in the months of April and May 1781; 2,539,402l. to (28) Army Extraordinaries; 819,259l. to (29) Ordnance Debt of 1782, and 1,966,810l. to the discharge of (30) Exchequer Bills and Interest.

Besides the Loan there was taken from the future produce of the Sinking Fund 2,200,000l. which was done on the experience of former years.

The bad harvest of 1782, which was felt in 1783; the non-payment of the East India Company's duties, and there not having been time for the revenue to feel the effect of returning trade, in consequence of peace, there remained on the 10th October, 1783, 999,765l. 5s. 10d. of the 2,200,000l. undischarged, for which the Sinking Fund stood engaged; but against this the East India Company's debt of 923,519l. (31) for duties may be placed.

There was therefore very little ground to complain of the Sinking Fund having been anticipated by the Administration of 1783.

It appears (32), that in the year 1783 there was imported into Great Britain the following quantities of the different sorts of corn and grain, owing to the bad harvest of 1782, the amount being 1,926,142l. 2s. was that year an extraordinary balance against this country. The prices are taken from the same authority as the quantities. The exported quantities, which are deducted from the imported, were sent either to our Colonies in the West Indies or America.

	Quarters.
Wheat imported	- 584,183
exported	- 51,943
	<u>532,240</u> at 52s. 8d. £1,401,565 6 8

(27) Appendix to 11th Report of Commissioners of Public Accounts—not one penny of Navy or Victualling Bills was paid from this time till after the 1st of January 1785. *Mary*

(28) See Army, distribution of Grants to 1783.

(29) See Ordnance ditto. (30) See Exchequer bills ditto.

(31) Of this debt 401,118l. 17s. 1d. was paid, and brought into the receipt of the revenue in 1785, the remaining part 522,400l. 8s. 1d. brought in like manner into the receipt of the year 1786.

(32) Representation of the Lords of the Committee of Council, dated 8th of March 1790.

D

Barley

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Brought over	Quarters.	532,240 at 52s. 8d.	£1,401,565 6 8
Barley imported	- 144,926		
Barley exported	- 54,065		
		90,861 at 30s. 4d.	137,805 17 0
Oats imported	- 228,942		
Oats exported	- 11,826		
		217,116 at 19s. 10d.	215,306 14 0
Rye imported	- 81,295		
Rye exported	- 3,365		
		77,930 at 35s. 8d.	138,975 3 4
Beans and Pease } imported	31,614		
Beans and Pease } exported	12,960		
		18,654 at 34s. 10d.	32,481 1 —
		936,801	£1,926,142 2 0

This great importation took place in consequence of an Act passing before Christmas 1782, having been recommended in his Majesty's speech from the Throne on the 5th day of December, in the following words, "The scarcity, and consequent high price of Corn, requires your instant interposition."

The price of wheat, and consequently of bread, continued high until after the harvest of 1783; and though there was a considerable importation of wheat in 1784 (33), the good harvest of that year turned the balance of wheat, imported and exported, in favour of this country the year following.

(33) Balance of wheat imported and exported 1784—Imported 216,947 quarters.
Exported - - - 89,288

fourth of the balance of 1783.		127,659 which was not quite one
1785. Imported	-	110,863 quarters.
1785. Exported	-	132,685
		21,822 in favour of Great Britain.
1786. Imported	-	51,463 quarters.
1786. Exported	-	205,466
		154,003 in favour of Great Britain.

Nothing

[19]

Nothing can better demonstrate the plenty or scarcity of crops than the prices, if fairly taken.

The price of wheat per quarter in

1783 was	52s. 8d.
1784 -	48s. 10d.
1785 -	41s. 10d.
1786 -	38s. 10d.

But by the Gazette prices, the average of the harvest of

1784 was only	37s. 3d. per quarter.
1785 -	35s. 5d.
1786 -	38s. 6½d.

In 1783 the price of bread was seldom under 2s. 10d. the peck loaf, or 8½d. the quarter loaf. But in the above three years the price of bread was very rarely higher than 2s. the peck, or 6d. the quarter loaf.

When wheat is at 36s. the quarter, flour will be at or about 3cs.—the sack containing five bushels, or 280lb. weight.

Allowing the baker for his labour, expence, and profit, ten shillings a sack, and that it will make twenty peck loaves, or a proportional number of half-peck or quarter loaves, the price of bread will not exceed 2s. the peck, or 6d. the quarter loaf, of the first quality.

Reckoning 6,000,000 of persons in Great Britain, and that one with another each consumes, in the course of the year, corn equal to a (34) sack of fine flour, the annual consumption, when bread is at 2s. a peck, will be 6,000,000 of sacks, at 40s. (in bread) which is 12,000,000l. a year.

When the price is at 45s. for a sack of flour, and the same allowance made for baking, the money that then must be laid out in this necessary of life, will be for 6,000,000 of sacks, at (35) 55s. a sack (in bread) which is 16,500,000l. a year.

The difference then between a plentiful and a scarce year, in the cost of bread in the kingdom, is between four and five millions of money, and must have a very great effect on the consumption of exciseable commodities.

(34) A very intelligent farmer, whose family consists of nine persons, kept an exact account of the quantity of wheat consumed in a year, and found 22 comb was used, which is near 10 bushel of wheat for each person, or about a sack and a third of flour.

(35) At this price bread would be at 8½ the quarter loaf.

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By

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By this calculation a halfpenny in a quatern loaf, is equal to a million of money a year.

Though much had been done to reduce the Unfunded Debt in 1783, there remained undischarged on the 31st of October the following debts: (36)

Navy and Victualling Debt	-	£ 11,758,699	9	2
Ordnance	-	983,715	11	11
Extraordinaries (37) of the Army	-	2,022,226	11	3½
		£ 14,764,641	12	4½

And at the end of the year there remained, of Exchequer Bills undischarged, in circulation or in the Bank of England

As also advanced by the Bank in 1781, to be charged on the Supplies of 1784 (38)	-	2,500,000	0	0
		2,000,000	0	0
		£ 4,500,000	0	0

On the 31st of December, 1783, the Navy Debt appears to have been as follows: (39)

Navy Bills registered	—	£ 7,973,500	3	8
Freight of Transports	—	718,350	5	10
Victualling Bills	—	4,655,801	14	3
Ditto, for which bills are not made out	-	20,871	4	9
		£ 13,368,523	8	6

There had been voted for the service of 1783 110,000 seamen and marines (40), and provision made for paying them (exclusive of ordnance for sea service) 5,434,000l.

(36) Appendix to the XIth Report of the Commissioners of Public Accounts.

(37) The Extraordinaries of the Army were provided for in 1784, out of the six millions borrowed that year; the other two articles were funded in 1784 and 1785.

(38) The payment of which was postponed to the year 1786.

(39) Commons Journals, estimate of Navy debt, and is exclusive of Ordnance debt.

(40) Distribution of Grants 1783.

DISTRIBUTION OF GRANTS,

NAVY.

110,000 Seamen and Marines	5434,000	0	0
Ordinary	451,989	12	11
Extraordinaries	311,843	1	4

ARMY.

54,678 Men	456,904	19	9
Plantations	188,891	1	6
Ditto	308,277	6	3
Ditto at Gibraltar	310,623	16	6
Ditto	155,868	14	6
Ditto	205,542	12	0
Militia	165,418	10	0
East-Indies	15,074	10	0
Irish Regiments	41,140	16	2
Corps North America	25,126	3	1
Ditto	38,000	14	3
Ditto	40,241	14	0
Forces abroad	136,888	11	6
Staff	15,561	17	2
Ditto	2,760	11	3
Ditto	8,131	13	8
Reduced Officers	77,985	5	10
Ditto	47,500	0	0
Ditto	15,000	0	0
Scotch Brigade	3,513	9	0
Hofe Guards	574	18	4
Foot Guards	8,137	8	0
Chelcea	96,972	17	11
Ditto	1,830	0	0
Hanoverians at Gibraltar	28,017	11	08
Ditto Great Britain	9,320	13	6
Troops Hefe Caffel	367,203	9	10
Ditto Hannau	65,138	12	84
Ditto Deficiency Hefe	3,317	14	94
Ditto Brunswick	93,947	15	8
Ditto Waldeck	17,498	3	21
Ditto Anspach	31,501	19	14
Ditto ditto	6,419	9	9
Ditto Anhalt Zerbit	23,818	11	114
Artillery Foreign Troops	27,683	14	0
Extraordinaries	2,539,402	2	94

5,559,257 9 04

ORDNANCE.

Sea Service	286,000	0	0
Land Serv. (voted 630,612 12 10)	579,559	13	4
Ditto 1782	819,259	2	9

1,684,818 16 1
4,949 7 5

To purchase of Land near Chatham

MISCELLANEOUS.

Commons' Addreffes	11,236	4	0
Levant Company	5,000	0	0
Building Newgate	10,000	0	0
Nova Scotia	5,943	9	5
East Florida	3,950	0	0
West Florida	4,970	4	1
St. John's	3,150	0	0
Senegambia	2,450	0	0
Georgia	3,340	0	0
Africa	13,000	0	0
Somerfet House	25,000	0	0
Commissioners Public Accounts	7,500	0	0
Riots	1,006	15	0
Pavement, Welfminfter	800	0	0
Scotch Roads	5329	10	6
Prince of Wales's Establishment	60,000	0	0
Duncan Campbell	14,452	17	3
American Civil Officers	76,849	16	6
Bank Receiving Subscriptions	15,831	3	4
Ditto Lottery, &c.	10,669	10	0
Ditto drawing ditto	11,750	0	0

202,229 10 1

Exchequer Bills discharged, and Interest

Ditto ditto	1,578,091	7	6
Ditto ditto	1,031,183	19	10
Ditto ditto	1,966,810	13	14
Deficiencies	46,444	0	11
Ann. 1758 on 5 July, 1782	160,191	8	84
Ditto 1779 ditto	63,888	8	74
Ditto 1780 10 Oct.	141,871	7	74
Ditto 1782 5 July	138,682	17	4
Malt 1781 at Lady Day, 1783	155,056	15	8
Land ditto at Michaelmas, 1783	188,802	7	44
Ditto Mint	-	-	-
Ditto Last Year's Grants	-	-	-
Lottery Prizes	-	-	-

343,859 3 04
10,430 1 5
281,702 8 2
480,000 0 0
£20,022,243 13 114

WAYS AND MEANS.

Land Tax at 4s.	-	-	2,000,000	0	0
Malt Tax	-	-	750,000	0	0
Loan, £12,000,000 1 per Cents.	-	-	-	-	-
3,000,000 4 per Cents.	-	-	-	-	-
Long Annuity 13s. 4d. per Cent.	-	-	12,000,000	0	0
Lottery, 48,000 Tickets, at £10	-	-	480,000	0	0
Exchequer Bills	-	-	1,500,000	0	0
Ditto	-	-	1,000,000	0	0
Remaining in Exchequer	-	-	46,767	0	5
French Prizes	-	-	5,377	8	11
Sir Robert Taylor, on Account of Riots	-	-	1,843	11	10
Lottery Licences	-	-	1,440	17	4

*Future Produce of Sinking Fund

17,785,428	18	6
2,200,000	0	0
19,985,428	18	6

Deficiency of Ways and Means, to be made good from the Grants of 1784

36,814	15	54
£20,022,243	13	114

Remaining unpaid on the 1st of June, 1784.

Army	-	-	21,783	5	104
Purchase of Land near Chatham	-	-	4,949	7	5
Somerfet-House	-	-	10,000	0	0
Prince of Wales	-	-	10,000	0	0
Deficiency of Grants 1782	-	-	16,364	10	5
Drawing Lottery	-	-	1,600	0	0

Towards satisfying the Services unpaid, there remains of Contributions to the Lottery	64,697	3	84
	27,882	8	3

Deficiency Ways and Means

36,814	15	54
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MEMORANDUM.

Arrears of former Supplies, remaining unpaid, for which Money is provided.

For the late African Company's Creditors	-	-	900	12	10
Georgia Bills, residue of £15,496 19 14	-	-	570	17	7
Compensations to Proprietors of Lands at and near Plymouth	-	-	16,364	10	5

And there remains unpaid of £8,702,277 5 8 granted for Naval Services in the year 1781	98,392	7	64
To complete £36,207 4 3 granted towards buildings at Somerfet-House in 1781	1,607	12	54

To answer which there remains to be paid by the East-India Company, in full of £400,000 granted towards the Supply for the year 1781

£100,000	0	0
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* This Account proves that £2,200,000 was necessary to answer the Services of the year, but does not show, that the Sinking Fund was able to answer that Sum. The fact is, the Sinking Fund account makes £999,765 5 10 unredeemed on the 10th October, 1782.

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Dr.

1783

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DISTRIBUTION OF GRANTS,

NAVY.		5,434,000 0 0	451,989 12 11	311,843 1 4	6,197,832 14 3
110,000 Seamen and Marines	Ordinary	-	-	-	-
Extraordinaries	-	-	-	-	-
ARMY.		456,904 19 9	188,891 1 6	308,277 6 3	310,623 16 6
54,678 Men	Plantations	-	-	-	-
Ditto	-	-	-	-	-
Ditto at Gibraltar	-	-	-	-	-
Ditto	-	-	-	-	-
Ditto	-	-	-	-	-
Militia	-	-	-	-	-
East-Indies	-	-	-	-	-
Irish Regiments	-	-	-	-	-
Corps North America	-	-	-	-	-
Ditto	-	-	-	-	-
Ditto	-	-	-	-	-
Forces abroad	-	-	-	-	-
Staff	-	-	-	-	-
Ditto	-	-	-	-	-
Ditto	-	-	-	-	-
Reduced Officers	-	-	-	-	-
Ditto	-	-	-	-	-
Ditto	-	-	-	-	-
Scotch Brigade	-	-	-	-	-
Horfe Guards	-	-	-	-	-
Foot Guards	-	-	-	-	-
Chelica	-	-	-	-	-
Ditto	-	-	-	-	-
Hanoverians at Gibraltar	-	-	-	-	-
Ditto Great Britain	-	-	-	-	-
Troops Hefte Caffel	-	-	-	-	-
Ditto Hannau	-	-	-	-	-
Ditto Deficiency Hefte	-	-	-	-	-

WAYS AND MEANS.

Land Tax at 4s.	2,000,000 0 0
Malt Tax	750,000 0 0
Loan, £12,000,000 3 per Cents.	12,000,000 0 0
3,000,000 4 per Cents.	480,000 0 0
Long Annuity 13s. 4d. per Cent.	1,500,000 0 0
Lottery, 48,000 Tickets, at £10	1,000,000 0 0
Exchequer Bills	46,767 0 5
Ditto	5,377 8 11
Remaining in Exchequer	1,843 11 10
French Prizes	1,440 17 4
Sir Robert Taylor, on Account of Riots	17,785,428 18 6
Lottery Licences	2,200,000 0 0
*Future Produce of Sinking Fund	19,985,428 18 6
Deficiency of Ways and Means, to be made good from the Grants of 1784	36,814 15 5½
	£20,022,243 13 11½

The prospect of peace having taken place so early as January that year, there could not be a necessity for employing any thing like that number, and consequently a very great saving must have been made under that head.

What was saved from a smaller number of seamen being employed, could not be better applied than in discharge of the Navy Debt; accordingly we find (41) a large sum applied to that purpose in October 1783.

About this time the struggle for power took place, since which there does not appear to have been any part of such savings applied in that manner; and it was not until the 1st of June 1784, when a new Parliament had been chosen, that the following Account (42) of the Distribution of Grants of 1783, was laid upon the table of the House of Commons.

It would have been satisfactory to have had stated in that account, in what way the 5,434,000l. granted for seamen and marines for the service of that year, had been applied.

On that day (43) the debt due for Navy and Victualling Bills undischarged, had accumulated, in point of time, to three compleat years. Or from the 1st of June 1781, to the 1st of June 1784; and we have already seen that this debt was, on the 31st of December, 1783, (44) 13,368,523l. 8s. 6d.

Considerations on the Trade and Finances of this kingdom (45), seem to lay it down as a rule, that when 16,000 seamen are voted for the service of the year, "the four pounds per man per month, which is voted for them, furnishes a larger sum for extraordinaries (ship building), than the additional expence will require; so that though the services be more extensive, yet, as the provisions made for them have been increased in a greater proportion, it may reasonably be expected that a navy debt should not be annually incurred, when the consequences of the war are satisfied."

(41) Report of Commissioners of Public Accounts, Appendix, No. XXXV.

(42) Distribution of grants 1783.

From the above account it appears that the naval expence of 1783 was		£6,197,832 14 3
Army	-	5,599,257 9 0½
Ordnance	-	1,689,768 3 6
Miscellaneous	-	292,229 10 1
		£13,779,087 16 10½

(43) June 1, 1784. (44) Page 20. (45) Published in 1766.

If,

[22]

If, therefore, 16,000 seamen furnished a sufficient supply towards extraordinaries (46) in 1766, the numbers voted in 1784, 1785, 1786, 1787, 1788, and 1789, being in the first year 26,000; in the four following years 18,000, and in the last-mentioned year 20,000, ought to have prevented any accumulation of Navy Debt.

The Navy Debt was certainly large at the conclusion of the war, and it was highly necessary to provide for it, consistent with the original contract, and the national honour.

In 1763 there had been a considerable Navy Debt provided for, by opening books at the Bank to admit the possessors of Navy and Victualling Bills to make up the amount of their respective claims by adding the interest to the principal, to be converted into Stock at four per cent. redeemable (47): "The interest was the same as before, but when it was upon bills, the time of payment was uncertain; upon Stock it is regular: they were indeed always assignable, but not divisible; if, therefore, the money which the bill-holder wanted was less than his bill was worth, he was obliged to sell more than he wished, the entire bill only, and not a part being saleable: and as many of them were for large sums, it was often difficult to dispose of them: Stock, on the contrary, in any proportion, and at any time, will find a purchaser."

Here, then, was a plain road and beaten path, for the funding the Navy and Victualling Bills and Ordnance (48) Debentures, and there cannot be a doubt but that the bill-holders would have readily come into the measure, had it been proposed, for the reasons above stated.

The bill-holders could not claim more than their contract; and it would have been quite sufficient to have given them the same assurances as was given in 1763, namely, that they should be the first paid off, when the finances should be capable of reducing the National Debt.

The princely fortunes made by the contractors during the war, certainly could not entitle them to demand, from an almost exhausted country, extraordinary payment for services that had been performed on the most extravagantly usurious terms.

(46) Ship building.

(47) Consideration on the Trade and Finances of this Kingdom.

(48) The Ordnance debentures might have been provided for another way, (see page 26.)

The

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The contractor knew before-hand that he was to be paid in bills that would bear an interest of four cent. after six months from their respective dates, and that in making out those bills, the discount at which they were then sold, was added to the amount of the goods delivered.

Thus, if Government contracted for 1000 quarters of wheat at 40s. per quarter, the amount would be 2000l. and the discount (49) of the navy bills being at 20 per cent. the contractor would receive a navy bill, or navy bills, for (50) 2,500l. in order that he might, by selling such bill or bills to the monied men at that discount, receive in cash the net money agreeable to his contract; in regard, therefore, to the person supplying government, he was in fact paid in ready money for his goods.

Let us now see what would be the advantage the monied man would derive by purchasing navy bills at 20 per cent. discount, and making them into four per cent. stock at the end of two years.

£2,500 navy bills, at 20 per cent. discount, would cost — £2,000

Interest commencing after six months.

18 months interest at four per cent. must be added, which is 150

To the amount of the bills — — 2,500

Wrote into stock at the end of two years would make — £2,650 stock, bearing an annual interest of 106l.

If sold at par would produce a profit of 650l. on 2000l. employed two years, or sixteen pounds five shillings per cent. per annum.

The national honour did not require, nor could the monied men, holders of navy bills, demand, that services performed for 100l. bearing an interest of four per cent. per annum, should be converted into 107l. 10s. 6d. capital stock (51) in

(49) Castaign's paper.—Jan. 1784, discount 20 per cent.—The average discount of navy bills, all 1784, was 17 per cent.

(50) £2,500 bills.

500 discount, 20 per cent. deducted, leaves

£2000 net money.

(51) 24 Geo. III. chap. 39.—Navy and victualling bills, and ordnance debentures, registered between the 1st of June 1781, and 30th of June 1782, were to be brought in, and interest due thereon to

[24]

in 1784, bearing an interest after the rate of *five* per cent. per annum; and 111l. 8s. capital stock in 1785, bearing the like interest.

The monied men, holders of such navy and victualling bills, cannot be blamed for accepting such exorbitant terms; but no man, or minister, can be justified for having given them.

In 1784 the amount of navy and victualling bills thus funded was 6,397,900l. (52) which at 107l. 10s. 6d. per cent. made 6,879,341l. 19s. 6d. five per cent. stock, bearing an interest of 343,967l. 2s. per annum.

Let us now see the advantages the monied men actually obtained by this furious and unprecedented bargain.

Navy and victualling bills purchased for 2000l. in 1782, at 20 per cent. discount, would in two years (18 months interest being added) made the sum to be funded in 1784, 2650l. which at 107l. 10s. 6d. per cent. made 2,849l. 8s. 3d. five per cent. stock, bearing an annual interest of 142l. 9s. 5d.

If sold in two years at 115 per cent. would produce in money £3,276 16 6 and there would have been two years dividends received, amount 284 18 10

Deduct the original sum employed	—	£3,561 15 4
		2,000 0 0
Profit in four years	—	£1,561 15 4

Or above seventy-eight per cent.

to the 5th of July 1784, was added to the principal; and for 100l. of such principal and interest, the holders had 107l. 10s. 6d. 5 per cent. stock.

Ordnance debentures, though not entitled by the original contract to any interest, were to bear interest after 15 months from the dates.

Fractional parts above the computed, even 100l. were to be paid by the treasurer of the navy and office of ordnance, the amount (about 90,000l.) was the only part of the unfunded debt paid in money, all the rest was funded.

No part of the 5 per cent. stock was to be redeemed until 25,000,000l. of the 3 or 4 per cents. were paid off.

(52) See the funding the remainder in 1785.

There

[25]

There was borrowed in 1784 six millions on the following terms:

	Annual Interest.
6,000,000l. Three (53) per cent. Stock	- £180,000 0 0
3,000,000l. Four per cent. Stock	- 120,000 0 0
Long Annuity for 75½ years at 5s. 6d. per cent.	- 16,500 0 0
Annual interest on 6,000,000l. borrowed	- £316,500 0 0

To which the douceur of a Lottery of 36,000 tickets was added, which at four pounds above the cost of the ticket, and six tickets to a thousand pounds subscribed, was a profit of 21. 8s. per cent.

Each subscriber received for his hundred (54) pounds a perpetual annuity of 3l. in the 3 per cents.; a perpetual annuity of 2l. in the 4 per cent. annuities, and an annuity of 5s. 6d. per cent. for 75½ years; so that the expence to the public, exclusive of the Lottery, was 5s. 6d. per annum for 75½ years, and perpetual annuities of 5l. a year.

This loan was 12s. 2d. per cent. higher (exclusive of the profit on tickets) than the loan of 1783, and which amounts to (55) 36,500l. a year on the six millions borrowed.

About this time there seems to have been adopted a system of trick, cunning, and concealment.

The Sinking Fund was taken for only 800,000l. in order to make the following year appear greatly productive.

The peace Navy Debt of 1784 was suffered to run into arrear, in order to be smuggled into the funding of 1785.

	Valued at
(53) £100 - 3 per cents. at 57½ per cent.	£57 12 6
50 - 4 per cents. at 74½	37 8 9
5s. 6d. at 17½ years purchase	4 17 7½
Profit of ticket	2 8 0
	102 6 10½

(54) Or 5l. 5s. 6d. per cent.

(55) 36,500l. a year, at 4 per cent. interest will amount in 85 years (the expected duration of a Tontine, consisting of 10,000 shares, at which time the number may be reduced to 40) to the sum of 46,677,288l.

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The whole unfunded Navy Debt was proposed at first to be funded in 1784, and taxes to the amount of the interest of the whole were actually imposed, but the greatest part of the unfunded Navy Debt was postponed to the year 1785.

In proof that the Sinking Fund might have been taken for 1,800,000l. instead of only 800,000l. the following statement, taken from the account of surplusses, commonly called the Sinking Fund, will shew.

It appears that the unproductive year 1783 had paid back of the 2,200,000l. borrowed for the service of that year, - - - £1,200,234 14 2

Had also made good of the 2,284,715l. 10s. 8d. granted for the service of 1781 - - - 227,934 4 2½

The deficiencies of the several funds, to be made good from the supply of the year 1784, amounted to - - - £933,656 19 6½

And the deficiencies brought from the Supply 1783, were only - - - 551,078 3 2½

382,578 16 3½

£1,809,847 14 8

It was also to be expected that the harvest of 1783, being much better than that of 1782, and the tide of trade flowing in consequence of peace, that the taxes, and consequently the Sinking Fund, would become much more productive.

To have charged the Sinking Fund with 1,800,000l. would have made it unnecessary to have funded the Ordnance (56) Debt, which might then have been provided for from the Supply of 1784, and would have been a great saving to the public.

The interest of the loan of 6,000,000l. was 317,500l. and the interest of the whole unfunded debt, consisting of Navy and Victualling Bills and Ordnance Debentures, was estimated at 610,000l.; which two sums of interest made, together, 927,500l. in proof that the whole was proposed to be provided for, will appear from the following list of taxes, and their estimated annual produce.

(56) The Ordnance debt, on the 31st of October 1783, was 983,715l. 11s. 11d.

Hats,

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(57) Hats, licence, and duty	-	-	£150,000	0	0
(58) Ribands and gauze	-	-	120,000	0	0
(59) Coals	-	-	150,000	0	0
Horses	-	-	100,000	0	0
(60) Printed linens and cottons	-	-	120,000	0	0
Candles	-	-	100,000	0	0
Licences on brewery, &c.	-	-	80,000	0	0
(61) Bricks and tiles	-	-	50,000	0	0
(62) Game licences	-	-	30,000	0	0
Paper	-	-	18,000	0	0
(63) Hackney coaches	-	-	12,000	0	0
			£930,000	0	0

These taxes were so objectionable as to make it necessary to abandon some of them, and to alter others.

In laying on the taxes, it was contrived that they should take place as soon as possible; but in funding the 5 per cent. Navy Debt, the first half yearly payment of interest did not take place till the 5th of January 1785.

The amount of the Navy and Victualling Bills and Ordnance Debentures, postponed to the year 1785, must have been very great (64).

It could not have been the intention of government, at the time it was proposed, to fund the whole of the Navy Debt in 1784, to include the peace-contracted Navy and Victualling Bills of that year, because great part of the bills issued, had not, at the time, existence; and because the four pounds per man

(57) The duty first proposed was 6d. on felt hats, and 2s. on others; afterwards settled, the lowest to pay 3d. and the duty to advance with the price to 2s.

(58) Given up, and a duty on silk imported, and lead exported, substituted.

(59) Abandoned; additional postage, and a duty on gold and silver plate manufactured—substituted.

(60) Repealed, in consequence of a petition from Manchester, signed by 80,000 persons, in 1785, and other duties imposed.

(61) Explained and amended in 1785.

(62) Repealed in 1785, and new duties imposed.

(63) Explained and amended in 1786.

(64) The interest on the funded five per cent stock, in 1785, amounted to the annual sum of £549,532 11s. 6d.

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per

1787 - ~~Imports are stated of the~~
~~total produce of~~

1787 Alteration of the fractional rates
 payable for duties on to irregularly
 by the Consolidation act of the
 Duties on Timber and the new
 Duty on Gunpowder on all - - £100,000

1786 - ^{produce of.} The necessary notes was not estimated
 but it actually occurred an ad-
 ditional receipt of - - - - 290,000

1787 Additional Duty on foreign spirits
 by the alterations enacted in the
 consolidation act in consequence
 of the commercial treaty with
 France - - - - 478,563
 D^o & J^o on home spirits 207,449

1789 Amount of additional receipts
 consequence of excising
 Duties - - - - £154,303

1787 Prevalence of farming
 the Poor House Duty - - 35,000

per month, voted for 26,000 seamen and marines, ought to have furnished sufficient, (65) to prevent any navy debt being contracted that year; besides, there was voted for extraordinaries of the navy 1,100,000l. there could not then be any occasion to appropriate the savings from the seamen to that service.

How then shall we account for the Navy and Victualling Debt, which on the 31st of December 1783, amounted to 13,368,523l. and Ordnance Debt on the 31st of October 1783, to 983,715l. making together 14,352,238l. (66) having swelled to the enormous size of 17,869,993l. 9s. 10d. five per cent. Stock, bearing an annual interest of 893,499l. 13s. 6d.

We shall examine this matter a little more closely when we come to consider the funding of 1785.

It is much easier to boast, than it is to realize the object of such boastings. It had been made a kind of watch-word, smuggling must be suppressed, in order to increase the revenue; every scheme, however absurd, that had an appearance of suppressing smuggling, was instantly adopted.

It was said, that the foreign East India Companies, imported tea, only to smuggle it into England; if, therefore, the whole quantity brought to Europe, was purchased in China by the English East India Company, the Foreign Companies would be excluded, and smuggling tea would cease of course.

To realize those ideas the old duties on tea were repealed.

The amount of the duties thus given up had produced annually in the Exchequer, on the average of five years, (67) 904,464l. 10s. 3d. the net produce received under the head of Customs being 348,547l. 6s. 9d. and under the head of Excise 555,917l. 3s. 6d.

The revenue thus given up had been collected for many (68) years, on true constitutional principles; it was optional with every one whether they would or would not make use of tea; those who used it, paid the tax involved in its

(65) At 3l. 16s. per man per month, 26,000 seamen (4s. being deducted for the office of Ordnance) amounted to 1,284,400l. and it is well known, that the year following the establishment was reduced to 18,000 men.

(66) Appendix to 11th Report of Commissioners of Public Accounts, subject to an annual interest of 465,737l.

(67) 24th Geo. III. chap. 38. sec. 20.

(68) In 1745, a new arrangement took place—See Poffethwaite,

price;

price; those who did not use tea, were perhaps much better without it, and certainly did not contribute any thing towards the 904,000l. collected from that article; which sum may be reckoned nearly a (69) thirteenth part of the whole revenue arising from the fixed taxes.

A bystander would be naturally inclined to think, that such a proportion of the fixed or perpetual taxes, would at least have met with some caution and hesitation before it was so given up, on the supposed idea of suppressing smuggling, and at least some better authority than that of a few ignorant smugglers would have been consulted, before so large a proportion of the national income had been thrown abroad.

What then must be the astonishment of an uninterested observer, to find that the Minister of this country had proceeded upon no better materials, than a plan that had been published in a (70) monthly periodical publication, the only material difference between the plan there proposed and the plan adopted in 1784 is, that the author of that plan did not mean that any duty whatever should be laid on tea, but that the whole amount of the tea duties should be levied on houses.

In place of the repealed duties, new duties were imposed:—The Customs were fixed at 5 per cent. ad valorem, and the Excise at $7\frac{1}{2}$ per cent. ad valorem, making together $12\frac{1}{2}$ per cent. on the internal consumption. In addition to this internal duty, a new duty on windows was imposed, well known by the name of the Commutation Window Tax.

(69) Customs, excise, stamps, and incidents, after deducting appropriated duties.

1785	-	£12,423,484	3	0
1786	-	12,322,177	3	3
1787	-	12,874,267	3	4
1788	-	12,967,763	10	8

(70) Gentleman's Magazine for February 1773.

Formerly the merchant who exported tea did not pay the internal duty, but gave bond for due exportation. By the new act and the construction the Commissioners have put on it, the merchant now pays the duty, which he draws back again on return of certificates; this mode swells the receipt of customs and excise in the first instance, and a delay of payment of drawbacks, gives an appearance of increase of revenue in the second instance.

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It appears from the account of Customs (71) collected and paid into the Exchequer, that the 5 per cent. produced between the 10th of October 1787, and the 10th of October 1788, - - - £111,965 12 11

The Excise must in the proportion of $7\frac{1}{2}$ per cent. to 5 per cent. have produced - - - 167,948 9 4

And the Commutation Window Tax must have produced in the same period - - - 501,743 7 2

£781,657 9 5

Because the act (72) directs the receivers of the Commutation Window Tax to pay the monies arising therefrom, to the Receiver General of the Customs, who was to apply so much of it, as would make the sum received, under the new duty of 5 per cent. equal to the produce of the old tea duty; accordingly we find, under the head of Customs, duty on tea - - - £111,965 12 11

Received from the county receivers - - - 223,081 8 4

And under the head of tea, in the same period, the Excise appears to have received - - - 446,610 8 2

There was therefore received, in the course of the year, ending 10 Oct. 1788, from the $12\frac{1}{2}$ per cent. duties on tea and commutation window tax - - - £781,657 9 5

From which it is clear that the revenue sustained a loss by the alteration of duties (independent of every other disadvantage) of (73) 122,807l. a year at least.

(71) Account laid on the table of the House of Commons.

(72) 24th Geo. III. chap. 38.

(73) Old duties - - - £904,464 10 3
New duties - - - 781,657 9 5

£122,807 0 10

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The deficiency of the new duties were to be made good out of the supplies of the following years: accordingly we find the deficiency of tea duty

to the 5th of July, 1785, (74) was - - - £365,719 2 4 $\frac{1}{2}$

to the 5th of April, 1786 (75) - - - 233,410 6 7 $\frac{1}{2}$

to the 5th of January, 1787 (76) - - - 89,899 2 5 $\frac{1}{2}$

£689,028 11 5

The Commutation Act took place (77) the 15th of September 1784, from which time to the 5th of Jan. 1787, a space of two years, three months, and twenty-one days; if the loss to the revenue was reckoned on the above deficiency and space of time, it would amount to nearly three hundred thousand pounds a year.

The Consolidated act of 1787 has effectually concealed from the public eye the loss that has arisen since the 5th of January, 1787.

The project of purchasing all the tea in China, was accompanied by the project of buying up all the tea in Europe.

The quantity purchased in consequence, from the continent of Europe (78) was 17,009,877 lb. which cost 2,048,797l. 18s. 2d. or 2s. 5d. (79) nearly per pound.

The average quantity imported from China, from 1773 to 1783, was 5,063,447 lb. which cost in China 270,337l. or on average little more than 12 $\frac{1}{2}$ d. (80) per pound.

Of this quantity about one half was Bohea, which cost 8 $\frac{2}{3}$ d. per pound, the other (81) half, consisting of Congou, Souchong, Singlo, and Hyfon, cost 16 $\frac{2}{3}$ d. per pound nearly.

(74) Distribution of Grants, 1786.

(75) Ditto - - - 1787.

(76) Ditto - - - 1788.

(77) See 24th Geo. III. chap. 38.

(78) East India account printed 22 May 1788. (79) Average cost 2s. 4 $\frac{3}{4}$ d. per lb.

(80) East India accounts presented 22 May 1788. Average cost of the whole 12 $\frac{6}{10}$ d. per lb.

(81) Congou - - - 599,912 lb.

Souchong - - - 88,411

Singlo - - - 1,578,377

Hyfon - - - 249,929

2,516,629

East India account, presented 22 May 1788.

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The export of goods to China from 1773 1783 was, on average, 107,188l. per annum.

There was not any export of silver from England to China from the year 1776 to the year 1784; but in the years (82) 1785, 1786, 1787, the quantity and value of silver exported by the East India Company, was as follows:

In 1785	-	2,755,520	ounces, cost	-	£704,259	0	0
1786	-	2,720,736	-	-	702,183	0	0
1787	-	2,543,929	-	-	660,710	0	0
		<u>8,020,185</u>			<u>2,067,152</u>	0	0

The amount of the bills drawn on the Company in the season 1785-6 was 617,176l. 3s. 6d. which bills being drawn at 365 days sight, and at an exchange of five shillings (83) and sixpence per dollar, is a charge of 1s. 2d. per dollar on the Company's purchases, for a credit of about (84) two years, which is about 25 per cent. or 12½ per cent. per annum.

As the Company have now four sales in the year, the cargoes shipped on credit (the ships bringing the bills for the amount) are sold, and in cash long before the bills (at 365 days sight) become due.

This mode of carrying on the China trade, furnishes the Company's cash with a present supply, but must be attended with ruinous consequences in the course of a few years.

It does not appear that the project of purchasing all the tea (formerly bought by the European Companies) succeeded, there being 3000 tons of foreign shipping at Canton on the 20th of December 1787, more than was there the year preceding.

The price of fine tea was greatly advanced by the extra demand from England; Congou (85), that had formerly been bought for 12½ per pound, was

(82) East India account, presented 22 May 1788.

(83) Worth only 4s. 4d. when foreign silver falls at 5s. per ounce.

(84) If silver was bought, and sent out by the ships, allowing such ships to return in one year bringing teas; and such teas sold and in cash, in six months after arrival, the interest of the money would not exceed 18 months.

(85) Committee of Supracargoes' letter to the Court of Directors, dated the 20th of December, 1787.

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at 21d. $\frac{1}{100}$ per lb. an advance of full seventy-five per cent. and the quality of the whole was debased to increase the quantity.

In 1787 the East-India Company imported in 28 ships, including the cargo of the General Elliot—

6,888,116 lb. of Bohea Tea, which at 8 $\frac{2}{100}$ per lb. cost	£249,689	13	3
12,623,859 lb. of Congou, Souchong, Singlo, and Hyfon,			
which, at the advance of 75 per cent. on			
16½ (the old price) cost	—	£1,541,820	5 3
19,511,975 lb.		<u>£1,791,509</u>	18 6

The amount of the finer sorts at 16½ per lb. the price they cost before 1784, would have been 881,040l. by causing this advance in price, 660,780l. is taken out of the pockets of the Company and given to the Chinese, or to such persons whose situations enable them to participate thereof.

The foreign East-India Companies' Tea trade being rather increased than diminished, it is evident that the 11,000,000 lb. increased importation of the English East-India Company is the effect of their demand in China, and establishes a balance of trade, against this country of a most dangerous nature.

The increased consumption has been occasioned by lowering the prices of tea, more than by suppressing of smuggling, and has introduced a dangerous (86) habit in the consumption of the higher priced teas, which are difficult to be procured, even though debased in quality and advanced in price.

The drain of specie certainly demands a very serious consideration.

The balance of trade with the whole world, if against the country, must be paid in gold or silver.

If the balance with one part is favourable, and in another part unfavourable a like sum, what is received on one hand, being paid on the other, the country will remain possessed of as much specie at the end of the year as at the beginning.

But if the silver that formerly was received from the balance of trade with America or the West-Indies, is diverted from the payment of the balance due to Russia for naval stores, and sent to China for tea, it is evident that payment to Russia, must be supplied from the gold currency of the kingdom.

(86) See an Explanation of the mistaken Principle on which the Commutation Act was founded, by Thomas Bates Rous, Esq.

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It is remarkable, that during the whole reign of George the Second, being about thirty-three years, the quantity of gold coined was no more in (87) value than 11,662,216l.

The general balance of trade during that period (88) was so favourable, that little coinage was necessary.

Since the Commutation Act took place, the sums voted for coinage were as follow :

In the (89) year 1786, there was voted 14,939l. 5s. 0 $\frac{1}{4}$ d. for the charge of coining 2,500,000l. In the (90) year 1788, 24,145l. 5s. 8d. was voted for the like service, which would pay for the coinage of 4,000,000l. And in the present (91) year, 30,520l. 17s. 1d. has been voted for the like services, which would pay for the coinage of 5,000,000l.; so that in the short period of six years, there has been (92) as much gold coined as during the long and prosperous reign of George the Second.

Distribution paper (93) for the year 1784, annexed, will shew that the naval expence of that year was			
Army	—	—	£3,086,269 0 6
Ordnance	—	—	3,716,370 18 7 $\frac{1}{2}$
Miscellaneous services	—	—	677,749 8 11
			342,084 11 8 $\frac{1}{2}$
			£7,822,473 19 9

Allowing the wear of a guinea to be a farthing a year, and one grain and an half diminution from the full weight to bring the coin to the melting pot again, the gold coined in the following years must have become light at the end of twelve years.

In 1774 there was coined	53,850 lb. of gold—become light in	1786
1775	104,895	1787
1776	107,145	1788
1777	78,780	1789

344,670 lb. value £16,104,705 15 0

In 1784, 1785, 1786, 1787, and 1788, the whole amount coined was £12,461,557 a pretty strong proof that the quantity of coin in the kingdom has diminished.

- (87) Chalmer's Comparative Strength, page 207.
 (88) The vast quantity of Portugal gold in circulation in the years 1755 and 1756 was a proof of this.
 (89) See distribution of Grants, Miscellaneous Services.
 (90) See distribution of Grants, Miscellaneous Services.
 (91) See votes of the House of Commons.
 (92) More has been coined in this short period, if what was coined during the time Lord Chesterfield was Master of the Mint (whose account is not yet settled) was included.
 (93) Presented to the House Commons on the 9th of May, 1785.

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To face }
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Dr.

1784

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DISTRIBUTION OF GRANTS.

WAYS AND MEANS.

NAVY.		
26,000 Seamen and Marines	£1,284,400 0 0	
Ordinary	701,809 0 6	
Extraordinary	1,100,000 0 0	
	3,086,209 0 6	
ARMY.		
17,483 Men	636,190 9 1	
Plantations	284,213 2 9	
East-Indies, 1 Reg. Dragoons,	8,352 7 9	
and 5 Battalions Foot	6,080 6 6	
Staff		
Paymaster General and Secretary		
at War, &c.	67,551 14 1	
Cheliffa	173,001 13 5 $\frac{1}{2}$	
Reduced Officers	75,116 18 6	
Ditto	130,300 0 0	
British American Officers	54,653 10 6	
Scottish Brigade	3,544 14 3	
Staff, North America and West		
Indies	6,291 7 0	
Reduced Horse Guards	503 12 10	
Widows Pensions	17,000 4 0	
Ditto American	686 0 0	
Two Regiments Foot from Ire-	4,246 11 0	
land to Gibraltar		
Additional to 3 Regiments of	10,544 17 4	
Foot, 1783	9,321 15 6	
Charge of several Corps, ditto		
Three Regiments of Foot from		
25th June to 24th December,	15,626 4 11	
1784	77,853 8 7 $\frac{1}{2}$	
Charge of several Corps, 1784		
Two Hanoverian Battalions in		
Great Britain, & year 24th	9,371 17 9	
December, 1783	23,419 0 10 $\frac{1}{2}$	
Five ditto from 25th June 1783		
to 25th December 1783	120,369 11 7	
Subsidy to the Landgrave of	60,935 8 4	
Helf, &c.	2,366 13 0	
Charge of 6,463 Men, ditto		
Deficiency in Subsidy to Duke of		
Brunswick		
Extraordinary from 1st Febru-		
ary 1783, to 24th December,		

Land Tax at 4s. per pound		£3,000,000 0 0
Malt Tax		750,000 0 0
Loan,		£6,000,000 3 per Cents.
		3,000,000 4 per Cents.
Long Annuity 5s. 6d. per Cent.		5,999,362 0 0
The remaining sum of £638 not being paid by a		
Subscriber, who thereby forfeited £322 the		
1st, 2d, and 3d payments, on £1,160.		
Lottery,		360,000 0 0
In the Exchequer, for disposition of Parliament		105,818 5 11 $\frac{1}{2}$
Exchequer Bills		1,500,000 0 0
Ditto		1,000,000 0 0
Future Produce of Sinking Fund		800,000 0 0
		£12,355,180 5 11 $\frac{1}{2}$

DISTRIBUTION OF GRANTS.

NAVY.

26,000 Seamen and Marines	£1,284,400 0 0
Ordinary	701,869 0 6
Extraordinaries	1,100,000 0 0
	3,086,269 0 6

ARMY.

17,483 Men	626,190 9 1
Plantations	284,213 2 9
East-Indies, 1 Reg. Dragoons,	
and 3 Battalions Foot	8,252 7 9
Staff	6,080 6 6
Paymaster General and Secretary	
at War, &c.	67,551 14 1
Chelsea	173,001 15 5½
Reduced Officers	75,116 18 6
Ditto	130,300 0 0
British American Officers	54,653 10 6
Scotch Brigade	3,544 14 3
Staff, North America and West	
Indies	6,291 7 0
Reduced Horse Guards	563 12 10
Widows Penions	17,000 4 0
Ditto American	686 0 0
Two Regiments Foot from Ire-	
land to Gibraltar	4,246 11 0
Additional to 3 Regiments of	
Foot, 1783	10,524 17 4
Charge of several Corps, ditto	9,821 15 6
Three Regiments of Foot from	
25th June to 24th December,	
1784	15,626 4 11
Charge of several Corps, 1784	77,853 8 7½
Two Hanoverian Battalions in	
Great Britain, ½ year 24th	
December, 1783	9,371 17 9
Five ditto from 25th June 1783	
to 25th December 1783	23,419 0 10½
Subsidy to the Landgrave of	
Hesse, &c.	120,369 11 7
Charge of 6,463 Men, ditto	60,835 8 4
Deficiency in Subsidy to Duke of	
Brunswick	2,366 13 0
Extraordinaries from 1st Febru-	
ary 1783, to 24th December,	
1783	2,360,992 0 9
Deduct Army	
Savings	441,702 13 9½
	1,919,289 6 11½
	3,716,370 18 7½

ORDNANCE.

Sea Service	67,600 0 0
Land Service	429,008 2 7
Ditto 1783	181,141 6 4
Exchequer Bills discharged and	
Interest	1,053,881 18 1
Ditto, ditto	1,562,136 6 10
	671,749 8 11
	2,616,018 4 11

MISCELLANEOUS.

Lévant Company	4,000 0 0
British Museum	3,000 0 0
Scotch Roads	4,830 7 6
To William Dalby, for ship Hope	1,891 13 8
Nova Scotia	5,559 8 0
St. John's	3,150 0 0
East Florida	3,950 0 0
New Brunswick	3,100 0 0
Cape Breton	1750 0 0
African Forts	13,000 0 0
Bahama Islands	7,850 0 0
Bermuda Island	500 0 0
Somerfet Houle	25,000 0 0
Commissioners of Public Accounts	9,000 0 0
Civil List Debt	60,000 0 0
Commons' Addresses	36,841 1 6
American Civil Officers	75,750 13 6
Thomas Cotton, for Governor of	
Nova Scotia's Bills	12,816 15 9½
Secretary to Commissioners of	
Public Accounts and Loyalists	7,000 0 0
Duncan Campbell	12,212 11 6
Jos. White, Clerk to Commit-	
tee on Sir T. Rumbold	3,587 9 6
Ditto, War in Carnatic	920 0 9
W. Eratt, Clk. to Com. Bengal,	
Bahar, &c.	1,779 13 0
White, jun. Clk. to Com. India	
Company	116 16 6
A. Benfon, Clerk to Smuggling	
Committee	220 0 0
Bank of England Discount on	
6,000,000 Loan, &c.	26,823 15 9
Do. Lottery Contributions, &c.	5,834 4 9
Charges of Lottery	11,600 0 0
	342,084 11 8½

DEFICIENCIES.

Ann. 1783 on 5 July, 1783	23,556 2 7
Ditto 1778 - ditto	168,019 2 9½
Ditto 1779 - ditto	73,339 19 8
Ditto 1780 10th Oct.	207,909 10 3
Ditto 1782 5th July	435,888 19 2
Ditto 1783 10th Oct.	24,943 5 0½
Malt 1782 at Lady Day, 1784	442,107 6 10
Land ditto at Michaelmas, 1784	231,772 4 8½
Ditto Grants, 1783	-
Ditto Mint	-
Lottery Prizes	-
	933,656 19 6½
	673,879 11 6½
	36,814 15 5½
	6,175 11 3½
	360,000 0 0
	£12,449,019 2 5½

Surplus of Ways and Means carried to the year 1785 66,161 3 5½

WAYS AND MEANS.

Land Tax at 4s. per pound	-	£2,000,000 0 0
Malt Tax	-	750,000 0 0
Loan, £6,000,000 3 per Cents.	-	-
3,000,000 4 per Cents.	-	-
Long Annuity 5s. 6d. per Cent.	-	5,999,362 0 0
The remaining sum of £638 not being paid by a	-	-
Subscriber, who thereby forfeited £522 the	-	-
1st, 2d, and 3d payments, on £1,160.	-	-
Lottery,	-	360,000 0 0
In the Exchequer, for disposition of Parliament	-	105,818 5 11½
Exchequer Bills	-	1,500,000 0 0
Ditto	-	1,000,000 0 0
Future Produce of Sinking Fund	-	800,000 0 0
	-	£12,515,180 5 11½

Remaining unfatisfied on 9th of May, 1785.

Ordnance	-	£ 50,000 0 0
Army	-	563,179 7 0½
Chief Justice at Bermuda	-	375 0 0
Somerfet-Houfe	-	10,000 0 0
Deficiency of Grants 1783	-	16,364 10 5
Charges of Lottery	-	1,600 0 0
	-	£641,518 17 5½

Remains of Ways and Means undispofed of, viz.

Of Contributions to Annuities	706,080 0 11½
Ditto	1,600 0 0
Deduct the amount unpaid	707,680 0 11½
Surplus of Grants (brought to	641,518 17 5½
the Credit of the year 1785,	-
which fee)	66,161 3 5½

MEMORANDUM.

Arrears of former Supplies, remaining unpaid, for which Money is provided.

For the late African Company's Creditors 900 12 10
Georgia Bills, residue of £15,496 19 1½ 570 17 7½
Compensations to Proprietors of Lands at and near } 16,364 10 5
Plymouth

And there remains unpaid of £8,702,277 5 8 } 98,392 7 6½
granted for Naval Services in the year 1781
To complete £36,207 4 3 granted towards build- }
ings at Somerfet-Houfe in 1781 1,607 12 5½

To answer which there remains to be paid by the }
East-India Company, in full of £400,000 grant- }
ed towards the Supply for the year 1781 £100,000 0 0

The Accounts laid upon the table of the House of Commons by the East India Company, last Sessions of Parliament, will shew what sort of trade the Company has been carrying on during the last four years.

SALES.

1 March 1786	(A)		
to	Received for goods		
1 March 1787	fold	£4,618,246	
	Deduct		
Customs, exclusive of Private Trade	-	£537,452	
Freight, exclusive of Private Trade	-	835,664	Nett Proceeds.
Charges	-	359,673	
		<u>1,732,789</u>	2,885,457
1 March 1787	(A)		
to	Received for goods		
1 March 1788	fold	4,840,957	
	Deduct		
Customs, exclusive of Private Trade	-	465,384	
Freight, ditto	-	755,835	
Charges	-	414,532	
		<u>1,635,751</u>	3,205,206
1 March 1788	(A)		
to	Received for goods		
1 March 1789	fold	4,274,056	
	Deduct		
Customs, exclusive of Private Trade	-	496,175	
Freight, ditto	-	878,705	
Charges	-	327,823	
		<u>1,702,703</u>	2,571,353
1 March 1789	(A)		
to	Received for goods		
1 March 1790	fold	4,406,775	
	Deduct		
Customs, exclusive of Private Trade	-	849,680	
Freight, ditto	-	483,204	
Charges	-	241,708	
		<u>1,574,592</u>	2,832,183

The Company's actual Trade from India and China, for four complete years - £11,494,199

PURCHASES.

Cost of India and China Cargoes, and Tea purchased in Europe, fold between 1 March 1786, and 1 March 1790.		
China cargoes (B) 1785-6	£1,112,512	
India ditto (C)	-	768,089
Tea purchased and fold in 1787 (D)	-	843,302
		<u>£2,723,903</u>
China 1786-7	-	1,893,971
India ditto	-	939,561
Tea purchased	-	269,091
		<u>3,102,623</u>
China 1787-8	-	2,008,521
India ditto	-	844,828
Tea purchased	-	85,835
		<u>2,939,184</u>
China 1788-9	-	1,691,118
India	-	1,015,642
		<u>2,706,760</u>
Cost of the goods fold in the four years		
	-	11,472,470
Without charging any thing for interest of money employed, or for insurance, the profit on the four years trade appears to be		
	-	21,729
		<u>£11,494,199</u>

(A) From Cash Account, No. 7, ordered to be printed 17 March 1790.

(B) From prime cost of cargoes purchased in China, ordered to be printed 25 March 1790.

(C) From prime cost of cargoes purchased in India, No. 9, ordered to be printed 24 March 1790.

(D) From prime cost of such goods from India and China as have been exposed to sale at the East India Company's annual sales, ordered, No. 10, to be printed 24 March 1790.

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It may possibly be said, that the Company have imported, both from India and China, a great quantity of goods which are lying in the warehouses, the value of which exceeded on the 1st of March, 1790, the value of the goods in the warehouses on the 1st of March 1785.

In answer to which it appears from the East India papers, account No. 3, (ordered to be printed 31st March, 1790) that the nett value of goods from India remaining unfold on the 1st of March 1785, were £2,037,894 0 0
And on the first of March, 1790 - - - 772,239 0 0

Less 1790 than 1785 - - - 1,265,655 0 0
From the account No. 4, (Ordered to be printed at same time) it also appears, that the nett value of China goods unfold on the 1st of March 1785, was £1,192,769 0 0

And on the 1st of March 1790 - - - 3,200,098 0 0

More 1790 than 1785 - - - 2,007,329 0 0
Deduct less value of India goods - - - 1,265,655 0 0

Apparent increased value in the Company's warehouses - 741,674 0 0

If this last account were true, and the above amount added to the profit of the four years trade, 21,729l. as above stated, would make the profit 763,400l. or 190,850l. per annum.

But unfortunately for the Company, the account (No. 4) stated the *nett value* of the tea in the warehouses to be 3,093,601l. and of China ware, and China raw silk, at 106,497l.

To the understanding of every merchant and man of business, the two words, *nett value*, would convey the actual nett produce in money, after all expences were deducted; at the East India House, *nett value*, means no such thing, for the following reasons:

The account of the prime cost of goods from India and China (No. 10, ordered

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ordered to be printed 24th March) states the quantity, and cost of tea purchased in China and on the Continent of Europe to have been as follows:

	lb.	cost	£.
1st March 1786, to 1st March 1787,	China 9,420,324	595,469	
	Europe 6,255,038	843,302	
1st March 1787, to 1st March 1788,	China 12,522,582	1,030,178	
	Europe 3,311,379	269,091	
1st March 1788, to 1st March 1789,	China 13,310,047	1,134,217	
	Europe 1,168,434	85,835	
1st March 1789, to 1st March 1790,	China 16,010,198	1,315,240	
	Europe	None	
	61,998,002	5,273,332	

At 1s. 8d. per lb. would amount to - £5,166,500

The cost of the tea purchased in Europe was on average near 2s. 5d. per lb. which being included in the above account, makes the average considerably higher than if the tea purchased in China was taken separately.

Taking however the average price of the tea in the Company's warehouses at 20d. per lb. £3,093,601 would make the quantity 37,123,212 lb. whereas the account (No. 3, ordered to be printed the 19th of April) states the whole quantity to be no more than 23,689,134 lb. on 1st March 1790, consisting of the following sorts:

Bohea	-	9,225,147 lb.
Congou	-	3,775,617
Souchong	-	524,347
Singlo	-	8,412,771
Hyfon	-	1,751,252
		23,689,134

But if the average cost of the teas be taken from the China purchases in the last four years, the cost price of all the teas in the Company's warehouses will not exceed 19d. per lb. especially when it is considered that the quantity of the finer sorts has never yet been obtained so as to form a stock in hand, as required

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quired by the 24th Geo. III. and that the quantity of the bohea has accumulated, so as to form a stock sufficient for almost three years consumption of that sort.

The cost of teas purchased in China, fold

in 1786— 7, were	-	9,420,324 lb. cost	-	£595,469	0	0
1787— 8,	-	12,522,582	-	1,030,178	0	0
1788— 9,	-	13,310,047	-	1,134,217	0	0
1789—90,	-	16,010,198	-	1,315,240	0	0
				<u>51,263,151</u>		
				£4,075,104	0	0

At 19d. per lb. would amount to £4,058,332

The duties arising from the East India Company's sales are no part of the cost of the goods in China, and are paid by the consumers, and not by the Company.

The freight is a part of the price at which the goods are sold, is paid by the consumers to the Company, who pay it again to the ship owners, from whom the Company hire their ships, and cannot be considered as an article requiring any considerable advance of money from the Company.

The charges of merchandize may be in part advanced by the Company, but is repaid them in the price of the goods by the consumer.

The whole of their trade ought therefore to be estimated by the *nett produce* of all the goods sold, which in the last four years will be on average £2,873,549.

Comparing then the value of the Company's goods on hand in their warehouses by the real, and not the nett value on the 1st March 1785, and 1st March 1790, the result will be as follows:

1st March 1785,	-	East India goods	-	£2,037,894	0	0
1st March 1790,	-	do.	-	772,239	0	0
				<u>£1,265,655</u>	0	0
		1790 less than 1785				

CHINA

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CHINA GOODS.

Tea 1st March 1785,	8,198,821 lb. at 19d.	-	£649,073	0	0
Other China goods	-	-	52,910	0	0
			<u>£701,983</u>	0	0
Tea 1st March 1790,	23,689,134 lb. at 19d.	£1,875,389			
Other China goods	-	-	106,497		
			<u>1,981,886</u>	0	0
1790—China goods more than 1785	-	-	1,279,903	0	0
1790—India goods less than 1785	-	-	1,265,655	0	0

Increased value of goods in Company's warehouses on 1st

March 1790,	-	-	£14,248	0	0
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When the quantity (9,225,147 lb.) of bohea tea, part of the 23,689,134 lb. of tea in the Company's warehouses is considered, no man of business will hesitate to pronounce that the Company have not got a shilling by all the trade they have carried on for the last four years, especially when it is remembered that there is no charge made for insurance or interest of money; and that, though the act 24th Geo. III. has restricted the Company from putting up their teas above certain prices, they were allowed to make the *the putting up price, after a certain time*, the actual cost, with the addition of insurance and interest of money.

The pretended value of tea, which is stated at £3,093,601 is so stated under a low contemptible quibble, the amount being cast up at the sale prices, (which includes freight and charges) and because the custom duty of 5 per cent. and Excise duty of 7½ per cent. are not included in the amount, the East India Company have therefore thought proper to consider the leaving only the internal duties as a statement of the *nett value*.

The sorts sold from 1st March, 1789, to 1st March, 1790, were,

Bohea	-	-	-	3,497,752 lb.
Congou	-	-	-	6,470,737
Souchong	-	-	-	1,259,317
Singlo	-	-	-	3,833,399
Hyfon	-	-	-	1,653,101
				<u>16,714,306</u>

Of

Of the first fort (Bohea) there was in the Company's warehouses, on the 1st March 1790, near three years consumption.

Of the second fort (Congou) there was about half a year's consumption on hand.

Of the third fort (Souchong) the quantity would be a supply of about five months out of twelve.

Of the fourth fort (Singlo) there was sufficient to supply the consumption of more than two years and two months.

Of the fifth fort (Hyson) there appears to be nearly about the consumption of a year; but of this sort above 207,000 lb. weight had been exposed to sale, and been refused.

The reader will judge how far that part of the act has been complied with, which directs the Company to keep a proper stock of tea in their warehouses, and judge whether the mismanagement arises from the Board of Controul or the Board of Directors, or the folly of the measure itself.

The 24th Geo. III. chap. 38. sec. 3. states—"The said United Company shall from time to time send orders for the purchase of such quantities of tea, and provide sufficient ships to import the same, as, being added to the stock in their warehouses, and to the quantities ordered and not arrived, shall amount to a sufficient supply, for the keeping a stock, at least equal to one year's consumption, according to the sales of the last preceding year, always before hand."

Certain it is, that from the great ability of the manufacturers of cotton, in many parts of Great Britain, and their being able not only to supply the home, but the foreign trade also, a question of the last consequence to them and the kingdom at large will arise; namely, shall the *home manufacture* be protected, or not? Shall the industrious poor of this country be employed in preference to East India manufacturers, or not? Or shall the true interest of this country, be sacrificed to the interest of the comparative few persons interested in the East India trade, or not? The good sense of the people at large will decide in a moment.

IN

IN the year 1784, the nett produce of all taxes were for the first time classed under the heads of Customs, Excise, Stamps, and Incidents; and this has been held a better mode than that formerly practised; namely, giving the nett produce of each tax at the receipt of the Exchequer under its separate head, regardless of such form or division into classes.

It is true, by giving the whole, some articles, such as first fruits and tenths, as well as a number of other appropriated duties, were included.

In order to know the precise amount of the revenue applicable to the public service, it was necessary to deduct the (94) appropriated duties, the casual receipts being included.

By the new mode, the casual receipts are left out, and the appropriated duties retained; so that, in order to know the precise amount of the revenue applicable to the public service, it is now necessary to deduct the appropriated duties, and to add the casual receipts; and this *alteration* has been deemed an improvement.

The deficiency of the Malt Tax of 1782 is a proof of the bad harvest of that year; the sum voted from the Supply (95) 1784, being 442,107l. 6s. 8d. the Malt Tax of 1782 having been taken for the customary sum of 750,000l. produced only 371,548l. the remainder of the deficiency 70,559l. 6s. 8d. must have been for interest and charges.

Though the financial funding transactions of 1784 had been *shamefully advantageous to the monied people*, and consequently *disadvantageous to the public*, the transactions of 1785 were still more so.

Peace confirmed, and plenty restored, seems to have produced to the public *loss* instead of *gain*; and fresh burthens, in place of relief from those occasioned by the war. *The demon avarice is insatiable.*

Had the *Treasury* and the *Bank* concerted together, to depress public credit, and to depreciate the value of the Funds in 1784, and had used all possible means

(94) Report of Select Committee, 1786, p. 25, states the appropriated duties at £66,538.

(95) See Distribution of Grants, 1784, under the head of Deficiencies.

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to raise the value of the Funds as soon as the funding in 1785, had taken place, the effect could not have been more complete than it has been.

It is absurd to suppose that the internal strength and resources of this country were not in 1784, equal to what they were in 1785, or that the public creditors were more secure in 1786; the revenue being then charged with the annual payment of 900,000l. a year, instead of being charged with an annual payment of 600,000l. as might, and would have been the case had the navy debt been funded as in 1763.

We have seen (96) that in 1784, there was funded in a new formed stock, bearing five per cent. interest, of Navy and Victualling Bills, and Ordnance Debentures, a capital of 6,879,341l. 19s. 6d. bearing interest 343,967l. 2s. a year.

By the 25th Geo. III. chap. 32, Navy and Victualling Bills, registered between the 1st of July 1782 and 1st January 1783, and Ordnance Debentures, dated before 31st December 1783, were to be brought in, and the interest due thereon to the 5th July 1785, to be added to the principal; and for every 100l. of such principal and interest, the holders received 111l. 8s. (97) five per cent. stock.

A discount of five shillings per month (or three per cent. per annum) on the Ordnance Debentures, dated after 30th June 1783; was deducted.

The whole stock thus created was made *irredeemable*, until 25,000,000l. of three and four per cent. annuities had been paid off.

The amount of Navy and Victualling Bills, and Ordnance Debentures, converted into stock, was as follows:

Navy (98)	£6,401,423	0	9	-	Stock	£7,131,181	1	3
Victualling	2,925,804	4	4	-	-	3,259,343	1	4
Ordnance	538,714	13	3	-	-	600,127	7	9
	£9,865,941	18	4			£10,990,651	10	4

(96) See page 24.

(97) This was after the rate of £53 17 for £100 three per Cents.

(98) Report of Select Committee, 1786, page 64.

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The annual interest payable by the public is	£549,532	11	6
And on the funded 5 per Cents. in 1784,	343,967	2	0
Charges of management to the Bank, after the rate of 450l. per million on 17,869,993l. 9s. 10d.	8,041	10	0

Annual expence to the public on the Navy Bills converted into 5 per cent. stock in 1784, and 1785,	901,543	3	6
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It is demonstrable that the Navy and Victualling Bills, and Ordnance Debentures might have been converted into 4 per cent. stock.

The amount of those Bills, with the interest thereon, funded in 1784, appears to have been	£6,397,900
And in 1785,	9,865,941

£16,263,841

From this sum should be deducted the peace expenditure of Navy and Victualling Bills of 1784, because provision (99) was made for them in the sums voted for naval services that year, and which may be estimated at

1,263,841

There would then have been

£15,000,000

Funded in 4 per cents. the interest payable by the public would then have been 600,000l. a year, instead of 900,000l.

Thus 300,000l. a year (100) might have been saved to the public, and the public faith preserved inviolate.

Let us now see the advantages obtained by the monied men at the expence of the public.

Navy and Victualling Bills, purchased at a discount of 20 per cent. 2,000l. would buy 2,500l. of such bills; which converted into five per cent. stock at the end of two years, would (with interest at four per cent. for eighteen months) make a capital to be converted into stock of 2,650l. which at 111l. 8s. stock, for each

Profit on Navy Bills

(99) See Distribution of Grants, 1784, 26,000 seamen, £1,284,400.

(100) £300,000 a year for 85 years (the period at which a tontine of 10,000 shares may be reduced to 40) at 4 per cent. compound interest, will amount to £199,827,037.

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100l. of such bills and interest, would be 2,952l. 2s. five per cent stock, bearing an annual interest of (1) 147l. 12s. 1d.

If sold in two years at 115 per cent. would produce in money, £3,394 18 3 there would have been two years dividends received, which amounts to

		295	4	2
		3,690	2	5
Deduct the original sum employed	-	2,000	0	0
Profit in four years,	-	1,690	2	5

Or eighty-four and a half per cent.

Whatever claim the holders of Navy Bills issued during the war, or in consequence of any ships returned from the East Indies might have, the holders of bills issued in the peace year of 1784, could not have the like claim, because they were not in the year 1785, entitled to payment according to the usage long practised in that respect, and because the provision made by the naval grants of that year were sufficient to have prevented any debt being contracted.

That the amount of the Peace Navy Debt of 1784, was not less, in regard to Navy and Victualling Bills, than 1,263,841l. appears evident, because, on the 31st December 1788, when fourteen months Navy and Victualling Bills remained unpaid, they amounted to the sum of 1,493,071l.

Though the intention of funding the Peace, Navy, and Victualling Bills, registered in the course of 1784, was carefully concealed from the public, there must have been some individuals acquainted with that intention, who were thereby enabled to invest their money to their own advantage at the expence of the public.

Let us see the advantage made by such as were let into the secret; 2,500l. Navy and Victualling Bills, issued the beginning of 1784, sold at 20 per cent. discount, were purchased for 2,000l.

The act directs the interest to be calculated to the 5th July 1785, which at four per cent. for twelve out of eighteen months on 2,500l. would amount to 100l. and would make the principal and interest to be converted into five per cent. stock

(1) Had the £2000 thus employed been lent to the trader or manufacturer, the interest would have been only £100 per annum. This mode of employing money must therefore have tended to the discouragement of trade.

2,600l

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2,600l. which at the rate 111l. 8s. stock for each 100l. of such principal and interest, made 2,896l. 8s. five per cent. stock, bearing an interest of 144l. 16s. 4d. per annum.

If sold in two years and a half at 115 per cent. would produce in money,

The dividends received in two years and a half, amounted to

		£3,330	18	3
		362	0	10
Deduct the original sum employed	-	3,692	19	1
		2,000	0	0
Profit in four years	-	1,692	19	1

Or above eighty-four and a half per cent.

It is singularly remarkable, that the discount of Navy Bills was, the beginning of 1784, as high as (2) 21 per cent. and continued all through that year at various (3) high rates, so as on the average to have been 17 per cent. and on the 6th April 1785, at 15½ per cent.; but, on the 5th July following, fell to 7 per cent. and was on the 3d December that year no more than 2½ per cent.

This very great variation must have arisen from artificial, and not from natural causes.

Those who were apprized of the intention of funding the Navy and Victualling Bills, registered in 1784, found an interest in depreciating the value of them, in order to purchase them the cheaper; and having obtained possession, and knowing the intention of converting them into five per cent. stock, it then became

(2) On the 8th of January.

(3) Jan. 6, 1784	-	£20	per Cent.
Feb. 6,	-	19½	
Mar. 4,	-	18	
April 6,	-	18	
May 6,	-	14	
June 3,	-	17½	
July 7,	-	17	
Aug. 6,	-	15½	
Sept. 8,	-	14½	
Oct. 5,	-	16½	
Nov. 4,	-	17½	
Dec. 7,	-	15½	

£204

Average of the year £17 per Cent.

the

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the interest of the same persons to use all their endeavours, by a direct contrary conduct, not only to raise the value of that stock, but all the other funds, in order that they might sell out *dear*, what they had bought in *cheap*.

The Administration of 1783 had thought it right to diminish that part of the unfunded debt which consisted of Exchequer Bills; accordingly there was that year paid (4) off 1,966,810l. 13s. 11½d. being 1,900,000l. principal, and 66,810l. 63s. 11½d. interest.

The Administration of 1785 took a direct contrary course, by borrowing *a million*, although it was well known that the amount of Exchequer Bills outstanding, unpaid on the 29th of April 1785, was seven millions, four hundred and ten thousand, eight hundred and seventy pounds, nineteen shillings and three-pence, as will appear from the following account :

EXCHEQUER BILLS (5) UNPAID 29th APRIL 1785.

On Land Tax	-	1783	-	-	-	£433,000	0	0
Do.	-	1784	-	-	-	1,469,000	0	0
Do.	-	1785	-	-	-	613,190	18	4½
Malt Tax	-	1784	-	-	-	737,280	0	10½
Bank Loan	-	1781	-	-	-	2,000,000	0	0
Civil List Debts	-	1783	-	-	-	217,500	0	0
(6) East India Company	-	1783	-	-	-	300,000	0	0
Supply	-	1785	-	-	-	1,500,000	0	0
(7) Do.	-	1785	-	-	-	140,900	0	0
						£7,410,870	19	3

To this sum must be added 859,100l. issuable Exchequer Bills (to complete the million old Exchequer Bills) and which were issued in the course

(4) See Distribution of Grants, 1783. Exchequer Bills.

(5) Journals of the House of Commons.

(6) This loan ought to have been discharged on the 6th of April 1786, but was not paid on the 6th of April 1791.

(7) Part of the £1,000,000 for service of 1785, so that there remained £859,100 to be issued, exclusive of the new million borrowed for the service of that year. See Distribution of Grants, 1785.

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of the year, because the interest incurred on that million amounted to (8) 19,454l. 11s. 3d.

The amount of Exchequer Bills, issued and issuable on the 29th April 1785, was 8,269,970l. 19s. 3d.

Notwithstanding this part of the unfunded debt, exclusive of Land and Malt, Exchequer Bills was so very great, it was further encreased by an additional million of Exchequer Bills being voted for the (9) service of 1785.

If we take for granted that the Exchequer Bills, issued on the credit of the Land and Malt Tax of the year 1785, were equal to what were paid off, and discharged of the years 1783, and 1784,—the old Exchequer Bills supply 1785, and the new Exchequer Bills 1785, were made use of, in the course of the year from 29th April 1785—the whole amount of Exchequer Bills unpaid on the 29th April 1786 would be 9,269,970l. a considerably *larger sum* than were unpaid on the (10) 5th of January 1781.

How far this increase of Exchequer Bills may be considered a wise measure, is to be seen hereafter; certainly it was a bold one, and must be considered as preparatory to the project of purchasing stock the year following.

The repeal of some of the taxes imposed in 1784—the alteration of others—and the funding the Navy, Victualling, and Ordnance Debt, were held out as reasons for imposing the following taxes, the estimated produce was to make the revenue equal to the expenditure, and to produce a considerable surplus.

			Estimated produce.
(11) Shop Tax	-	-	£150,000
(12) Tax on Gloves	-	-	50,000
Male Servants additional	-	-	35,000
(13) Female Servants	-	-	140,000

(8) See Distribution of Grants, 1785.

(9) On opening the Budget 9th May 1785, the Chancellor of the Exchequer said, *this million war, he hoped, the last we should ever borrow.*

(10) The amount of Exchequer Bills then unpaid was £8,813,239.

(11) Produced in the year ending the 5th of April 1788, £59,313 15 2½. Repealed in 1789.

(12) Produced in the year ending the 5th of April 1789, £10,220 9 10. The calculation was, that three million of people wore each two pair of gloves a year, which, at a duty of 2d a pair, would be 3,000,000 of four-pences, or £50,000.

(13) Produced in the year ending the 5th of April 1789, £31,431 4 6½.

(14) Attornies

	Estimated produce.
(14) Attornies	£30,000
(15) Pawnbrokers	15,000
(16) Coachmakers	10,000
Post Horfes additional	50,000
(17) Hawkers and Pedlars	6,000
Game Licenfes	25,000
Salt Regulation	12,000
Printed Linens, &c.	60,000
	<u>£553,000</u>

Had the Navy and Victualling Bills been funded as in 1763, three hundred thoufand pounds of the above taxes might have been spared for a future (18) emergency. The payments from the Exchequer to the public creditors would have been 300,000l. lefs than they now are, and would have made their security fo much more folid.

By the annexed account of the di^ribution of Grants for the year 1785, the four great heads of expenditure were,

Naval fervices	£2,504,507	17	2
Army	2,054,684	10	10½
Ordnance	439,655	15	5
Miscellaneous	312,796	7	4
	<u>£5,311,644</u>	10	9½

Although the harveft of 1784 was a good one, (the effect of which was felt in 1785.) The crops in the Weft Indies had been great, and trade

(14) At fame period,	£24,787	17	1
(15) At fame period,	4,189	12	7
(16) At fame period,	1,807	0	0
(17) Produced in the year ending 5th of April 1788,	1,088	13	11½
(18) Would have paid the intereft of feven millions and a half, at the rate of four per Cent.			Repealed in 1789.

had

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page 48.

Dr.

1785

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DISTRIBUTION OF GRANTS.

WAYS AND MEANS.

NAVY.			
18,000 Seamen and Marines	£889,200	0	0
Ordinary	675,307	17	2
Deficiency	213,893	0	0
American Civil Officers	5,489	17	0
American Sufferers	36,819	19	0
Duncan Campbell	159,000	0	0
Bank for receiving and account- ing for Lottery	13,578	14	4
Do. Charges drawing ditto	1,000	0	0
	11,750	0	0
	312,796	7	4
DEFICIENCY.			
Ann. 1788 on 5 July 1784	12,087	7	8½
Ditto 1778 - ditto	159,620	1	9½
Ditto 1779 - ditto	122,730	4	8
Ditto 1780 10 Oct.	158,551	4	11
Ditto 1782 5 July	114,214	4	3½
Ditto 1783 10 Oct.	617,466	10	0
Ditto 1784 5 July	24,044	0	0
Malt 1783, Lady-Day, 1785	182,309	15	0
Land 1783, Michaelmas, 1785	303,125	5	10½
Mint	492,435	0	10½
4½ per cent. Duties	4,194	15	2½
Lottery Prizes	56,113	13	6½
	500,000	0	0
	10,332,228	2	11½
TOWARDS SATISFYING THE SERVICES UNPAID.			
In Exchequer of Sinking Fund	£183,833	12	3½
To be raised on Malt	8,318	15	9
Ditto - Land	560,000	0	0
Contribution to Lottery	1,000	0	0
Deficiency Ways and Means	753,152	8	0½
	127,138	3	2½
ARRAIRS OF FORMER SUPPLIES FOR WHICH MONEY IS PROVIDED.			
African Company's Creditors	900	12	10
Georgia Bills	570	17	7½
Ordinance 1784	£50,000	0	0
Army	293,646	2	4½
	343,646	2	4½
	343,117	12	9½

* This account fhews that 3,000,000l. was neceffary for the current fervice of the year, but does not fhew that the fixed taxes produced that fum.

DISTRIBUTION OF GRANTS.

NAVY.

18,000 Seamen and Marines	£89,200	0	0
Ordinary	675,307	17	2
Extraordinaries	940,000	0	0

2,504,507 17 2

ARMY.

13,053 Men	655,963	4	3½
Plantations and Gibraltar	222,021	4	4
Irish Regiment	6,355	15	8
Regiment Light Dragoons	6,988	9	9
Supernumerary Officers	25,784	8	9½
Staff	6,236	10	6
Paymaster General and Sec. &c.	74,221	14	5
5 Battalions Hanoverian Infantry	8,904	6	6
Chelsea	191,226	0	6
Subsidy, Hefle and Brunfwick	69,291	9	6
Deficiency ditto, Hefle	50,989	2	7
Widows Pensions	13,027	7	6
Several Battalions Foot, 1784	7,737	18	1½
Reduced Officers	197,703	7	10
Ditto Horse Guards	335	15	4
Ditto British American	57,800	1	11
Ditto ditto, 1783	736	11	6
Ditto ditto, 1784	4,308	11	3
Ditto Dutch Service	3,535	0	6
Extraordinaries Dec. 25, 1783, to Dec. 25, 1784	451,537	10	1

2,054,684 10 10

ORDNANCE.

Sea Service	46,800	0	0
Land Service	350,820	1	9
Ditto, 1784	42,035	13	8

439,655 15 5

Exchequer Bills discharged and Interest	1,539,386	18	1
Ditto, ditto	1,019,454	11	3
Ditto, 2,000,000l. Bank postponed Interest	200,284	19	10

2,759,126 9 2

MISCELLANIES.

Commons' Addresses	7,066	18	3
Somerfet Houfe	25,000	0	0
Nova Scotia	3,976	17	6
St. John's	1,900	0	0
Cape Breton	2,550	0	0
Bahama Islands	2,370	0	0
Chief Justice Somers Island	1,592	1	10
New Brunfwick	6,356	17	0
East Florida	2,950	0	0
African Forts	13,000	0	0
Commissioners of Public Accounts	9,000	0	0
Secretary to ditto	3,200	0	0
Nova Scotia Governor's Bills	8,395	2	5
Levant Company	3,000	0	0
Scotch Roads	800	0	0
Index to Journal Houfe of Commons	3,000	0	0
Gen. Murray, Sutherland's Verdict	5,489	17	0
American Civil Officers	36,819	19	0
American Sufferers	150,000	0	0
Duncan Campbell	13,578	14	4
Bank for receiving and accounting for Lottery	1,000	0	0
Do. Charges drawing ditto	11,750	0	0

312,796 7 4

DEFICIENCY.

Ann. 1738 on 5 July 1784	12,087	7	8½
Ditto 1778 - ditto	159,620	1	9½
Ditto 1779 - ditto	122,730	4	8
Ditto 1780 10 Oct.	158,551	4	11
Ditto 1782 5 July	114,214	4	3½
Ditto 1783 10 Oct.	617,466	10	0
Ditto 1784 5 July	24,044	0	0

1,208,713 13 4½

Malt 1783, Lady-Day, 1785	182,309	15	0
Land 1783, Michaelmas, 1785	303,125	5	10½

492,435 0 10½

Mint	4,194	15	2½
4½ per cent. Duties	56,113	13	6½
Lottery Prizes	500,000	0	0

10,332,228 2 11½

WAYS AND MEANS.

Land Tax, at 4s.	£2,000,000	0	0
Malt	750,000	0	0
Exchequer Bills on Aids 1786	1,500,000	0	0
Ditto	1,000,000	0	0
Ditto	1,000,000	0	0
Lottery, 50,000 tickets, at £13	650,000	0	0
In Exchequer	238,928	16	3
Surplus of Grants 1784	66,161	3	5½
*Sinking Fund, 5th April 1785	702,539	16	1½
*Future produce of ditto	2,297,460	3	10½

Deficiency of Ways and Means to be made good from Grants 1786	10,205,089	19	8½
	127,138	3	2½

£10,332,228 2 11½

Remains unfatisfied on the 10th of May 1786.

Army	£365,515	8	9½
Somerfet Houfe	10,000	0	0
4½ per Cent. Duties	2,175	2	6
Lottery Prizes	500,000	0	0
Bank receiving and accounting for Lottery	1,000	0	0
Ditto Drawing	1,600	0	0

880,290 11 3½

Towards fatysfying the Services unpaid.

In Exchequer of Sinking Fund	£183,833	12	3½
To be raised on Malt	8,318	15	9
Ditto - Land	560,000	0	0
Contribution to Lottery	1,000	0	0

753,152 8 0½

127,138 3 2½

Arrears of former Supplies for which Money is provided.

African Company's Creditors	900	12	10
Georgia Bills	570	17	7½
Ordnance 1784	£ 50,000	0	0
Army	293,646	2	4½

343,646 2 4½

345,117 12 9½

* This account shews that 3,000,000l. was necessary for the current service of the year, but does not shew that the fixed taxes produced that sum.

had returned into its old channels in consequence of peace. The Commutation window tax had operated, and the East India Company had paid part (19) of their respited duties. The expenditure of the year 1785 greatly exceeded the income, as will appear from the following account.

INCOME.		EXPENDITURE.	
Nett produce of Customs, Excise, Stamps, and Incidents, from 5 Jan. 1785, to 5 Jan. 1786	£12,499,916 18 7½	Navy, Army, Ordnance, and Miscellaneous services	£5,311,644 10 9½
Deduct appropriated duties not applicable to the public service	- 76,432 15 7	Interest of National Debt, Civil List, and Charges on Aggregate Fund, from 5 Jan. 1785, to 5 Jan. 1786, when only half a year was paid on the funding of 1785	- 9,959,865 3 10
Profit on the Lottery was	£12,423,484 3 0	Interest on Exchequer Bills	259,126 9 2
Remained in the Exchequer	- 150,000 0 0	Deficiency Land and Malt of the year 1783	- 492,435 0 10¼
Land and Malt	- 238,928 16 3	Deficiency of Mint	- 4,194 15 2¼
	2,750,000 0 0	Ditto of 4½ per cent. duties	- 56,113 13 6
Deficiency	£15,562,412 19 3		
	520,966 14 1		
	£16,083,379 13 4		£16,083,379 13 4

The amount of the half-yearly payment on the funding 1785 (including charges of management) was 277,857l. 8s. 2d. which makes the payment to the public creditors in 1786, so much more than in 1785.

The million borrowed by Exchequer bills in 1785, must have been intended to make good the deficiency above stated, provide for the interest of the funding 1785, and leave something towards the intended project of purchasing stock in 1786.

It is remarkable that the accounts of the produce of the Customs, Excise, Stamps, and Incidents were at this time made up to unusual periods. The quarter from 10th October 1785, (20) was made up to Christmas Eve; and the next quarter (21) from Christmas Eve to the 5th April 1786.

(19) The India Company paid £401,118 17 1, part of the duties respited in 1783.

(20) 10th October to 24th December, 75 days.

(21) 24th December to 5th April, 102 days.

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The first quarter (22) is stated to have produced the sum of	£2,907,434 9 10
The second quarter, (23) Christmas Eve to 5th April	2,955,179 8 7½
Amount of the six months	5,862,613 18 5½
Deduct Appropriated Duties	45,577 17 8½
Leaves the nett produce of six months from 10th October 1785, to 5th April 1786	£5,817,036 0 8¼
The year following an account was produced, by which it appears the quarter (24) from 5th January 1786, to the 5th April 1786, was	£2,512,171 14 8
Deduct Appropriated Duties	14,525 1 5½
The actual produce of the quarter ending the 5th April 1786, must have been	2,497,646 13 2½
Which deducted from the produce of the six months, leaves for the nett produce of the quarter from 10th October 1785, to the 5th January 1786	3,319,389 7 6¼
In this case, the quarter ending the 5th Jan. 1786, was	3,319,389 7 6¼
And the quarter ending the 5th April following	2,497,646 13 2½
The 5th January quarter more than the 5th April	£821,742 14 3½

A circumstance scarce credible, if it was so, proves an extraordinary exertion to make the January quarter large at the expence of the following quarter (24*).

Had it been seriously intended to simplify the Sinking Fund, it might have been done the moment the funding the Navy debt in 1785 had been effected; for it would have only been necessary to direct (by a clause in that bill) that the

(22) Account dated Exchequer, 8th Feb. 1786.

(23) Account dated Exchequer, 26th April 1786, signed J. Hughson.

(24) Account dated Exchequer, 10th April 1787, signed J. Hughson.

(24*) This trick was again practised in the quarter ending 5th January 1791.

Annuities

[51]

Annuities of 1758, 1778, (25) 1779, 1780, 1782, 1783, 1784, and 1785, should be paid out of the Sinking Fund, and that all the taxes established to pay the interest of the loans and fundings of those years, should be carried to, and become part of, that fund.

Why the Annuitants of the years 1776, 1777, and 1780, should be considered in a different point of view from the Annuitants of the above-mentioned years, has never been explained.

Certain it is, that the Sinking Fund was made the collateral security to them; and, therefore, such a measure would have satisfied all parties.

The advantage that would have been derived from that measure, must have been very great, because the nett produce of the Sinking Fund, would the following year have been known, and there would have been an end to voting sums into the Sinking Fund, for the sake of voting them out again.

Funding the Navy debt in 1785 being finished, we shall be able to state, what was the amount of the annual interest paid by the public in the year 1786, compared with the interest paid in the year 1775, and consequently what has been the increase between those two periods.

On the 5th January 1786, the annual interest of the National Debt (26) appears to have been

	£9,266,940 7 2
The charges of management on the funding 1785, was	6,182 4 10
Interest on Civil List million, and Charges of management thereon	30,350 0 0
	£9,303,482 12 0

(25) Interest on money borrowed or funded in the following years were,

1778	£ 330,000 per annum
9	472,500
80	697,500
2	793,125
3	560,000
4	316,500
5	893,499 13 6

4,063,124 13 6 exclusive of the charges of management.

(26) Appendix (page 62) to Report of the Select Committee of 1786. The Report of the Select Committee of 1791, Appendix (G) No. 1, states the interest of the National Debt and Charges for 1786, at the sum of 9,010,404l. 12s. 7½d. but then that Report admits (page 25 and 26) that by the 26th Geo. III. chap. 34, an alteration took place the time of payment of the Long Annuities, which was in fact postponing the payment of 172,007l. 6s. 1d. to the following year.

H 2 Carried over £9,303,482 12 0

[52]

Brought over	-	-	£9,303,482	12	0
Deduct charges of management reduced from 562l. 10s. to 450l. per million	-	-	24,850	0	0

Interest paid on Exchequer bills in 1786			9,278,629	12	0
Amount	-	£ 1,500,000	was	67,865	13 2
Ditto	-	1,000,000	—	30,021	7 3
Ditto	-	1,000,000	—	20,568	2 6
Ditto	-	2,000,000	—	105,000	0 0

Interest and charges of National Debt (27) including interest on Exchequer bills in the year 1775, appears to have been	-	-	£4,459,785	5	5
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Deduct 4 per cent. and $3\frac{1}{2}$ + per cents. fallen to 3 per cents. and Life Anns.	-	-	227,997	2	6
			4,231,788	2	11

Increased annual expence between the 5th Jan. 1776, and the 5th Jan. 1786 *	-	-	£5,270,196	12	0
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Exclusive of the interest of the Loyalists' claims, which were not then settled.

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+ 4 per cent. 1761, fallen to $3\frac{1}{2}$ per cent.	-	-	£189,863	0	0
$3\frac{1}{2}$ per cent. 1758, ditto ditto	-	-	22,500	0	0
Exchequer Life Annuities	-	-	5,405	0	0
Ditto ditto	-	-	46	0	0
Life Annuities 1745	-	-	2,122	10	0
Ditto 1746	-	-	5,040	0	0
Ditto 1757	-	-	3,020	12	6
			£227,997	2	6

* Of which above million a year since 31st October 1783.

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DISTRIBUTION OF GRANTS.

NAVY.

18,000 Seamen and Marines	£889,200 0 0
Ordinary	692,326 18 8
Extraordinaries	800,000 0 0
Admiralty Buildings	6,000 0 0

2,387,526 18 8

ARMY.

17,638 Men	647,005 0 8
9,546 ditto Plantations	234,160 5 11
2,490 Irish Regiments	6,358 3 0
453 East-Indies	8,230 8 7½

20,127

Staff	6,409 8 0
Reduced Officers	24,378 7 8½
Half-pay, British	172,666 10 5
Ditto, American	33,502 17 2
Ditto, Scotch Brigade	3,535 0 6
Paymaster-General and Sec. &c.	59,320 13 5
Officers' Widows' Pensions	11,409 7 6
Chelsea Pensioners	175,016 7 9
Reduced Officers' Horse Guards	333 9 7
Difference in pay of Irish Regiments	2,377 0 8½
Ditto Companies	364 5 11

Extraordinaries from December 24, 1785, to December 24, 1785, £638,662 12 4

Deduct Savings 65,575 4 1½

1785 573,087 8 2½

1,978,154 15 0½

ORDNANCE.

Sea Service	46,800 0 0
Land Service	287,096 17 1
Fortifications, Portsmouth and Plymouth	59,781 0 0

393,677 17 1

Exchequer Bills discharged and Interest

Ditto	1,567,865 13 2
Ditto	1,030,021 7 3
Ditto	1,020,568 2 6
Ditto	2,105,000 0 0

5,723,455 2 11

MISCELLANEOUS.

Commons' Addresses	12,259 9 2
Somerfet House	25,000 0 0
Nova Scotia	3,851 17 6
St. John's	1,900 0 0
Cape Breton	2,100 0 0
Bahama Islands	2,660 0 0
West Florida Executors of Ellis	1,816 15 7½
Chief Justice Somers Island	580 0 0
New Brunswick	4,300 0 0
African Ports	13,000 0 0
Commissioners of Pub. Accounts	9,000 0 0
Secretary to ditto	1,000 0 0
Scotch Roads	5,784 0 0
Purchase of Lands St. Vincent's	8,500 0 0
Ditto Bahama Islands	6,356 0 0
Nova Scotia Governor's Bills	16,061 16 3
Mr. Dundas and Mr. Pemberton's voyage to Nova Scotia on American Claims	2,426 9 0
Commissioners enquiring into Loyalists' Claims	10,000 0 0
Relief of ditto by Lottery	178,750 0 0
Secretary to American Commissioners	3,888 4 0
American Civil Officers	62,059 5 0
Fees on 150,000l. American Loyalists	3,750 14 0
American Sufferers	55,000 0 0
Feverham Powder Mills	1,377 6 0
Land purchased at Feverham	3,032 11 5
Ditto near Portsmouth	12,869 11 7½
Ditto near Plymouth	17,388 12 1
Confining or transporting Convicts, one year	31,299 10 0
Duncan Campbell	21,560 5 7
Foreign Brig unjustly condemned 1773	4,106 10 0
Borell for Red Turkey Dye	2,500 0 0
Prosecuting Coiners	1,681 18 4
Coinage of 2,500,000 Gold	14,939 5 0½
Civil List Debts, Excheq. Bills	180,000 0 0
Ditto, Arrears to 5 Jan. 1786	30,000 0 0
Bank for receiving and accounting for Lottery	1,000 0 0
Ditto Charges on Lottery	11,750 0 0
Ditto ditto National Debt	667 6 6

762,817 7 1½

DEFICIENCIES.

Ann. 1758 on 5 July, 1785	16,588 4 6½
Ditto 1778 on 10 Oct.	180,357 3 6½
Ditto 1779 on 5 July	15,991 5 2½
Ditto 1780 on 10 Oct.	141,864 11 8
Ditto 1783 on ditto	361,963 3 4
Ditto 1784 on 5 July	202,581 7 7½
Commutation 1784, to 5 July 1785	365,719 2 4½

1,285,064 18 3½

Malt 1784 on 5 April 1786	169,675 17 4½
Land 1784 on 10 Oct. 1786	239,730 7 4

Mint per 9th Geo. III.

Grants 1785	8,591 4 1
Lottery Prizes	127,138 3 2½

500,000 0 0

£13,575,742 11 1½

WAYS AND MEANS.

Land Tax at 4s. per pound	£2,000,000 0 0
Malt	750,000 0 0
21 March Sinking Fund 5 Jan. 1786	582,488 15 9½
2 May Ditto 5 April 1786	628,982 0 1
15 Exchequer Bills	1,500,000 0 0
18 Ditto	1,000,000 0 0
18 Surplus of 6d. per pound Pensions	82,386 0 0
Ditto Wine Duties	16,491 5 0
Ditto Glafs	20,231 15 0
Ditto Vellum	12,735 15 0
Ditto 2-7th Excise	40,414 9 5½
1 June Lottery, 50,000 Tickets, at 13l. 15s. 6d.	688,750 0 0
20 Future Produce of Sinking Fund	2,600,000 0 0
Exchequer Bills	3,000,000 0 0
Remaining of money voted for Land Forces 1784	290,810 4 6½
Imprest and other monies remaining for disposition of Parliament	100,508 13 1½
Surplus of Chelsea	21,568 13 2½

£13,335,417 11 3½

Deficiency of Ways and Means to be made good from Grants, 1787

240,324 19 18½

£13,575,742 11 1½

Remaining unsatisfied on 19th April 1787.

Admiralty Buildings	£4,000 0 0
Army	384,038 18 10
Ordnance	43,677 17 1
Somerfet-House	11,607 12 5½
Scotch Roads	1,284 0 0
Loyalists Claims (Lottery)	6,750 0 0
Confining or transporting Convicts	433 15 4½
Bank, receiving and accounting for Lottery	1,000 0 0
Ditto, Charges on Lottery	2,450 0 0
Ditto, National Debt	667 6 6
Deficiency of Grants 1785	127,138 3 2½
Lottery	500,000 0 0

£1,083,047 13 5½

Remaining in Exchequer of the Sinking Fund

£396,043 17 0½

Of Exchequer Bills to be issued on credit of the Aids 1787

445,678 16 6½

Of Lottery Contributions

1,000 0 0

842,722 13 7

240,324 19 18½

Deficiency

240,324 19 18½

The Arrears of former Supplies, remaining unpaid, for which Money is provided.

For the late African Companies' Creditors

900 12 10

Georgia Bills, residue of 15,496l. 19s. 13d.

570 17 7½

Army Services, 1784

5,286 15 8

Ditto 1785

£230,251 0 6½

To make good Deficiency of 4½ per cent. duties, 1785

2,175 2 6

232,426 3 0½

£239,184 9 2½

£2,750,000 0 0

409,406 4 8½

£2,340,593 15 3½

On the Credit side the Land and Malt is taken for From which deduct on the Debtor side the deficiency of Land and Malt (including Militia)

The difference is the actual net produce applicable to the current service of 1786

£2,750,000 0 0

409,406 4 8½

£2,340,593 15 3½

£2,750,000 0 0

409,406 4 8½

£2,340,593 15 3½

£2,750,000 0 0

409,406 4 8½

£2,340,593 15 3½

£2,750,000 0 0

409,406 4 8½

£2,340,593 15 3½

£2,750,000 0 0

409,406 4 8½

£2,340,593 15 3½

£2,750,000 0 0

409,406 4 8½

£2,340,593 15 3½

£2,750,000 0 0

409,406 4 8½

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409,406 4 8½

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409,406 4 8½

£2,340,593 15 3½

£2,750,000 0 0

409,406 4 8½

£2,340,593 15 3½

£2,750,000 0 0

409,406 4 8½

£2,340,593 15 3½

£2,750,000 0 0

409,406 4 8½

£2,340,593 15 3½

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409,406 4 8½

£2,340,593 15 3½

£2,750,000 0 0

409,406 4 8½

£2,340,593 15 3½

£2,750,000 0 0

DISTRIBUTION OF GRANTS.

NAVY.

18,000 Seamen and Marines	£889,800 0 0
Land purchased at Foverham	692,326 18 8
Ditto near Portsmouth	3,632 11 5
Ditto near Plymouth	12,869 11 7½
Confining or transporting Convicts, one year	17,388 12 1
Duncan Campbell	31,299 16 0
Foreign Brig unjustly condemned 1773	21,560 5 7
Borell for Red Turkey Dye	4,106 10 0
Profecuting Coiners	2,500 0 0
Coinage of 250,000 Gold	1,681 18 4
Civil List Debts, Excheq. Bills	14,939 5 0½
Ditto, Arrears to 5 Jan. 1786	180,000 0 0
Bank for receiving and accounting for Lottery	30,000 0 0
Ditto Charges on Lottery	1,000 0 0
Ditto ditto National Debt	11,750 0 0
	667 6 6
	762,517 7 1½
DEFICIENCIES.	
Ann. 1758 on 5 July, 1785	16,588 4 6½
Ditto 1778 on 10 Oct.	180,357 3 6½
Ditto 1779 on 5 July	15,991 5 2½
Ditto 1780 on 10 Oct.	141,864 11 8
Ditto 1783 on ditto	361,963 3 4
Ditto 1784 on 5 July	202,581 7 7½
Commutation 1784 to 5 July 1785	365,719 2 4½
Malt 1784 on 5 April 1786	169,675 17 4½
Land 1784 on 10 Oct. 1786	239,730 7 4
Mint per 9th Geo. III.	
Grants 1785	8,501 4 1
Lottery Prizes	127,138 3 2½
	500,000 0 0
	£1,285,064 18 3½

On the Credit side the Land and Malt is taken for From which deduct on the Debtor side the deficiency of Land and Malt (including Militia) £2,750,000 0 0 409,406 4 8½ £2,340,593 15 3½

The difference is the actual net produce applicable to the current service of 1786

WAYS AND MEANS.

Land Tax at 4s. per pound	£2,000,000 0 0
Malt	750,000 0 0
21 March Sinking Fund 5 Jan. 1786	582,488 15 9½
2 May Ditto 5 April 1786	628,982 0 1
Charges on Lottery	1,500,000 0 0
Ditto, National Debt	2,450 0 0
Deficiency of Grants 1785	667 6 6
Lottery	127,138 3 2½
	500,000 0 0
	£1,083,047 13 5½
Remaining in Exchequer of the Sinking Fund	£396,043 17 0½
Of Exchequer Bills to be issued on credit of the Aids 1787	445,678 16 6½
Of Lottery Contributions	1,000 0 0
	842,722 13 7
Deficiency	240,324 19 10½

The Arrears of former Supplies, remaining unpaid, for which Money is provided.

For the late African Company's Creditors	900 12 10
Georgia Bills, residue of 15,496l. 19s. 1½d.	570 17 7½
Army Services, 1784	5,286 15 8
Ditto 1785	£230,251 0 6½
To make good Deficiency of 4½ per cent. duties, 1785	2,175 2 6
	232,426 3 0½
	£239,184 9 2½

* The above account proves that £2,600,000 was necessary for the current service of 1786, but does not prove that the Sinking Fund was capable of producing that sum.

On the 5th Jan. 1787, there remained undischarged £435,323 7 6½ which proves that fund to have been estimated too much too high; to which the deficiency of Ways and Means £249,324 19 10½ being added, proves that fund to have been estimated too high £684,648.

The expenditure under the four heads of Navy, Army, Ordnance, and Miscellaneous services, in the year 1786, were as follows:

Naval Services	£2,387,526 18 8
Army	1,978,154 15 0½
Ordnance	393,677 17 1
Miscellaneous	762,817 7 1½

In 1785 those services were	5,522,176 17 11
1786 exceeded 1785	5,311,644 10 9½
	210,532 7 1½

The income under the heads of Customs, Excise, Stamps, and Incidents, from 5th January 1785, to 5th January 1786, exclusive of appropriated duties, amounted to

From 5th Jan. 1786, to 5th Jan. 1787, the amount was	£12,423,484 3 0
	12,322,177 3 3
Income 1786 less than 1785	101,306 19 9

In 1785 it was found necessary to borrow a million on Exchequer bills for the current service.

In 1786, with more expence and less income, it was proposed to lay out 750,000l. in the purchase of stock, and a million a year afterwards.

From the account of the Distribution of Grants 1786, annexed, it appears that the year preceding had not only required the million borrowed, but that there was a deficiency of grants amounting to 127,138l. 3s. 2d. to be made good from the Supply of 1786. The Sinking Fund drew from the Supply 1786, deficiencies to the amount of 1,285,064l. 18s. 3½d. and returned the Supply (27*) 1,211,470l. 15s. 10½d. which was precisely the same thing as taking from the Supply the sum of 73,594l. 2s. 4½d.

(27*) Ways and Means 1786.

£582,488 15 9½
628,982 0 1
£1,211,470 15 10½

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The income and expenditure of 1786 appears to have been as follows :

INCOME.		EXPENDITURE.	
Nett produce of Customs, Excise, Stamps, and Incidents, from 5 Jan. 1786, to 5 Jan. 1787 (A)	£12,389,555 1 1	Interest of National Debt, Civil List, charges on Aggregate Fund, and three quarters laid out in purchase of Stock, from 5 Jan. 1786, to 5 Jan. 1787 (F)	10,994,391 0 5½
Deduct appropriated duties (B)	67,377 17 10	Navy, Army, Ordnance, and Miscellaneous Services	5,522,176 17 11
Annual Land and Malt Taxes	2,750,000 0 0	Interest on 5,500,000l. Exchequer Bills	223,455 2 11
CASUAL RECEIPTS.		Deficiency of Grants 1785	127,138 3 2½
Savings Land Forces 1784 (C)	290,810 4 6	Ditto Land and Malt of 1784	409,405 4 8½
Profit of Lottery	188,750 0 0	Ditto Mint	8,501 4 1
Imprest money and arrears of Taxes (D)	176,978 0 7½	Ditto Sinking Fund 1785	73,594 2 4½
Duties on Glass, Vellum, 6d. in the pound on Penfions, Chelsea Savings, &c. (E)	193,877 17 8½		
	15,922,593 6 0½		
Deficiency 1786, carried to account of income and expenditure 1787	1,436,068 9 7½		
	£17,358,661 15 8		£17,358,661 15 8

- (A) Report 1791, Appendix (A) No. 1.
 (B) Account from Treasury Chambers, June 25, 1789 (signed) Thomas Steele.
 (C) Report 1791, Appendix (W) No. 8.
 (D) Ditto ditto (F) No. 2, £175,408 7 3½
 (E) Report 1791, Appendix (W) No. 8.
 Duties on Glass, &c. £172,307
 Chelsea - - - 21,568
 £193,875

- (F) Account from Treasury Chambers, June 25, 1789, (signed) Thomas Steele.
 Interest and charge of the Public Debts £9,277,407 16 1½
 Civil List - - - 900,000 0 0
 Charge on Aggregate Fund - - - 66,983 4 3½
 10,244,391 0 5½
 Add laid out in purchase of Stock 750,000 0 0
 £10,994,391 0 5½

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It is remarkable that the project of buying stock was formed in the quarter that had been less productive than the preceding quarter, and therefore was very unpromising to begin such a project with.

In 1786 the East India Company paid the remainder of their duties respite in 1783, which amounted to 522,400l. 8s. 1d. and which should be considered as a casual receipt, being a debt, and not revenue, of the year.

The East India Company were enabled to discharge this debt, not by the profits of their trade, which we have shewn was impracticable, but by being enabled (28) to encrease their capital stock 800,000l. which was effected at the rate of 155l per cent. producing in money the sum of 1,240,000l.

They also were enabled to sell annuities to the amount of 36,226l. 16s. per annum, each nominal hundred pounds being entitled to three pounds per annum.

If the sale had been made at the rate of 75l. money for each nominal hundred pounds capital, the capital so created would have been 1,207,530l. and would have produced in money 905,650l. which would have been an expence to the Company of four per cent. per annum on the sum raised.

But the Company seem to have preferred the raising of money on their stock, which at 155l. for eight pounds a year (their present dividend) is something more than five per cent. interest for the money so borrowed.

It cannot be said, that the East India Company have not made use of the 1,207,530l. three per cent. annuities they were enabled to sell; for, though they have not sold, they have mortgaged them to the Bank more than once. In 1788 (29) for 500,000l. and in 1789 for 200,000l. more; what is the present state of the case, a future account will show.

From the first establishment of the Sinking Fund in 1717, to the passing the act for laying out a million a year in the purchase of stock in 1786, the year was considered as ending on the 10th of October, in order that there might be a sum, in reserve in the Exchequer, towards payment of the growing dividends.

By that act (30) it was declared, that in future the yearly accounts should be reckoned from the 5th day of January, to the 5th day of January following.

(28) 26th Geo. III. Chap. 62.

(29) Account of Balance of Cash in the Treasury of the East India Company, from the 1st March 1784, to 1st March 1790, ordered to be printed 17th March 1790.

(30) 26th Geo. III. Chap. 31.

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The year 1786 had therefore the advantage of five quarters produce of the Sinking Fund, from the 10th of October 1785, to the 5th of January 1787.

Though the Act so clearly defines the beginning of the year, there was a concealed design, from that time forward of taking another quarter's produce of the Sinking Fund to the aid of the Ways and Means, by estimating the future produce of that fund from the 5th of April following.

Accordingly we find that on the 5th of April 1786, there is brought to the aid of Ways and Means 628,982l. from the Sinking Fund, and the future produce was estimated at 2,600,000l.

Notwithstanding this anticipation, there appears a deficiency in the Ways and Means of that year of 240,324l. 19s. 10½d. which was made good from the Grants of 1787.

Had the future produce of the Sinking Fund been taken for 2,840,324l. 19s. 10½d. no deficiency would have appeared in the account of the Distribution of Grants, but the deficiency would have been seen in the Sinking Fund.

It appears, that with the extraordinary aid of 522,400l. 8s. 1d. received from the East-India Company in the last quarter of 1786, there remained unredeemed on the 5th of January 1787, 435,323l. 7s. 6½d. of the 2,600,000l. borrowed for the service of 1786 on the credit of the Sinking Fund, to which, if the deficiency of that year be added, and the amount of the Grants for Navy, Army, &c. remaining unpaid at that day, the actual deficiency of the year 1786, could not be less than has been stated (32).

The Report of the Select Committee (1786) certainly states the Expenditure Peace Establishment much too low.

Every body knows, that ships will decay whether they are used or not, and that whilst others powers keep up a naval force, it is indispensibly necessary, that Great Britain should do the same.

The proposed reduction of 600,000l. (33) a year, in the Extraordinaries of the Navy (ship building), was not only dangerous but impracticable.

(32) Page 37.

(33) Appendix to the Report of the Select Committee 1786, page 73.

Report of 1791, Appendix, (K.) No. 2, states the Extraordinaries of the Navy to have been in the

year 1786	-	£800,000
1787	-	650,000
1788	-	600,000
1789	-	575,570
1790	-	490,360

Which sums were insufficient, because the Navy and Victualling Bills, at the end of 1790, were sixteen months unpaid, though 200,000l. additional grants had that year been voted towards discharge of Navy debt.

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To suppose it possible, that what cost in 1786, 800,000l. could *safely* be reduced to 200,000l. in the year 1791, would be to abandon the constitutional protection of the country, and to depend on the chapter of accidents in the indifference of neighbouring powers; or in the more ridiculous system of internal fortifications.

There is a difficulty in the Committee having given so decided an opinion, in regard to so great a saving under the head of Extraordinaries (ship-building) that cannot be reconciled with that plain statement of fact, a lover of truth is always in pursuit of.

The Report (34) states, that in the years 1766, 1767, 1768, and 1769, the Extraordinaries of the Navy were as follow:

1766	—	—	£ 277,300	0	0
1767	—	—	328,144	0	0
1768	—	—	277,954	0	0
1769	—	—	282,413	0	0
Amount of four years			—	1,165,811	0 0
Average of one year			—	£ 291,452	0 0

Besides these specific grants for Extraordinaries of the Navy, (ship building) there were "incurred for services not provided for by Parliament, (the expence of the Navy exceeding the ordinary grants for each year)" the following sums:

1766	—	—	£172,328	13	3
1767	—	—	56,148	7	3
1768	—	—	126,085	17	4
1769	—	—	143,687	19	0
			—	498,250	16 10

Besides additional grants towards discharging the debt of the Navy, which within the same period were as follow:

1766	—	—	£1,200,000	0	0
1767	—	—	300,000	0	0
1769	—	—	400,000	0	0
			—	£1,900,000	0 0

(34) Appendix to the Report of the Select Committee, page 1786, 69.

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In no part of the expence of the Navy, in those four years, can there be found any ground for estimating the Extraordinaries of the Navy so low as 200,000l. If we exclude the expence incurred, and not provided for by Parliament, and admit that sums granted for payment of the Navy debt should be also left out, the average annual expence was near 300,000l. and when it is remembered in what condition the Navy was found on the Falkland Island business breaking out in 1770, when it was thought necessary to arm a fleet, every thinking individual must be of opinion, that confining the expence of ship-building to the annual sum of 200,000l. a year, must originate in treachery or idiotism.

The truth is, this ideal sum of 200,000l. expence of ship-building, was not taken from the report of the Select Committee, but was taken from the speculative reveries (35) of the late Mr. George Grenville, who states, that "when the Navy has been once put into a thorough repair, the regular expence" might certainly be brought within 200,000l."

It should have been remembered, that the circumstances of the country were quite changed in 1786, from what they were in 1766.

Between the years 1775 and 1787 the increased annual expence (36) was 5,270,000l. in the interest of the National Debt only. The taxes to answer this increased expence must necessarily operate on the national expenditure, as well as on that of every individual.

It was not pretended that the surplus to be made by saving 600,000l. in the extraordinary expences of the Navy, and 300,000l. in expences of the Army and other departments, would take place till 1791 (37); yet it was cunningly stated, that in order to make those imaginary savings a million, it was necessary to impose, in 1786, new taxes to the amount of 100,000l. which were accordingly laid on the following articles:

Additional 1d. per gallon on Wash, estimated to produce	£50,000 per ann.
On Deals and Battens	30,000
On Perfumery	20,000
	<u>100,000</u>

(35) Considerations on the Trade and Finances of this Kingdom.
(36) Page 52. (37) Report of Select Committee, 1786.

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The estimated produce of the taxes imposed in 1784, 1785, and 1786, amounted (38) to 1,583,000l. but the actual produce for one year, from the 5th of April 1786, to the 5th of April 1787, was only (39) 814,144l. 3s. 11d. a pretty strong proof that taxation has been carried too far.

(38) In 1784	£930,000	0	0
1785	553,000	0	0
1786	100,000	0	0
	<u>£1,583,000</u>	0	0

(39) Produce of Taxes imposed in the years 1784, 5, and 6, to answer the payments of the Annuities established in those years, for one year, from the 5th of April 1786, to the 5th of April 1787.

Taxes imposed in 1784 stated to have produced	£636,925	4	11
Do. - 1785	-	-	1,026,052 1 6
Do. - 1786	-	-	<u>72,225 19 10½</u>
			1,735,203 6 3½

But as the following old Taxes were repealed within that period, or engrafted on the new Taxes, the former produce must be deducted, as there is no reason to suppose they would not have produced as much in the Exchequer as they had done for many years before they were new modelled.

Chocolate, as in 1774	£7,279	2	10½
Coffee, ditto	27,164	19	7
Ale Licenses, less than do.	18,296	12	2
Wine ditto ditto	2,074	13	8
Hackney Coaches ditto	941	15	2
Hawkers and Pedlars do.	2691	15	8
Letter Money ditto	4,000	0	0
Tea ditto	566,711	9	2
Post Horses as in 1783	94,299	9	10
Two and four-wheel Carriages, pr. 25 G. III.	150,922	2	0
Men Servants as in 1781	46,677	2	3
			<u>921,059 2 4½</u>

Actual net produce	814,144	3	11
Actual deficiency of Taxes imposed in 1784, 5, and 6. to pay the Annuitants	-	408,132	12 0
		<u>£1,222,276</u>	15 11

Dividends for one year on Loan 1784, and Fundings 1784 and 1785, from the 5th of April 1786, to the 5th of April 1787.

On 6,000,000 3 per Cents	180,000	0	0
Charges of Management	2,700	0	0
On 3,000,000 4 per Cents	120,000	0	0
Charges of Management	1,350	0	0
16,500 Long Annuities	16,500	0	0
Charges of Management	185	12	6
17,869,993 9 10 5 per Cts	893,499	13	6
Charges of Management	8,041	9	11

£1,222,276 15 11

Charges of Management, calculated at the reduced rate of £450 per million.

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When the Navy Debt was funded in 1785, it was said the Navy and Victualling Bills should not be again suffered to run into arrear, so as to bear an interest; the Navy Estimates were to be so formed, as to prevent, at any time, more than the bills issued in the course of six months to remain unpaid.

For a short time this measure was pursued, but was soon broke through; for, on the 5th of September 1786, we find the Navy Bills registered in the months of October, November, December, 1785, and January 1786, were ordered to be paid; there were, therefore, at the time that order was made, eleven months undischarged, and as no further order for payment of Navy Bills was made till the 31st of March 1787, it is evident that at the end of the year 1786, there were eleven months Navy and Victualling Bills unpaid.

On the 31st of December 1785, there remained unpaid of those Bills only seven months, the increased Navy Debt in 1786 was therefore the amount of four months Navy and Victualling Bills, which, if estimated at 100,000l. per month, is 400,000l.

The avowed (40) naval expenditure of the year 1786 was therefore 2,387,526l. 18s. 8d. and the *concealed expenditure*, the increased Navy Debt, of which four months Navy and Victualling Bills were a part.

Notwithstanding the fact that the Naval Expenditure of 1786 was near 2,800,000l. including the increased Navy Debt, and that in order to save a million for the purpose of lessening the National Debt, it was stated (41) that the Navy Expenditure should not exceed 1,800,000l. the project was pursued.

Accordingly an Act (42) was passed, vesting in certain (43) Commissioners a million of money in four equal quarterly payments.

The object of this project appears to have been,

To purchase stock at the market price;

(40) Distribution of Grants, 1786. (41) Report of Select Committee, 1786.

(42) 26th Geo. III. Chap. 31.

(43) The Speaker of the House of Commons,
The Chancellor of the Exchequer,
The Master of the Rolls,
The Accountant General of the Court of Chancery, and
The Governor and Deputy Governor of the Bank of England.

To

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To make those purchases in nearly equal proportions, so as to buy four days in a week (not being holidays) a certain quantity of stock;

To apply to this purpose the annuities for lives, or years, that might fall in, or expire;

To apply the dividends arising from the purchases, in addition to the annual million to be laid out;

To carry on those purchases until the annual interest arising therefrom (the million included) should amount to 4,000,000l. which was computed would be in about 28 years, which, *when effected*, is to be at the disposal of Parliament.

If the object of this project was to be brought to a point in 28 years, to what purpose were the Long Annuities, (44) which had $73\frac{1}{2}$ years to run on the 5th of July 1786, made a part of the fund to be invested in the purchasers?

The annuities (45) granted for one, two, and three lives, and charged by an Act of the 5th of King William and Queen Mary, upon two-sevenths of a nine *shillings* per barrel excise, and the annuities granted for ninety-nine years, by an Act of the 4th of Queen Ann, and charged upon an addition of nine *shillings* per barrel excise, cannot possibly be made part of the fund for carrying on the project, because no such two-sevenths nine *shillings*, and additional nine *shillings* excise, ever existed.

At the time the project was brought forward a question was asked (46) of great importance: "as it is not proposed that the expenditure of the navy, army, &c. will not, or cannot, be reduced to that permanent peace establishment, from whence 900,000l. savings are to be made, until the year 1791, from what source is the annual million to be obtained in the mean time?" The answer was; from army agents, arrears of taxes, and such scraps.

That with the assistance of arrears and other aids, the purchases have been made, assisted by anticipations of the revenue, and running into debt on one hand, to carry on the delusion with the other, we shall be able clearly to prove.

The Sinking Fund of the year 1717 collected the money before it was applied by Parliament to payment of the annuitants. The project of 1786 pur-

(44) 26th Geo. III. Chap. 31. Clause viii. (45) 26th Geo. III. Chap. 31. Clause viii.

(46) By Mr. Fox. (47) This measure was suggested to Government in 1784.

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chafes stock from the annuitants, before the money is collected, or even any surplus pretended.

The purchasing stock at the market (47) price is certainly an equitable measure; it must always be indifferent to the seller, whether the stock he wants to part with, is bought by the public or by individuals.

Making the purchases periodical, is a considerable loss to the public; the money laid out might have been securely done under the direction of the Lords of the Treasury: 250,000l. a quarter carried to the account of the Commissioners on the 5th day of July, lying idle until the 1st of August following, and then applied at the rate of about 20,000l. a week, is a loss in the interest of the money of about 10,000l. a year; the purchases being made in the stock that produces the least annuity (though the most nominal stock) instead of purchasing the greatest quantity of annuity for the least money, is laying out the money disadvantageously for the public.

Applying the annuities on lives, or for years that fell in, as well as the dividends to the same purpose, was a (48) right measure.

But to carry on those purchases, until the dividends and annual million, amounts to 4,000,000l. a year, and then to be at the disposition of Parliament, had it been practicable, might have been the most dangerous engine in the hands of an arbitrary Minister, not only against the liberties of the people, but against the existence of Parliament itself.

Fortunately for the constitution, the measure defeats itself; for by taking the dividends out of circulation, taxes arising from that circulation will diminish.

Had there been a *bona fide* surplus of revenue, and that surplus had been laid out, in those annuities which may be bought with the least money; and when the annuities so purchased had amounted to 60,000l. a year, taxes to that amount had been taken off, and the annuities so purchased declared to be redeemed, the happiest consequences would have arisen from the measure; and thus proceeding to relieve the country by degrees, from a burthen it appears to be unable to bear, there cannot be a doubt, but that a few years would have restored Great Britain to that flourishing state she formerly enjoyed.

(47) This measure was suggested to Government in 1784.

(48) This also was suggested to Government in 1784.

Befides,

Befides, the taxes so abolished (49) would at all times be a resource to fly to, in case of necessity, from the hostile designs of foreign powers.

A million of money laid out in purchasing three per cent. annuities, at the price of 75 per cent. would buy 40,000l. a year, the same sum laid out in short annuities, at $12\frac{1}{2}$ years purchase, would buy 80,000l. a year.

The public burthens require immediate relief, which this mode would have afforded. If the internal strength of the country was such, as to be able to bear the present load of taxes, and spare a million besides for experiments, at the end of twenty-eight years, no assistance could be wanted; the danger is, that long before that period, the *present state quacks will have killed their patient*.

The year 1787 produced the long talked of Commercial Treaty with France, and the consolidation of the duties of Customs, Excise, Stamps, and Incidents.

By repealing all the old duties, such as had been particularly appropriated to the payment of the interest of South Sea, East India, and Bank Stock, were released from those (49*) appropriations.

By the old mode, the surplusses formed a fund towards the growing dividend; the new mode enables the Minister to apply every shilling of the Revenue to the current services, without reserving any thing towards the dividend growing due.

The half yearly payments, on the 10th October 1787, to the public annuitants, were as follows:

On lives, with benefit of survivorship, 1766	-	£270	0	0
Annuity and management on 32,750,000l. four per cents	-	662,368	15	0
Annuities for 30 and 29 years	-	204,440	1	$5\frac{1}{2}$
Reduced annuities, three per cent.	-	568,455	7	$5\frac{1}{2}$
Long annuities	-	344,014	12	$2\frac{1}{4}$
Short annuities	-	12,500	0	0
		£1,792,048	16	$1\frac{1}{2}$

Of which on the 5th July 1787, there was due though not payable

£896,024 8 $0\frac{3}{4}$

(49) Lowering the Land Tax to 3s. in the pound, was providing against exigencies.

(49*) Report of 1791 (page 26) admits this fact.

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In like manner the half yearly payments, on the 5th January 1788 to the public annuitants, were as follows:

On lives, 1745	-	-	£6,159	2	6
Do. 1746	-	-	11,233	5	0
Do. 1757	-	-	12,283	12	6
Do. 1778	-	-	1,384	16	6
Do. 1779	-	-	2,587	9	3½
South Sea Company, new annuities	-	-	29,317	19	4½
Three per cent. confols	-	-	1,635,064	6	0
Five per cents	-	-	450,770	11	8½
Three per cents, 1726	-	-	15,225	0	0
			£2,164,026	2	10½

Of which, on the 10th October 1787, there was due, though not payable, £1,082,013 1 5

The South Sea Company, the East India Company, and the Bank of England, receive the interest of their respective loans to government every three months, and divide to the proprietors every six months.

The expenditure, under the four heads of Navy, Army, Ordnance, and Miscellaneous Services, in the year 1787, were as follows:

Navy	-	-	£2,240,200	0	0
Army	-	-	1,831,481	4	2
Ordnance	-	-	375,376	17	3
Miscellaneous	-	-	236,362	14	2½
			£4,683,420	15	7½

Distribution of Grants, 1787, annexed.

The Sinking Fund drew from the Supply, 1787, 1,435,392l. 15s. 4½d. deficiencies of various funds; and returned to the Supply 1,226,072l. 2s. 11½d. which was precisely the same thing as taking from the Supply the sum of 209,320l. 12s. 5d.

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Secretary to Commissioners of

Public Accounts	1,500	0	0
Ditto, East Florida	700	0	0
Ditto, Crown Lands	2,200	0	0
Ditto, American Loyalties	4,443	19	11
Settlement of African Convicts	457	10	6
Scotch Roads	7,234	0	0
British Museum	3,000	0	0
D. Jenkinson, Sub. to Loan	522	0	0
Emperor of Morocco's Ship	2,307	9	4
American Loyalties	112,000	0	0
Bank for receiving and account-	1,000	0	0
ing for Lottery	11,950	0	0
Ditto Drawing Lottery	1,394	16	0
Ditto Charges on National			
Purchases			

DEFICIENCY.

Ann. 1758 on 5 July, 1786	18,574	13	10½
Ditto 1778 on 10 Oct.	127,796	19	3½
Ditto 1779 on 5 July	35,039	13	5½
Ditto 1780 on 10 Oct.	184,234	3	2½
Ditto 1782 on 5 July	11,235	5	11½
Ditto 1783 on 10 Oct.	292,448	14	7½
Ditto 1784 and 85 on 5 July	532,652	18	4
Commutation 1784, 5 April	233,410	6	7½
Malt 1785 on 5 April 1787	267,938	2	2½
Land 1785 on 10 Oct.	169,339	1	2½
Mint per 9th Geo. III.			
Grants 1786	437,297	3	4½
Lottery Prizes	8,499	8	5
	240,324	19	10½
	500,000	0	0
	£12,950,721	11	0½

On the Credit side the Land and Malt is taken for From which deduct on the Debtor side the Deficiency of Land and Malt (including Militia)

£2,750,000 0 0
437,297 3 4½
2,312,702 16 7½

Scotch Roads	5,004	0	0
Deficiency of Grants 1786	240,324	19	10½
Lottery Prizes	500,000	0	0
Bank, for receiving, &c. Lottery	1,000	0	0
Ditto, drawing ditto	9,950	0	0
	£971,033	7	7

Towards which remaining in Ex-
chequer of Consolidated Fund £244,181 9 4½
Of Exchequer Bills to be lifted
on Aids 1788

On Malt Duty 1787	79,200	0	0
Of Lottery Contributions	360,000	0	0
	224,000	0	0
Deficiency	907,381	9	4½
	63,671	18	2½

MEMORANDUM.

The Arrears of former Supplies, remaining unpaid, for which Money is provided.

For the late African Company's Creditors	900	12	10
For Georgia Bills, residue of 15,496l. 19s. 1½d.	570	17	7½
Deficiency of 4½ per cent. duties, 1785	816	13	5½
Army Services, 1786	252,953	0	1½
Buildings at the Admiralty	1,000	0	0
	£256,241	4	0½

£400,000 granted towards the Supply of the year 1781, which was applied to discharge the remains of the Navy debt of that year, and remains of grants to Somerset-House, as stated at the foot of the Disposition Paper of 1784. The Company paid no interest for the six years the debt was owing.

DISTRIBUTION OF GRANTS.

NAVY.		
18,000 Seamen and Marines	£89,200 0 0	
Ordinary	700,000 0 0	
Extraordinaries	650,000 0 0	
Cartwater Harbour, &c.	1,000 0 0	2,240,200 0
ARMY.		
17,638 Men	648,687 1 0½	
Plantations	234,628 18 5	
Irish Regiments	6,834 19 2	
East-Indies	8,230 8 7½	
Staff	6,409 8 0	
Reduced Officers	23,110 12 6	
Half-pay, British	172,776 12 6	
Ditto, Horse Guards	223 7 6	
Ditto, British American	55,092 10 0	
Ditto, American	4,907 10 0	
Ditto, Dutch Brigade	3,422 11 8	
Paymaster General and Sec. &c.	59,253 12 1	
Widows' Pensions	11,812 8 6	
Chelsea	172,525 15 10	
Difference in pay of Irish Regiments	3,253 11 0½	
Extraordinaries from December 25, 1785, to December 24, 1786,	£465,117 19 11	
Deduct Savings 1785 and 1786	44,806 2 7	
	420,311 17 4	1,831,481 4 2

ORDNANCE.		
Sea Service	46,800 0 0	
Land Service	328,576 17 3	
Exchequer Bills discharged and Interest	1,554,002 10 3½	
Ditto	1,049,886 10 2½	
Ditto	3,041,897 7 10	
	5,645,786 8 4	

MISCELLANEOUS.		
Commons' Addresses	12,138 16 4½	
Somerfet Houle	15,000 0 0	
Nova Scotia	5,851 17 6	
St. John's	1,900 0 0	
Cape Breton	2,100 0 0	
Bahama Islands	4,380 0 0	
Chief Justice Somers Islands	580 0 0	
New Brunswick	4,300 0 0	
African Forts	13,000 0 0	
East Florida Sufferers	13,600 0 0	
Ditto Civil Officers	2,600 0 0	
Newfoundland	1,182 10 0	
New South Wales	2,877 10 0	
T. Cotton, Bills drawn by American Governors	5,139 4 1½	
Dundas and Pemberton, Commissioners	2,111 0 6	
Chief Clerk to Commissioners of Fees, &c.	890 0 0	
Secretary to Commissioners of Public Accounts	1,500 0 0	
Ditto, East Florida	700 0 0	
Ditto, Crown Lands	2,200 0 0	
Ditto, American Loyalties	4,445 19 11	
Settlement of African Convicts	457 10 6	
Scotch Roads	7,234 0 0	
British Museum	3,000 0 0	
D. Jenkinson, Sub. to Loan	522 0 0	
Emperor of Morocco's Ship	2,307 9 4	
American Loyalties	112,000 0 0	
Bank for receiving and accounting for Lottery	1,000 0 0	
Ditto Drawing Lottery	11,950 0 0	
Ditto Charges on National Purchases	1,394 16 0	
		236,362 14 2½

DEFICIENCY.		
Ann. 1758 on 5 July, 1786	18,574 13 10½	
Ditto 1778 on 10 Oct.	127,796 19 3½	
Ditto 1779 on 5 July	35,039 13 5½	
Ditto 1780 on 10 Oct.	184,234 3 2½	
Ditto 1782 on 5 July	11,235 5 11½	
Ditto 1783 on 10 Oct.	292,448 14 7½	
Ditto 1784 and 85 on 5 July	532,652 18 4	
Commutation 1784, 5 April	233,410 6 7½	
Malt 1785 on 5 April 1787	267,938 2 2½	
Land 1785 on 10 Oct.	169,359 1 2½	
Mint per 9th Geo. III.		437,297 3 4½
Grants 1786		8,499 8 5
Lottery Prizes		240,324 19 10½
		500,000 0 0
		£12,950,721 11 0½

On the Credit side the Land and Malt is taken for From which deduct on the Debtor side the Deficiency of Land and Malt (including Militia)

The difference is the actual nett produce applicable to the current service of 1787

WAYS AND MEANS.

Land Tax at 4s. per pound	£2,000,000 0 0
Malt	750,000 0 0
Lottery, 50,000 Tickets, at 15l. 2s. 9d.	756,875 0 0
Impreft monies in Exchequer	74,102 9 10
Remaining of Land Forces voted in 1785	180,000 0 0
Sinking Fund 5 April	1,226,072 2 11½
Future Produce of Consolidated Fund	2,400,000 0 0
Exchequer Bills	2,500,000 0 0
Ditto	1,500,000 0 0
Ditto	1,500,000 0 0
Deficiency to be made good from Grants, 1788	£12,887,049 12 9½
	63,671 18 2½
	£12,950,721 11 0½

Remaining unsatisfied on 23d April 1788.		
Ordinance Sea Service	46,800 0 0	
Army	169,974 7 8½	
Scotch Roads	3,004 0 0	
Deficiency of Grants 1786	240,324 19 10½	
Lottery Prizes	500,000 0 0	
Bank, for receiving, &c. Lottery	1,000 0 0	
Ditto, drawing ditto	9,950 0 0	
Towards which remaining in Exchequer of Consolidated Fund	£244,181 9 4½	
Of Exchequer Bills to be illud on Aids 1788	79,200 0 0	
On Malt Duty 1787	360,000 0 0	
Of Lottery Contributions	224,000 0 0	
Deficiency	907,381 9 4½	
	63,671 18 2½	

MEMORANDUM.	
The Arrears of former Supplies, remaining unpaid, for which Money is provided.	
For the late African Companies' Creditors	900 12 10
For Georgia Bills, residue of 15,496l. 19s. 1½d.	570 17 7½
Deficiency of 4½ per cent. duties, 1785	816 13 5½
Army Services, 1786	252,953 0 1½
Buildings at the Admiralty	1,000 0 0
	<hr/>
	£256,241 4 0½

This year the East-India Company paid the £100,000, part of £400,000 granted towards the Supply of the year 1781, which was applied to discharge the remains of the Navy debt of that year, and remains of grants to Somerfet-Houle, as stated at the foot of the Disposition Paper of 1784. The Company paid no interest for the six years the debt was owing.

£2,750,000 0 0
437,297 3 4½
2,312,702 16 7½

[65]

The Income and Expenditure of 1787, including the deficiency of 1786, appears to have been as follows :

INCOME.		EXPENDITURE.	
Nett produce of Customs, Excise, Stamps, and In- cidents, from 5 Jan. 1787, to 5 Jan. 1788	£12,923,134 17 2½	Interest of National Debt, Ci- vil List, charges on Aggre- gate Fund, and million laid out in purchase of Stock, from 5 Jan. 1787, to 5 Jan. 1788	11,266,749 6 4
Deduct appropriated du- ties	48,867 13 10½	Navy, Army, Ordnance, and Miscellaneous Services	4,683,420 15 7¾
Annual Land and Malt Taxes	2,750,000 0 0	Interest on 5,500,000l. Exche- quer Bills	145,786 8 4
CASUAL RECEIPTS.		Ditto Land and Malt 1785	437,297 3 4¾
Savings Land Forces 1785	180,000 0 0	Ditto Mint	8,499 8 5
Profit of Lottery	256,875 0 0	Ditto Sinking Fund	209,320 12 5
Imprest money and arrears of Taxes	105,052 1 10		16,751,073 14 6½
(A)	16,166,194 5 1¾	Deficiency of 1786 (page 54)	1,436,068 9 7½
Deficiency 1786 and 1787, carried to account of in- come and expenditure 1788	2,020,947 19 0		
	£18,187,142 4 1¾		£18,187,142 4 1¾

The Commercial Treaty with France was expected to produce great advantages; the improvements made in spinning of cotton, was to command the market all over the world; and the suppression of smuggling, was to increase the revenue to a very great amount:

Extending the excise laws to the dealers in wine, it was said, would not only prevent adulteration, but, by an increased importation, would increase the revenue, though the duties were considerably (50) lowered.

(A) From the same authorities as in 1786.

(50) Though the duties on wines and spirits were lowered to the importers, the retailers generally continued their old prices, on account of the new six weeks licences imposed this year.

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Though no new taxes were avowedly imposed this year, except the six weeks licenses on retailers of spirituous liquors, and the duty on French cambricks, the consolidation of the customs and excise afforded opportunities of increasing the duties from fractional parts to even sums, which unquestionably were and are additional taxes.

The Commercial Treaty was expected to produce an increase of - - - - - £250,000 per ann.

The duty on cambricks and alterations in customs	100,000
	88,000

The six weeks licenses has produced 38,000

And farming post horses should, at least, be an increase equal to the expence of collection.

The Commercial Treaty with France was founded on the old treaties made in the reign of King Charles II. and King James II. when the principles of commerce between one country and another were but little understood. Had the (51) Methuen Treaty between England and Portugal been made the model of the treaty between Great Britain and France, much good might have arisen to both. It is by an exchange of one commodity against another, that both are conveinced. Woollens exchanged for woollens, and cottons for cottons, can only produce a struggle (52) injurious to both.

The Navy, Army, Ordnance, and Miscellaneous Services, in the year 1788, were as follows:

Navy	£2,366,607	5	11
Army	2,038,852	11	8
Ordnance	484,507	0	9
Miscellaneous	499,789	14	10 $\frac{1}{4}$
	<u>£5,389,756</u>	13	2 $\frac{3}{4}$

Distribution of Grants 1788, annexed.

The Sinking Fund drew from the Supply 1788, 578,732l. 14s. 7½d. deficiencies of various funds, and returned to the supply 589,162l. 15s. 2¼d. which was precisely tantamount to bringing into the Consolidated Fund, the sum of 10,430l. os. 7d. balance of the Sinking Fund.

(51) The woollens of England exchanged for the wines of Portugal.

(52) This was seen in the failures of the cotton traders in 1788.

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DISTRIBUTION OF GRANTS.

WAYS AND MEANS.

NAVY.

18,000 Seamen and Marines	£889,200	0	0
Ordinary	700,000	0	0
Extraordinaries	600,000	0	0
Augmentation since 18th Sept.			
1787	175,407	5	11
Canwater Harbour, &c.	2,000	0	0

ARMY.

16,982 Men	-	-	-	558,637	2	10
Plantations	-	-	-	315,865	19	1
Irish Regiment	-	-	-	8,758	14	9
East Indies	-	-	-	11,292	13	0
Staff	-	-	-	6,447	0	6
Superintendence of Officers	-	-	-	4,273	2	2
4 Troops Horse and Grenadier Guards	-	-	-	28,490	1	0
2 Regiments Life Guards	-	-	-	19,294	11	6
Reduced Horse and Grenadier Guards	-	-	-	3,768	12	6
Repaired to two regts. Life Guards	-	-	-	28,000	0	6
Paymaster General, Secretary, &c. Half-Pay British	-	-	-	60,863	6	8
Ditto Horse Guards	-	-	-	172,776	3	0
Ditto British American	-	-	-	223	17	0
Ditto Dutch Brigade	-	-	-	55,092	10	0
Ditto American	-	-	-	4,967	10	0
Widows Pensions	-	-	-	3,392	14	2
Chelsea	-	-	-	9,978	14	3
Armaments, 1787	-	-	-	173,353	1	0
Subsidy, Helle Cattel	-	-	-	59,878	4	0
Extraordinaries	-	-	-	36,093	15	0
from 25th Dec. 1786, to 24th Dec. 1787	480,058	3	4			
Deduct Savings	1786 and 1787	43,053	4	10		

ORDNANCE.

Land Service

On the Credit side the Land and Malt is taken for £100,000,000, and from which deduct on the Debtor side the Deficiency of Land and Malt (including Militia). The difference is the actual net produce applicable to the current service of 17

£2,750,000 0 0
360,730 11 8 1/2
2,389,269 8 10 1/4

Land Tax, at 4s.	-	-	£2,000,000	0	0
Male	-	-	750,000	0	0
Surplus of Consolidated Fund 5th April	-	-	589,162 15	2	0
Lottery, 48,000 tickets, at £15 12 9	-	-	750,000	0	0
* Future produce of Consolidated Fund	-	-	2,554,000	0	0
Remaining of Land Forces voted in 1786	-	-	200,000	0	0
Exchequer Bills	-	-	3,500,000	0	0
Ditto	-	-	2,000,000	0	0

Deficiency to be made good from Grants 1789

12,334,762	15	24
331,649	18	32
£12,666,412	13	64

DISTRIBUTION OF GRANTS.

NAVY.

18,000 Seamen and Marines	£889,200 0 0	
Ordinary	700,000 0 0	
Extraordinaries	600,000 0 0	
Augmentation since 18th Sept. 1787	175,407 5 11	
Catwater Harbour, &c.	2,000 0 0	2,366,607 5 11

ARMY.

16,982 Men	598,637 2 10	
Plantations	315,865 19 1	
Irish Regiment	8,758 14 9	
East Indies	11,292 13 0	
Staff	6,427 0 6	
Superintendy Officers	4,273 2 2	
4 Troops Horse and Grenadier Guards	28,490 1 0	
2 Regiments Life Guards	19,294 11 6	
Reduced Horse and Grenadier Guards	3,768 12 6	
Repaid to two regts. Life Guards	28,000 0 0	
Paymaster General, Secretary, &c.	60,863 6 8	
Half-Pay British	172,776 3 0	
Ditto Horse Guards	223 17 0	
Ditto British American	55,092 10 0	
Ditto American	4,997 10 0	
Ditto Dutch Brigade	3,392 14 2	
Widows Pensions	9,978 14 3	
Chelsea	173,833 1 9	
Armament, 1787	59,878 4 0	
Subsidy, Hefle Castle	36,093 15 0	
Extraordinaries		
from 23d Dec. 1786, to 24th Dec. 1787	480,058 3 4	
Deduct Savings	43,053 4 10	437,004 18 6
1786 and 1787		2,038,832 11 8

ORDNANCE.

Land Service	419,407 0 1	
Sea Service	46,800 0 0	
Armament, 1787	18,300 0 8	
Exchequer Bills discharged and Interest	2,566,020 3 2½	
Ditto, ditto	1,556,815 1 4	
Ditto, ditto	1,558,384 2 1	5,631,419 6 7½

MISCELLANIES.

Armament 1787	58,166 0 0	
Commons' Addresses	17,496 14 6	
Nova Scotia	5,845 6 0	
New Brunswick	4,300 0 0	
St. John's	1,900 0 0	
Cape Breton	2,100 0 0	
Newfoundland	1,182 10 0	
Bahama Islands	4,080 0 0	
Bermuda Islands	580 0 0	
Dominica	600 0 0	
New South Wales	2,877 10 0	
Scotch Roads	4,000 0 0	
Somerlet Houle	25,000 0 0	
African Forts	13,000 0 0	
Coinage of Gold	24,145 5 8½	
Proficiency of Coiners	1,394 6 8	
Carlton-Houle	20,000 0 0	
Prince of Wales	60,000 0 0	
Ditto	101,000 0 0	
American Civil Officers	60,491 4 0	
Ditto Sufferers	14,234 8 0	
Commissioners Dundas and Pemberton	2,111 0 6	
Surveys in America, &c.	2,982 12 1	
New South Wales, Governor's Bills	2,632 7 3	
Duncan Campbell	30,083 10 2½	
H. Bradley, Plymouth Convicts	4,533 6 6	
Secretary to Commissioners American Loyalists	4,310 12 0	
Ditto Public Accounts	600 0 0	
Ditto Crown Lands	5,000 0 0	
Chief Clerk to Commissioners of Fees, &c.	813 13 6	
W. Hading's Trial	8,038 15 ½	
Secretary to Commissioners East Florida	1,000 0 0	
Bank Lottery Subscriptions	1,614 10 4	
Do. drawing Lottery	12,000 0 0	
Do. Charges National Purchases	1,436 2 6	
		499,789 14 10½

DEFICIENCY.

Ann. 1788 on 5 Jan. 1787	21,816 3 6½	
Ditto 1778 5 April	68,895 16 8½	
Ditto 1780 - ditto	143,614 13 10½	
Ditto 1783 - ditto	178,144 10 0	
Ditto 1784 and 5 Jan.	76,362 8 0½	
Commutation 1784 ditto	89,899 2 5½	
Malt 1786, Lady-Day, 1788	166,125 17 9	
Land ditto, Michaelmas ditto	194,604 13 4½	
Consolidated Fund to lay out Grants 1787	-	
Lottery Prizes	-	
		£12,666,412 13 6½

On the Credit side the Land and Malt is taken for

From which deduct on the Debtor side the Deficiency of Land and Malt (including Militia)

The difference is the actual nett produce applicable to the current service of 17

WAYS AND MEANS.

Land Tax, at 4s.	£2,000,000 0 0	
Malt	750,000 0 0	
Surplus of Consolidated Fund 5th April	589,162 15 2½	
Lottery, 48,000 tickets, at £15 12 9	750,600 0 0	
* Future produce of Consolidated Fund	2,545,000 0 0	
Remainder of Land Forces voted in 1786	200,000 0 0	
Exchequer Bills	3,500,000 0 0	
Ditto	2,000,000 0 0	
Deficiency to be made good from Grants 1789	12,334,762 15 2½	
	331,649 18 3½	
	£12,666,412 13 6½	

On the 8th of May 1789,

Amount of Grants for 1788 were	£12,666,412 13 6½
Of which there had then been paid	12,081,466 10 4

There remained unsatisfied

584,946 3 2½

Confisting of the following articles:

Naval Grants	18,489 0 1½
Dominica Chief Justice	600 0 0
Scotch Roads	2,000 0 0
Somerlet Houle	20,000 0 0
Deficiency of Grants 1787	59,157 3 0½
Lottery Prizes	480,000 0 0
Drawing Lottery	4,700 0 0
	584,946 3 2½

Towards satisfying which there remains in the

Exchequer.

To be raised on the Consolidated

Fund

Of Lottery Contributions

£204,408 6 5

Deficiency 1788

233,296 4 10½

331,649 18 3½

MEMORANDUM.

Arrears of former Supplies remaining unpaid, for

which Money is provided.

For the late African Companies' Creditors	900 12 10
For Georgia Bills, residue of £15,496 19 1½	570 17 7½
Deficiency of 4½ per Cent. duty 1785	816 13 5½
Army Services 1787	57,336 9 7½
Roads and bridges in Scotland	1,004 0 0
	60,628 13 6½

* Future produce of Consolidated Fund, of which there remained undischarged on the 5th of Jan. 1789 (Consolidated Quarterly Accounts) £959,249 18 8, to which, if the deficiency of Grants (£331,649 18 3½) be added, the revenue of 1789 was anticipated £1,290,899 16 1½, and which made a loan absolutely necessary in 1789.

[67]

Except the means of applying the revenue, received up to the present moment, the Consolidation Fund differs from the Sinking Fund, more in name than in any thing else.

The future produce of the Sinking Fund has often been taken too high (53), which is certainly an anticipation of the Revenue; so has the Consolidated Fund (54) since its establishment.

The produce of the four quarters from 5th January 1788, to the 5th January 1789, appear from the Consolidated Accounts to be as follows:

5th January 1788, to 5th April 1788 (exclusive of deficiencies 589,162l. 15s. 2½d. stated separately in annual income and expenditure)	-	£2,933,459	3	4
5th April 1788, to 5th July 1788	-	3,265,085	17	9
5th July — to 10th October	-	3,964,737	8	0½
10th October to 5th January 1789	-	2,891,282	19	0½

£13,054,565 8 1½

Deduct imprest, and other monies, being stated separately in account of income and expenditure

94,864 11 6½

£12,959,700 16 7½

To which must be added the appropriated duties

39,879 9 8½

Makes the amount of Customs, Excise, Stamps, and Incidents of the year (54*)

£12,999,580 4 3½

(53) In 1786 was taken for 2,600,000l. of which there remained unredeemed 435,323l. 7s. 6½d. on the 5th January 1787.

(54) In 1788 was taken for 2,545,000l. of which there remained unredeemed 959,249l. 18s. 8d. on the 5th January 1789. See Distribution Papers, and Account of Surpluses, Journals of House of Commons and Consolidated Quarterly Accounts for 1790.

(54*) The Report of 1791, (Appendix, A, No. 1.) cannot therefore be right.

[68]

The income and expenditure of 1788, including the deficiencies of 1786 and 1787, appears to have been as follows:

INCOME.		EXPENDITURE.	
<p>Nett produce of Customs, Excise, Stamps, and Incidents, from 5 Jan. 1788, to 5 Jan. 1789 £12,999,580 4 4 Deduct appropriated duties - 39,879 7 8½ £12,959,700 16 7½</p>		<p>Interest of National Debt, Civil List, Charges on Consolidated Fund, and Million laid out in pur- chase of Stock, from 5 Jan. 1788, to 5 Jan. 1789, - - - 11,277,980 16 5¼</p>	
<p>Annual Land and Malt Taxes 2,750,000 0 0</p>		<p>Army, Navy, Ordnance and Miscellaneous Services - £5,389,756 13 2½</p>	
CASUAL RECEIPTS.			
<p>Savings of Land Forces 1786 - 200,000 0 0 Profit of Lottery - - 270,600 0 0 Imprest Money and Arrears of Taxes - - 94,864 11 6¼ Sinking Fund Balance - - 10,430 0 7 (A) £16,285,595 8 8½</p>		<p>Interest on £5,500,000 Exche- quer Bills - - - 181,419 6 7½ Deficiency Land and Malt 1786 - - - 360,730 11 1¾ £17,209,887 7 5½</p>	
<p>Deficiency in the three years 1786, 1787, and 1788, the Expenditure having exceed- ed the Income - - 2,945,239 17 8½ £19,230,835 6 5¼</p>		<p>Deficiency of 1786 and 1787, (page 65) - - - 2,020,947 19 0 £19,230,835 6 5¼</p>	

On the 3d of April 1788 there were (55) unpaid of the monies granted for the services of 1787 - - - £971,053 7 7

(A) From the same authorities as 1786.

(55) Distribution paper 1787.

Towards

[69]

Towards satisfying which, there was remaining in the	
Exchequer of the Consolidated Fund (56) -	£244,181 9 4½
Of Exchequer Bills to be issued on the credit of the aids, anno 1788 (57) - - -	79,200 0 0
Of Exchequer Bills to be issued on the credit of the Malt Duty 1787 - - -	360,000 0 0
And of Lottery contributions - - -	224,000 0 0
Making together - - -	£907,381 18 4½
There was still wanting to make good the unpaid services of 1787, and which was charged on the Supply 1788 (58) - - -	63,671 18 2¾
	£971,053 7 7

The deficiency proves, that all the monies arising from the above four mentioned articles, were applied to the current service of 1787; had there been any further unapplied sums under those heads, that deficiency could not have happened.

It has been shewn that the produce of the Consolidated Fund in the quarter ending the 5th January 1789 (59) was - - - £2,891,232 19 0¼

The charge on that quarter, for interest of National Debt,
Civil List, and charges on that fund, was - - - 2,753,384 8 8¼

There therefore remained towards the 250,000l. to be laid
out in purchase of stock, only - - - £137,898 10 4

This circumstance made it necessary to charge the supplies of 1788 (60) with 112,101l. 9s. 8d. and caused an increase of the deficiency of grants that year of so much.

(56) Does not this article prove, that this was all that remained of 2,400,000l. unapplied?

(57) Was not this applying the aids 1788 (Land Tax) to the service of 1787?

(58) Deficiency 1787 made good in Grants 1788. See Distribution Paper 1788.

(59) Consolidated Fund (page 67)

(60) See Distribution Paper 1788.

The

[70]

The Navy Debt appears to have progressively increased, Navy and Victualling Bills unpaid on the 31st of December 1788, were the months of November and December 1787, and all the year 1788, being fourteen months. (61)

The following comparative view of the estimate of the Navy Debt as it stood on the 31st of December 1787, and 31st of December 1788, will prove how much this debt has been unattended to, notwithstanding the liberal grants in 1787 and 1788, for naval services:

Estimate of Navy Debt	-	31 Dec. 1787	—	31 Dec. 1788
Navy Bills registered in course,				
freight of transports, &c.	-	£1,256,841 1 5	—	£1,517,290 11 1
Seamens' wages of ships paid off,				
in sea-pay, &c.	-	924,960 0 7	—	923,872 14 3
Victualling Debt	-	484,482 11 1	—	478,928 10 5
Sick and Hurt Office	-	48,574 4 2	—	39,665 14 7
		<u>£2,714,857 17 3</u>		<u>£2,959,757 10 4</u>

It must be observed, that estimates are not much to be depended on, as no person is responsible for any difference that may be afterwards discovered; in general they are much less than the truth.

We are now come to the end of 1788, and have brought into one view the Income and Expenditure of the three years, 1786, 1787, and 1788. See the annexed account.

1784

Was a year in which there was a loan for 6,000,000l.

1785

Was also a year in which there was a loan of 1,000,000l. in Exchequer Bills.

The three following years should be considered separately from the two former, because the project of purchasing stock took place in the first of them; and, although great exertions were made, it appears, that so far from the Income being equal to the Expenditure, there was a deficiency of 2,945,239l. 17s. 8½d.

(61) It was not till the 10th August 1789, that any Navy and Victualling Bills were ordered for payment, and then only November and December 1787, which left more than 19 months undischarged.

and

To face }
page 70. }

Dr.

NATIONAL INCOME.

All Taxes from 5 January 1786 to 5 January 1787	-	£12,389,555	1	1	
Deduct Appropriated Duties	-	67,377	17	10	
5 January 1787, to 5 January 1788	-	12,923,134	17	2½	5½
Deduct Appropriated Duties	-	48,867	13	10½	
5 January 1788, to 5 January 1789	-	12,999,580	4	4	
Deduct Appropriated Duties	-	39,879	7	8½	4
Imprest Monies and Arrears of Land and Malt	-	1786	176,978	0	7¼
Ditto - ditto	-	1787	105,052	1	10
Ditto - ditto	-	1788	94,864	11	6½
Savings Land Forces (of year 1784)	-	1786	290,810	4	6
Ditto (ditto 1785)	-	1787	180,000	0	0
Ditto (ditto 1786)	-	1788	200,000	0	0
Surplus 6d. per Pound Penfions, Wine Duties, Glafs, Vellum, 2-7ths Excise 1786, and Chelsea 1785	-	-	-	-	10½
Sinking Fund	-	1786	1,211,470	15	10½
Ditto	-	1787	1,226,072	2	11½
Consolidated Fund	-	1788	589,162	15	2½
Lottery	-	1786	688,750	0	0
Ditto	-	1787	756,875	0	0
Ditto	-	1788	750,600	0	0
Land and Malt Taxes	-	1786	12,750,000	0	0
Ditto	-	1787	2,750,000	0	0
Ditto	-	1788	2,750,000	0	0
Deficiency of Income in three years	-	-	-	-	1 9

1 9
1 1½

Acknowledged Extra Receipts in the three years.

In Exchequer, Surplus of 6d. per pound Penfions, &c.	-	£193,877 17 8½	{ 172,307 Surpluss
Imprest Monies, three years	-	376,894 13 11½	{ 21,568 Chelsea,
Savings Land Forces 1784 and 1785	-	470,810 4 6	{ 290,810 } Report
East India respited Duties, included in all Taxes 1786	-	522,400 8 1	{ 180,000 } Report 1791, pag
		<u>£1,563,983 4 3</u>	

To face }
page 70. }

Dr.

1786, 1787, 1788.

Cr.

NATIONAL INCOME.

All Taxes from 5 January 1786 to 5 January 1787	-	£12,389,555	1	1	
Deduct Appropriated Duties	-	67,377	17	10	
					£12,322,177 3 3
5 January 1787, to 5 January 1788	-	12,923,134	17	2½	
Deduct Appropriated Duties	-	48,867	13	10½	
					12,874,267 3 3½
5 January 1788, to 5 January 1789	-	12,999,580	4	4	
Deduct Appropriated Duties	-	39,879	7	8½	
					12,959,700 16 7½
Imprest Monies and Arrears of Land and Malt	-	1786	176,978	0	7½
Ditto - ditto	-	1787	105,052	1	10
Ditto - ditto	-	1788	94,864	11	6½
					376,894 13 11½
Savings Land Forces (of year 1784)	-	1786	290,810	4	6
Ditto (ditto 1785)	-	1787	180,000	0	0
Ditto (ditto 1786)	-	1788	200,000	0	0
					670,810 4 6
Surplus 6d. per Pound Penfions, Wine Duties, Glafe, Vellum, 2-7ths Excise 1786, and Chelsea 1785	-				193,877 17 8½
Sinking Fund	-	1786	1,211,470	15	10½
Ditto	-	1787	1,226,072	2	11½
Consolidated Fund	-	1788	589,162	15	2½
					3,026,705 14 0½
Lottery	-	1786	688,750	0	0
Ditto	-	1787	756,875	0	0
Ditto	-	1788	750,600	0	0
					2,196,225 0 0
Land and Malt Taxes	-	1786	2,750,000	0	0
Ditto	-	1787	2,750,000	0	0
Ditto	-	1788	2,750,000	0	0
					8,250,000 0 0
Deficiency of Income in three years	-				2,945,239 17 8½
					£55,815,898 11 1½

Acknowledged Extra Receipts in the three years.

In Exchequer, Surplus of 6d. per pound Penfions, &c.	-	£193,877	17	8½	{ 172,307 Surplusses, Report 1791, (W) No. 8. 21,568 Chelsea, ditto.
Imprest Monies, three years	-	376,894	13	11½	Acct. from Treas. Chambers, signed T. Steele.
Savings Land Forces 1784 and 1785	-	470,810	4	6	{ 290,810 } Report 1791, (W) No. 8. { 180,000 }
East India respited Duties, included in all Taxes 1786	-	522,400	8	1	Report 1791, page 10.
					£1,563,983 4 3

NATIONAL EXPENDITURE.

Civil List, Interest of National Debt, and Million for purchase of Stock, from 5 January 1786, to 5 January 1787	-	Interest	-	£9,277,407	16	1½
		Civil List, &c.	-	966,983	4	3½
		¼ of Million	-	750,000	0	0
						£10,994,391 0 5½
Ditto, 5 January 1787, to 5 January 1788	-	Interest	-	9,276,661	5	11½
		Civil List, &c.	-	990,088	0	4½
		Million	-	1,000,000	0	0
						11,266,749 6 4
Ditto 5 January 1788, to 5 January 1789	-	Interest	-	9,276,221	16	2½
		Civil List, &c.	-	1,001,759	0	2½
		Million	-	1,000,000	0	0
						11,277,980 16 5½
Navy, Army, Ordnance, and Miscellaneous Services, from January 1, to December 31	-	1786	-	5,522,176	17	11
Ditto	-	1787	-	4,683,420	15	7½
Ditto	-	1788	-	5,389,756	13	2½
						15,595,354 6 9½
Interest on £5,500,000 Exchequer Bills	-	1786	-	223,455	2	11
Ditto	-	1787	-	145,786	8	4
Ditto	-	1788	-	181,419	6	7½
						550,660 17 10½
Deficiency of Grants 1785, made good in	-	1786	-	127,138	3	2½
Ditto voted into Sinking Fund	-	1786	-	1,285,064	18	3½
Ditto ditto	-	1787	-	1,435,392	15	4½
Ditto ditto Consolidated Fund	-	1788	-	578,732	14	7½
						3,426,328 11 6
Lottery Prizes	-	1786	-	500,000	0	0
Ditto	-	1787	-	500,000	0	0
Ditto	-	1788	-	480,000	0	0
						1,480,000 0 0
Deficiency Land and Malt (including Interest paid the Bank, Charges of Collection, Militia, &c.)	-	1786	-	409,405	4	8½
Ditto	-	1787	-	437,297	3	4½
Ditto	-	1788	-	360,730	11	1½
Mint	-	{ 8,501 4 1 } { 8,499 8 5 }	1786 and 7	17,000	12	6
						1,224,433 11 9
						£55,815,898 11 1½

N. B. Exchequer Bills, £5,500,000, are left out of both sides the Account.

and if there had not been 1,563,983l. 4s. 3d. received from the East India Company, army savings of former years, &c. the deficiency of the three years would have been 4,508,223l. it is therefore evident that with all those aids, 2,750,000l. of the money belonging to the public, has been laid out in the purchase of Stock, and at the same time a new debt incurred of 2,945,239l.

In the Report of the Select Committee of 1786, the appropriated duties are (62) included in the amount of the Revenue, and are made an article of Expenditure: we have deducted them from the produce of all taxes in each of the three years, because in fact they ought not to have been brought into the account at all, not being applicable to the public service.

The Report of 1791 has followed the Report of 1786, in taking the appropriated duties into the receipt, and deducting them, by making them an article (63) of expenditure, which certainly makes the statement unnecessarily complex.

The Report (64) of 1786 states the produce of the Land Tax on an average of seven years (before the expences of the militia is paid thereout, and exclusive of the interest paid to the bank, for the advance of the money, until the Land Tax is repaid) at 1,967,650l. and the produce of the Malt Duties for the same period (65) at 632,350l. would make the produce of Land and Malt together 2,600,000l. a year, and this was what the Committee stated might be expected, and relied on as the future produce.

(62) Page 25, amount 66,538l.

(63) Page 27, 40,252l. and Appendix (A. No. 1.) they consist of $4\frac{1}{2}$ per cent. duties, first fruits of the Clergy, and tenths of the Clergy.

(64) Produce of seven years (page 17,) ending Ladyday 1782	-	£13,380,599	0	0
Add Militia for the same time	-	392,954	0	0
		£13,773,553	0	0
Average	-	£1,967,650	0	0
(65) Report 1786 (page 17) states the produce of 7 years at	-	£4,319,069	0	0
Average	-	£617,010	0	0

Then states that "this period included the year 1782, in which the produce of Malt was uncommonly deficient."—If the average were taken on the preceding six years, it would amount to above 687,000l.

The

[72]

The same Report (66) stated the estimated expence of interest of Exchequer Bills, for the year 1786 on the Land Tax, at 78,000l. and on Malt at 42,000l. making together 120,000l. but by a memorandum says—"In future years, if the interest for Exchequer Bills, issued on the credit of the Land and Malt, should be reduced to 3 per cent. the annual expence may be reduced to 103,000l." which with the 155,000l. estimated charge on the 5,500,000l. unfunded Exchequer Bills, forms the charge on the Expenditure side (67) of the account of 258,000l.

Hence it is evident, that although the Income side (68) states the produce of Land and Malt to be - - - £2,600,000

There is to be deducted therefrom for interest, estimated at (69) - - - £103,000

And from the Land Tax for the charge of the Militia (70), - - - £91,000

£194,000

Before you come at the estimated produce of Land and Malt, which from that report could not possibly be more towards the service of the current year than - - - £2,406,000

Thus the receipt side of the accounts is swelled 194,000l. merely to take that sum back again on the Expenditure side; for if the produce of Land and Malt had been taken at 2,406,000l. and the interest and militia left out, the whole account would have been much clearer and plainer, especially as in no part of the Expenditure (71) the word militia is to be found, being included in the sum stated to be the deficiency of Land Tax in the Distribution of Grants in each year.

(66) Of 1786, Appendix, (N.)

(67) Report 1786, page 25. (68) Report, page 25. (69) Appendix, N. (70) Report, page 25.

(71) The Consolidated Accounts makes no mention whatever of Militia; and as the expence, be it what it may, is defrayed out of the Land Tax, it was quite unnecessary to introduce it into the Expenditure.

Taking

[73]

Taking therefore the plain road, we shall show what right the Committee of 1786 had to take the net produce of Land and Malt, even at 2,406,000l. which is what they have done in a roundabout obscure way.

The three years preceding 1786, the Land and Malt Taxes were taken as they have been ever since the year 1726, at 500,000l. for each shilling in the pound on Land, and 750,000l. for the duty on Malt, which at 2,750,000l. for the years 1783, 1784, and 1785, amounts to - £8,250,000 0 0

In 1783, the deficiency (72) on

Land and Malt was - £343,859 3 0½

1784, - do. (73) - - 673,879 11 6½

1785, - do. (74) - - 492,435 0 10½

£1,510,173 15 4½

The nett produce of those three years, applicable to the current service of those years was -

£6,739,826 4 7½

Or on average - - -

£2,246,608 14 10

If therefore the Committee proceeded on the knowledge of what had happened in the three years preceding 1786, they have estimated the Land and Malt produce 160,000l. too high.

It was noticed by that Committee that the year 1782 (made good in 1784) was a remarkable bad year, which it certainly was; but was that a ground to build upon, or to say we never shall have another such bad year? Neither the one hundred and twenty-nine thousand Proprietors of the Public Funds, or the six million payers of taxes, are under the least obligation to that Committee, for their candour or puzzled calculations.

(72) See Distribution of Grants 1783.

(73) - do. - 1784.

(74) - do. - 1785.

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Having

[74]

Having the materials, we will now proceed to show what the *actual* produce of the Land and Malt of the years 1786, 1787, and 1788 was from the accounts made up for those years.

In 1786. The Land and Malt was taken for	-	£2,750,000	0	0
Deficiency (75) settled in 1788	-	360,730	11	1 $\frac{1}{4}$

Net produce	-	2,389,269	8	10 $\frac{1}{4}$
-------------	---	-----------	---	------------------

In 1787. - (76) Taken for	-	2,750,000	0	0
Deficiency settled in 1789	-	371,183	7	0 $\frac{1}{4}$

Net produce	-	2,378,816	12	11 $\frac{1}{4}$
-------------	---	-----------	----	------------------

In 1788 - (77) Taken for	-	2,750,000	0	0
Deficiency settled in 1790	-	455,147	4	10

Net produce	-	2,294,852	15	2
-------------	---	-----------	----	---

Net produce of 1786	-	£2,389,269	8	10 $\frac{1}{4}$
---------------------	---	------------	---	------------------

1787	-	2,378,816	12	11 $\frac{1}{4}$
------	---	-----------	----	------------------

1788	-	2,294,852	15	2
------	---	-----------	----	---

	-	7,062,938	17	0
--	---	-----------	----	---

Average of the three years	-	£2,354,312	19	0
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(75) See Distribution of Grants 1788.

(76) - ditto - 1789.

(77) - ditto - 1790.

Nett

[75]

Nett produce of Land and Malt, as stated by the Committee of 1786, in their roundabout way

£2,406,000 0 0

Actual nett average, produce of the years 1786, 1787, and 1788

2,354,312 19 0

Stated above the nett produce (78)

51,687 1 0

It is always in the power of Administration to make the interest fall lighter or heavier on the Land and Malt, by making use of the credit earlier or later. Thus by first making use of the Exchequer Bills for 5,500,000l. and reserving the Exchequer Bills on the Land and Malt, the interest on one set of Exchequer Bills will be increased, and the other appear decreased the following year :

1786. The estimated income of permanent taxes per Report was

Actual income, exclusive of appropriated duties.

Land and Malt - £12,797,471

£11,828,259

- 2,600,000

2,539,269

£15,397,471

£14,367,528

Actual Income less than estimated

1,029,943

£15,397,471

Estimated Expenditure per Report, interest of National Debt

Actual Expenditure.

Exchequer Bills - £9,275,769

£9,277,457

103,000

103,000

155,000

223,455

Civil List and charges on Aggregate Fund

Navy - 964,600

968,622

1,800,000

Army - 1,600,000

2,387,526

Ordnance - 348,000

1,978,154

Militia - 91,000

393,677

Miscellaneous - 74,274

91,000

£14,411,663

762,817

Actual Expenditure exceeded the Estimates

£16,185,708

£1,774,045

(78) The Chancellor of the Exchequer, in his Budget of 1790, took the deficiency of Land and Malt, at 430,000l. the actual deficiency was 455,147l. 4s. 10d. which was estimating the nett produce at 2,370,000l. the actual nett produce was under 2,345,000l. The estimated deficiency of the year 1791 has been taken at 400,000l. which, in proportion to the actual deficiency of former years, may be 420,000l. or nett produce about 2,380,000l.

L 2

From

[76]

From the foregoing statement it is plain that the income of 1786 was *less* than the Committee of that year stated on the Income side, £1,029,943 and that the Expenditure side was *more* than the Committee had estimated it at, by the sum of - - - 1,774,045

So that in the first year of the project, the permanent Income, and actual Expenditure, fell short of the estimate - - - 2,803,988

The casual receipts that came in aid of this *great* defalcation, were East India Company's respited duties £522,500
 Lottery profit - - - 188,750
 Savings Land Forces 1784 - - - 290,800
 Imprest Monies and Arrears of Taxes - - - 176,978
 Duties on Glafs, Vellum, &c. - - - 193,877
 1,472,915

Which proves the statement (79) of the deficiency of that year sufficiently correct - - - 1,431,063

After three years exertions to bring up the Income to the Expenditure, we find that the project of laying out a million a year of *the public money* in the purchase of Stock, was found to be absolutely impracticable, notwithstanding all the advantages the project had derived from the 1,172,119l. remaining in the Exchequer (Report 1791, Appendix F, No. 1.), the 290,810l. 4s. 6½d. Savings Land Forces of the year 1784, (Appendix F, No. 3.). Chelsea savings of the year 1785 (Appendix F, No. 3.) Amount 21,568l. 13s. 2½d. Savings of Land Forces 1785, 180,000l. (Appendix F, No. 3.). East India Company's respited duties (Report, page 10.) 522,500l. Imprest monies, and arrears of taxes, (Appendix F, No. 2.) amount in three (90) years 371,018l. 15s. 6½d. Monies

(79) Page 54.

(90) The Report states (App. F. 2.) 202,427l. 15s. 5½d. received in 1787, of which 100,000l. from East India Company, appropriated to the services of 1781.

formerly

[77]

formerly left in the hands of the Receiver General of the Customs and Excise, to answer drawbacks, and arrears of salt and other taxes paid clofe up. It was therefore become necessary to borrow a million to carry on the project in the year 1789, and 187,000l. for a loan to Holland.

There were several ways in which the million might have been obtained; two of which more advantageous to the public than that which was pursued.

The first and best was to have suspended the purchases for a year, for then the public would not have been put to any expence whatever.

The second was to have funded the million in the four per cents. which might have been done at par, and the annual expence, charges of mannagement included, would have been 40,450l. per annum.

The mode pursued was at first by a Tontine, which after being tried a long time was found impracticable, and much the greater part of the shares were afterwards exchanged for Long Annuities.

The whole number of shares originally engaged for were 10,000, of which (91) only 4,219 completed their engagement, by naming lives; 5,777 preferred four pounds per ann. Long Annuities, and four shares were abandoned after paying the principal part of the purchase money.

In order to place those persons who named lives, on the footing they would have been, had the 10,000 shares been filled up, it became necessary to name, on the part of Government, 5,781 persons, who are nominal proprietors, in order to fill up the different classes.

		Per Annum.	
(91) First class under 20 years of age	2810 at £4 3 0	-	£11,661 10 0
Second, above 20 and under 30 years	525 - 4 5 6	-	2,244 7 6
Third - 30 - 40	360 - 4 8 6	-	1,533 0 0
Fourth - 40 - 50	272 - 4 13 6	-	1,271 12 0
Fifth - 50 - 60	170 - 5 1 6	-	862 15 0
Sixth - above 60	82 - 5 12 0	-	459 4 0
		4,219	£18,032 8 6

The

That the actual proprietors of the Tontine may receive the increased annuity arising from deaths, it is necessary that certificates should be returned of the survivors half yearly, which must be attended with great expence to the public (92), and will probably continue for 85 years to come, all which expence might have been avoided had either of the two first mentioned modes of raising the money been pursued.

Admitting the extraordinary expence of the Tontine to be only 3,700l. a year, and that nothing is reckoned to attend the part converted into Long Annuities, and that it will be eighty-five years before the 10,000 names are reduced to 40, the expence attending the project will be 2,501,533l.

In the examination of the Income and Expenditure of the year 1789, we shall leave out the loans of that year, and state what would have been the situation of the finances exclusive of them.

The Expenditure under the heads of Navy, Army, Ordnance, and Miscellaneous Services in the year 1789, were as follows:

Navy	£2,276,570	0	0
Army	1,917,062	17	9½
Ordnance	511,444	7	9
Miscellaneous	779,363	18	4
	£5,484,441	3	10½
Deduct Foreign Secret Service (92*) Money	182,000	0	0
	£5,302,441	3	10½

Distribution of Grants 1789, annexed.

The actual Income of the year, as appears from the following account of the Consolidated Fund, for the four quarters, ending 5th January 1790, was 13,735,161l. 3s. 8½d. although the accounts laid on the table of the House of Commons, of the Customs, Excise, Stamps, and Incidents (including monies received from India Company, Imprest Monies, and Arrears of

(92) There is one charge in the Consolidated Fund on this account (Report 1791, Appendix I. No. 1.) of 3,000l. a year to George Atwood, Esq. Inspector of Tontine Certificates.

(92*) Distribution of Grants 1788, states the sum at 182,000l. for foreign Secret Service, and 9,342l. 13s. for charges thereon; this shameful charge on the public is one among many of the jobs of the present Administration.

Taxes)

To face }
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Dr.

1789

Cr.

MUSEUM RECEPTION OF GRANTS

Commissaries Dundas and Pemberton	2,111	0	6
Nova Scotia Governor's Bills	1,386	19	9½
New South Wales ditto	2,075	6	1
Mr. Mount, Secretary	761	1	0
Secretary to Commissaries on Slave Trade	500	0	0
Ditto, Crown Lands	3,000	0	0
Ditto, East Florida	900	0	0
Ditto, American Loyalties	4,693	8	6
Making out Orders, &c. ditto	4,410	16	7½
African Forts	13,000	0	0
Prince of Wales	33,200	0	0
Halfing's Trial	20,312	6	4
Foreign Secret Service	18,000	0	0
Charges on ditto	9,342	13	0
John Reeder, for Iron Foundry	3,000	0	0
Bank Charges on National Purchases	1,562	5	6
Ditto, Lottery Subscriptions	1,386	17	0
Ditto, Drawing Lottery	12,000	0	0
Ditto, Ditt. on £1,002,500 Loan	1,124	3	10
Ditto, ditto on £187,000 Anns.	420	6	7
Ditto, rec. Subscriptions to Loan	2,150	13	7
	779,363	18	4

£12,373,989 3 5½

On the Credit side the Land and Malt is taken for From which deduct, on the Debtor side, the Deficiency of Land and Malt (including Militia) The difference is the actual nett produce, applicable to the current service of 1789

£2,750,000 0 0
371,183 7 0½
2,378,816 12 11½

WAYS AND MEANS, Consisting of the following Articles:

Lottery Prizes	500,000	0	0
Chief Justice of Dominica	600	0	0
Deficiency of Grants 1788	1,416	13	5½
Loyalties Payments	9,088	9	0
Making out orders for ditto	1,064	14	5½
Lottery Subscriptions, Bank	1,386	17	0
Ditto drawing, ditto	11,000	0	0
Discount on Loan	1,124	3	10
Ditto Short Annuity ditto	420	6	7
Subscriptions to Loans ditto	2,150	13	7
	£328,241	17	11

Towards satisfying which there remained in the Exchequer of the Consolidated Fund
To be issued on Malt Tax 20,000 0 0
Of Lottery Contributions 226,258 14 9½
Of Contributions to Annuities 571 0 2
Of Ditto, with Survivorship 3,124 3 10

MEMORANDUM.

The Arrears of former Supplies, remaining unpaid, for which Money is provided.

For the late African Company's Creditors	900	12	10
For Georgia Bills, residue of 15,496l. 19s. 1½d.	570	17	7½
Deficiency of 4½ per cent. duties, 1785	816	13	5½
Chief Justice of Dominica	600	0	0
	£2,888	3	11

DISTRIBUTION OF GRANTS.

NAVY.		
20,000 Seamen and Marines	£988,000 0 0	
Ordinary	713,000 0 0	
Extraordinaries	575,570 0 0	£2,276,570 0 0
ARMY.		
17,448 Men	638,562 14 1	
Plantations and Gibraltar	315,915 8 9	
Irish Regiments	2,891 17 11½	
Do. America and West Indies	8,245 10 1	
Light Dragoons and 9 Battalions		
Foot, East-Indies	11,435 12 10½	
Half Pay Supernum. Officers	1,023 11 10	
Ditto ditto	10,871 14 10½	
Staff	6,409 8 0	
Paymaster General and Sec. &c.	63,043 5 0	
Reduced Officers	172,787 5 5	
Ditto, Horse Guards	212 14 7	
Ditto, Dutch Regiment	3,392 14 2	
Ditto, British American	55,092 10 0	
Ditto, American	4,907 10 0	
Widows Pensions	9,943 3 3	
Cheliffa	177,465 0 8	
Subsidy Hefle Caffel	36,093 15 0	
Extraordinaries from December 24,		
25, 1787, to December 24,		
1788,	398,769 1 3	1,917,062 17 9½

ORDNANCE.

Sea Service	52,000 0 0	
Unprovided 1788	9,306 4 1	
Military Artificers	9,620 0 0	
Maintenance of ditto	1,924 1 8	
Ordinary	220,576 15 8	
Extraordinaries	218,017 6 4	
Exchequer Bills paid off and Interest	3,613,431 8 10½	
Ditto ditto	2,073,283 5 4½	
		5,111,444 7 9
		5,686,714 14 2½

MISCELLANEOUS.

Commons' Addresses	34,370 1 4	
Loyalists	313,659 2 5	
Ditto	41,559 11 0	
Duncan Campbell	48,417 13 5	
Convicts, Plymouth	8,180 14 4	
Nova Scotia	6,218 17 6	
New Brunswick	5,400 0 0	
St. John's	1,900 0 0	
Cape Breton	2,100 0 0	
Newfoundland	1,182 10 0	
Bahama Islands	4,080 0 0	
Bermuda Islands	580 0 0	
Dominica	600 0 0	
New South Wales	2,877 10 0	
Scotch Roads	4,000 0 0	
Museum	3,000 0 0	
Commissioners Dundas and Pemberton	2,111 0 6	
Nova Scotia Governor's Bills	1,286 19 9½	
New South Wales ditto	2,075 6 1	
Mr. Mouatt, Secretary	761 1 0	
Secretary to Commissioners on Slave Trade	500 0 0	
Ditto, Crown Lands	3,000 0 0	
Ditto, East Florida	900 0 0	
Ditto, American Loyalists	4,693 8 6	
Making out Orders, &c. ditto	4,410 16 7½	
African Forts	13,000 0 0	
Prince of Wales	35,200 0 0	
Hafings's Trial	20,312 6 4	
Foreign Secret Service	182,000 0 0	
Charges on ditto	9,342 13 0	
John Reader, for Iron Foundry	3,000 0 0	
Bank Charges on National Purchases	1,562 5 6	
Ditto, Lottery Subscriptions	1,386 17 0	
Ditto, Drawing Lottery	12,000 0 0	
Ditto, Dific. on £1,002,500 Loan	1,124 3 10	
Ditto, ditto on £187,000 Anns.	420 6 7	
Ditto, rec. Subscriptions to Loan	2,150 13 7	
		779,363 18 4

DEFICIENCY.

Malt 1787 at Lady Day 1789	155,787 6 1	
Land 1787 at Michaelmas 1789	215,396 0 11½	
Grants 1788	- - -	371,183 7 0½
Lottery Prizes	- - -	331,649 18 3½
	- - -	500,000 0 0
		£12,373,989 3 5½

On the Credit side the Land and Malt is taken for

From which deduct, on the Debtor side, the Deficiency of

Land and Malt (including Militia)

£2,750,000 0 0

371,183 7 0½

The difference is the actual nett produce, applicable to the current service of 1789

2,378,816 12 11½

WAYS AND MEANS.

Land Tax at 4s. per pound	£2,000,000 0 0	
Malt	750,000 0 0	
Future Produce of Consolidated Fund	1,550,000 0 0	
Loan with benefit of Survivorship; subscription on four Shares being unpaid	1,002,140 0 0	
Loan on Annuities 18½ years	187,000 0 0	
Lottery, 50,000 Tickets, at 15l. 8s. 7½d.	771,562 10 0	
Exchequer Bills	3,500,000 0 0	
Ditto	2,000,000 0 0	
French Prizes before 1763	3,000 0 0	
In Paymaster-General's hands, after satisfying the demands of 1788	398,769 1 3	
	£12,142,471 11 5	
Deficiency to be made good from Grants, 1790	231,517 12 2½	
	£12,373,989 3 5½	

On the 13th April 1790.

Of the amount of Grants	£12,373,989 3 5½	
There had been paid	11,845,747 5 6½	
There remained unapplied	528,241 17 11	

Consisting of the following Articles:

Lottery Prizes	500,000 0 0	
Chief Justice of Dominica	600 0 0	
Deficiency of Grants 1788	1,416 13 5½	
Loyalists Payments	9,088 9 0	
Making out orders for ditto	1,054 14 5½	
Lottery Subscriptions, Bank	1,386 17 0	
Ditto drawing, ditto	11,000 0 0	
Discount on Loan ditto	1,124 3 10	
Ditto Short Annuity ditto	420 6 7	
Subscriptions to Loans ditto	2,150 13 7	
	£528,241 17 11	

Towards satisfying which there remained in the Exchequer of

the Consolidated Fund	£46,770 6 11	
To be issued on Malt Tax	20,000 0 0	
Of Lottery Contributions	226,258 14 9½	
Of Contributions to Annuities	571 0 2	
Of Ditto, with Survivorship	3,124 3 10	
	296,724 5 8½	
Deficiency 1789	231,517 12 2½	

MEMORANDUM.

The Arrears of former Supplies, remaining unpaid, for which

Money is provided.

For the late African Company's Creditors	900 12 10	
For Georgia Bills, residue of 15,496l. 19s. 1½d.	570 17 7½	
Deficiency of 4½ per cent. duties, 1785	816 13 5½	
Chief Justice of Dominica	600 0 0	
	£2,388 3 11	

[79]

Taxes) stated the amount at 13,787,105l. 1s. 5½d. which is 51,943l. 17s. 9d. more than the truth (93). In this year the affixed taxes were collected twice

(93) Produce of the Consolidated Fund, Charges thereon, and Net Produce towards Current Service, as also the Debt on 5th Jan. 1789, from 5th Jan. 1789, to 5th Jan. 1790.

	Whole produce, including East-India Company, and other monies.	Charge on the Fund, including £250,000 laid out.	Remaining towards current service.
Quarter ending 5th April 1789	£ 3,070,164 1 5	£ 2,630,982 0 4½	£ 439,182 1 0½
£ 439,182 1 0½ applied towards £2,545,000, taken for service of 1788.			
Quarter ending 5th July 1789	3,368,434 18 9½	3,002,144 2 11½	366,290 15 9½
366,290 15 9½ applied towards £2,545,000, taken for service of 1788.			
Quarter ending 10th Oct. 1789	4,070,058 16 6	2,654,627 14 3½	1,415,431 2 2½
153,777 1 10 applied in full of £2,545,000, taken for service of 1788.			
£ 959,249 18 8 Remained unsatisfied on the 5th Jan. 1789 of the £2,545,000 taken for service of 1788.			
£ 1,261,654 0 4½ applied towards £1,530,000, taken for service of 1789.			
Quarter ending 5th Jan. 1790	3,226,503 7 0½	3,004,927 14 4½	221,575 12 8½
221,575 12 8½ applied towards £1,530,000, taken for service of 1789.			
1,483,229 13 1			
46,770 6 11 Remained undischarged of taken for service of 1789.			
£ 1,530,000 0 0			
	£ 13,735,161 3 8½	£ 11,292,681 11 11½	£ 2,442,479 11 9

The Customs are stated to have produced from 5th Jan. 1789, to 5th

Jan. 1790	£ 3,686,994 6 2½
Excise	6,551,105 16 9
Stamps	1,214,966 16 8
Incidents	2,334,038 1 10½

13,787,105 1 5½

51,943 17 9

} The Quarterly Consolidated Accounts less than the Accounts of Customs, &c.

* The Report of 1791, Appendix W. No. 6. agrees with this account exactly.

Customs

[80]

twice (94), which swelled the receipt, under the head of Incidents, about 178,000l.

Customs per Consolidated Quarterly Accounts.

Quarter ending 5 April 1789	-	-	£ 671,954	8	7½
5 July	-	-	549,051	15	18
10 October	-	-	1,579,290	4	6½
5 Jan. 1790	-	-	848,664	18	2½
			3,648,961	6	6

The Account of Customs states, that there has been paid into the Exchequer, from the 5th Jan. 1789, to the 5th Jan. 1790

£ 3,686,994 6 2½

Account of Customs charged too much

£ 38,032 19 8½

Incidents per Consolidated Quarterly Account.

Quarter ending 5 April 1789	-	-	£ 358,287	6	5½
5 July	-	-	630,894	7	4½
10 Oct.	-	-	398,434	13	9½
5 Jan. 1790	-	-	562,287	7	9½
			1,949,903	15	5½

Account of Incidents, including East India

Company and Imprest Monies, &c. is

stated to amount to

£ 2,334,038 1 10½

Deduct the Monies from India Co. &c.

347,052 9 9½

1,986,985 12 1

Account of Incidents charged too much

37,081 16 7½

£ 75,114 16 3½

The Account of Stamps per Consolidated Quarterly Accounts amounts to

£ 1,216,966 16 8

Account of Stamps is stated at

1,214,966 16 8

Charged too little

2,000 0 0

East India Company's Money, Imprest and

other Monies, by the Consolidated Quarterly Accounts, amounts to

£ 368,223 8 4

Is stated in Account of Incidents at

347,052 9 9½

Charged too little

21,170 18 6½

Deducted from overcharges

23,170 18 6½

Remains overcharge on the three Accounts of Customs, Stamps, and Incidents, (the Excise being right)

£ 51,943 17 9

(94) Incidents of the year 1788, (Appendix to Report 1791, A. No. 1.)

£ 1,793,974 9 4½

1789

1,972,433 11 7

1789 more than 1788

178,459 2 2½

1789

1,972,433 11 7

1790

1,800,739 3 5½

1790 less than 1789

171,694 8 1½

The

[81]

The Income and Expenditure of 1789, appears to have been as follows:

INCOME.

Nett produce of Customs, Excise, Stamps, and Incidents, from 5 Jan. 1789 to 5 Jan. 1790, exclusive of appropriated duties	£ 13,366,937	15	4½
Annual Land and Malt Tax	2,750,000	0	0
	£ 16,116,937	15	4½

CASUAL RECEIPTS.

India Company and Imprest Monies	368,223	8	4
Profit of Lottery	271,562	10	0
French prizes	3,000	0	0
	16,759,723	13	8½

Deficiency 1786, 1787, 1788

and 1789

3,338,537 1 1

£ 20,098,260 14 9½

EXPENDITURE.

Interest of National Debt, Civil List, Charges on Consolidated Fund, and Million laid out in purchase of Stock, from 5 Jan. 1789, to 5 Jan. 1790,	11,292,681	11	11½
---	------------	----	-----

Army, Navy, Ordnance and

Miscellaneous Services - £ 5,302,441 3 10½

Interest on 5,500,000l. Exche-

quer Bills - 186,714 14 2½

Deficiency of Land and Malt 371,183 7 0½

£ 17,153,020 17 1½

Deficiency of 1786, 1787 and

1788

2,945,239 17 8½

£ 20,098,026 14 9½

The Repeal of the partial and oppressive Shop Tax, that had been imposed in 1785, which but for the wasteful and prodigal manner, in which the funding the Navy and Victualling Bills, had been executed in 1784 and 1785, would have been altogether unnecessary to have been imposed, as well as other taxes, to the amount of 300,000l. a year; it however furnished a pretence for new taxes, in addition to the providing payment for the the interest of a million borrowed on Tontine (95) afterwards changed as we have seen, for the most part to Long Annuities.

The amount of the Shop Tax is not pretended to have been more than (96) 52,161l.

(95) Page 61.

(96) Report 1791, Appendix, B, No. 1.

M

The

[82]

The interest on the Tontine million, had it been completed according to the original plan, and the six classes, contained an equal proportion of the 10,000 shares, could not have been, exclusive of management more than

£47,000 0 0
£99,161 0 0

To answer which, new taxes were imposed on the following articles:

	Estimated to produce	Produce one year, ending 5th January 1791.
Newspapers (97)	28,000	£30,193 13 11
Advertisements	9,000	6,161 0 0
Cards and Dice	9,000	7,477 8 6
Legacies	5,000	8,651 0 0
Probates of Wills	12,500	28,505 10 0
Carriages (98)	25,500	15,620 0 0
Horses	20,000	15,405 0 0
	109,000	£112,013 12 5

There therefore cannot be any reason to complain of those taxes taken together having been unproductive; at the same time it must be remarked, that although 15,620l. is acknowledged to have been received for the additional tax imposed in 1789, between the 5th January 1790, and the 5th January 1791, the nett produce of four wheel carriages in the same period (99) was above 8,000l. less than the preceding year.

This year the most extraordinary circumstance happened that ever was known in the history of finance.

(97) Report 1791. Appendix [b]. No. 6.

(98) Report 1791. Appendix [b]. No. 7.

(99) Report 1791. Appendix A. No. 1. four-wheel carriages

5th Jan. 1789, to 5th Jan. 1790	£149,148 11 1
5th Jan. 1790, to 5th Jan. 1791	141,055 15 0½
	8,092 16 0½

On

[83]

On the 28th of May 1789, the House of Commons, in a Committee of Supply, *gravely* resolved, "That a sum not exceeding 398,769l. 1s. 3d. be granted to his Majesty towards defraying the extraordinary expences of his Majesty's forces, and other services incurred from the 25th day of December 1787, to the 24th day of December 1788, and not provided by Parliament."

On the 21st of July following, the House of Commons, in a Committee of Ways and Means, *as gravely*, resolved, "That, towards making good the Supply granted to his Majesty, there be applied the sum of 398,769l. 1s. 3d. being the balance remaining in the hands of the Paymaster General of his Majesty's forces, after satisfying the outstanding demands for the year 1788."

No person can doubt but that the Members of the House of Commons are always particularly attentive to their duty, at the time the money of their constituents is voted away, and that particular enquiry must have been made to reconcile the vote of the 21st of July with that of the 28th of May; not one word of that enquiry has however transpired; the conclusion is therefore fair in supposing the Minister had made a mistake in charging the public on the 28th May with 398,769l. 1s. 3d. and discovering his mistake, gave the public credit for the same sum, on the 21st of July following, for so it stands in the Distribution of Grants (100) that year.

Unfortunately for the good people of this country, the Report of the Select Committee (1) of 1791 states, that the Extraordinaries of the Army for the year 1788, charged on the year 1789, consisted of the following articles:

Victualling (2)	£138,816 0 1
Indian presents	25,013 14 8
Bills of Exchange	95,518 8 0
Foreign promiscuous payments (3)	16,523 5 4
	£275,871 8 1

(100) Distribution of Grants 1789.

(1) Appendix L. No. 2. 1788.

(2) Report 1786. Appendix Q. No. 4. estimates the victualling the troops at Gibraltar, Canada, Nova-Scotia, and West-Indies, at £71,000, stoppages deducted. Report 1791 makes the like services, stoppages deducted, £100,000.

(3) Foreign promiscuous payments £16,523 5 4, and promiscuous payments at home £28,047 2 11 seem to require explanation.

M 2

Expences

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page 83. } Dr.

1790

Cr.

DISTRIBUTION OF GRANTS.

NAVY.

20,000 Seamen including 3860	
Marines	£ 988,000 0 0
Ordinary	703,276 17 11
Extraordinary	490,360 0 0
Towards Navy Debt	200,000 0 0
	<u>2,381,636 17 11</u>

ARMY.

17,448 Men	578,562 14 1
Plantations	317,849 16 0
Irish Regiment	8,245 10 1
East Indies	11,433 12 10½
Staff	6,409 8 0
New South Wales Corps	3,411 14 4
Paymaster General, Secretary, &c.	63,276 5 8
Superintending Officers	10,808 7 1½
Half-Pay	163,000 0 0
Ditto Dutch	3,392 14 2
Ditto British American	60,000 0 0
Recruit Service 1790	64,500 0 0
Chelsea	180,938 19 6
Widows Pensions	9,991 9 3
Helte Catfel	36,093 15 0
Extraordinaries to 23 Dec. 1789	356,458 12 4
	<u>1,874,074 18 3½</u>

ORDNANCE.

Sea Service.

52,000 0 0

£13,203,816 14 4½

ending 5th Jan. 1791, was £504,186 more than the corresponding quarter, ending 5th Jan. 1790.

On the Credit side the Land and Malt is taken for
From which deduct on the Debtor side the Deficiency of Land and Malt (including Militia)

The difference is the actual net produce applicable to the current service of 1790

£2,750,000 0 0
455,147 4 10
2,294,852 15 2

WAYS AND MEANS.

Land Tax, at 4s.	£2,000,000 0 0
Malt	750,000 0 0
* Surplus Consolidated Fund 5th April	621,151 1 3½
Future produce of Consolidated Fund	2,300,000 0 0
Lottery, 50,000 tickets, at £15 16 4½	790,937 10 0
Secret Service 1788	34,000 0 0
Exchequer Bills	3,500,000 0 0
Ditto	2,000,000 0 0
Ditto	1,000,000 0 0
Deficiency to be made good from Grants 1791	<u>12,996,068 11 3½</u>
	<u>207,728 3 1</u>
	<u>£13,203,816 14 4½</u>

[84]

Brought over	—	£275,871	8	1
Expences of Civil Department in Canada	—	19,406	12	3
Pay of Officers	—	15,813	18	2
Services in North-Britain	—	3,456	19	5
Coals, Candles, and Barrack Utensils	—	9,156	7	9
Promiscuous payments at home	—	28,047	2	11
		<u>£351,752</u>	<u>8</u>	<u>7</u>
Deduct stoppages for victualling	—	38,780	12	6
		<u>312,971</u>	<u>16</u>	<u>1</u>
Extra payments on account of the forces in the East-Indies	—	1,158	4	0
Subsistence, off-reckonings, and arrears to ditto forces	—	84,639	1	2
		<u>£398,769</u>	<u>1</u>	<u>3</u>

The question to be asked is, Were those expences incurred or not? If they were incurred, they cannot be paid consistent with the vote of the 21st of July, because that vote rendered the former vote, of the 28th of May, a nullity; and as there has not been any vote since to restore the vote of the 28th of May, no part can be paid, but the whole must remain to this hour a debt. If those expences were not incurred, the accounts stated in the Report are false, and a gross imposition on the public.

The most favourable light in which the transaction can be viewed is, that in order to command money to carry on the delusive purchase of stock, the payment of the Army Extraordinaries was postponed, in like manner as the payment that ought to have been made to Duncan Campbell, Esq. in 1787, which appears to have been postponed to 1788 for the like purpose; for it never can be supposed that *no convicts* were confined and maintained in the year 1787, because no charge is made that year under the head of Miscellaneous Services.

The

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Dr.

1790

Cr.

DISTRIBUTION OF GRANTS.

NAVY.

20,000 Seamen including 3860	
Marines	£988,000 0 0
Ordinary	783,276 17 11
Extraordinary	490,360 0 0
Towards Navy Debt	200,000 0 0
	2,381,636 17 11

ARMY.

17,448 Men	578,562 14 1
Plantations	317,549 16 0
Irish Regiment	8,245 10 1
East Indies	11,435 12 10½
Staff	6,409 8 0
New South Wales Corps	3,411 14 4
Paymaster General, Secretary, &c.	63,276 5 8
Supernumerary Officers	10,808 7 1½
Half-Pay	163,000 0 0
Ditto Dutch	3,392 14 2
Ditto British American	60,000 0 0
Recruit Service 1790	64,500 0 0
Chelica	180,938 19 6
Widows Pensions	9,991 9 3
Hefe Caffel	36,093 15 0
Extraordinaries to 25 Dec. 1789	356,458 12 4
	1,874,074 13 5½

ORDNANCE.

Sea Service	52,000 0 0
Ordinary	219,756 18 2
Extraordinary	198,450 19 3
Unprovided last year	39,240 1 4
	509,447 18 9
Exchequer Bills with Interest	3,607,677 0 5½
Ditto	1,069,091 13 1½
	5,676,768 13 7

MISCELLANIES.

Commons' Addreses	48,424 15 3
Loyalists	238,279 9 2
American Civil Officers	35,785 15 6
Bradley, Plymouth Convicts	6,888 7 6
Duncan Campbell, ditto	33,228 15 6
Nova Scotia	6,376 17 6
New Brunswick	4,400 0 0
St. John's	1,840 0 0
Cape Breton	2,100 0 0
Newfoundland	1,182 10 0
Bahama Islands	4,080 0 0
Bermuda Islands	580 0 0
Dominica	600 0 0
New South Wales Civil Govern- ment	4,558 7 8
Ditto, Provisions	51,638 6 11
African Forts	13,000 0 0
Secretary to Commissioners Slave Trade	500 0 0
Ditto East Florida	200 0 0
Ditto American Loyalists	1,900 0 0
Expences ditto	2,170 0 0
Ditto East Florida	882 4 0½
Loyalists ditto	6,383 16 7
Lands in Georgia	49,556 17 6
Secretary to Florida Loffes	278 14 8
Hafings's Trial	2,951 1 10
Enquiry into Custom-house Fees	1,000 0 0
Bills of Exchange from	1,632 6 3½
Dundas and Pemberton	3,162 5 6
Coinage of Gold	30,520 17 1
Printing Reports of African Trade	910 0 0
Scotch Roads	4,859 1 8
Speaker of Houfe of Commons	585 11 6
Bank Charges National Debt	1436 0
Ditto receiving and paying Prizes	1,331 6 11
Do. drawing Lottery	12,000 0 0
	575,223 8 8

DEFICIENCY.

Malt 1788, at Lady-Day, 1790	229,967 14 8
Land 1788, at Michaelmas 1790	225,179 10 2
	455,147 4 10
Grants 1789	231,517 12 2½
Lottery Prizes	500,000 0 0
Augmentation of Navy	650,000 0 0
Army	200,000 0 0
Ordnance	150,000 0 0
	1,000,000 0 0
	£13,203,816 14 4½

On the Credit fide the Land and Malt is taken for
From which deduct on the Debtor fide the Deficiency of Land and Malt (including Militia)

The difference is the actual nett produce applicable to the current service of 1790

£2,750,000 0 0
455,147 4 10
2,294,852 15 2

WAYS AND MEANS.

Land Tax, at 4s.	£2,000,000 0 0
Malt	750,000 0 0
* Surplus Confolidated Fund 5th April	621,151 1 3½
Future produce of Confolidated Fund	2,300,000 0 0
Lottery, 50,000 tickets, at £15 16 4½	790,937 10 0
Secret Service 1788	34,000 0 0
Exchequer Bills	3,500,000 0 0
Ditto	2,000,000 0 0
Ditto	1,000,000 0 0
	12,996,068 11 3½
Deficiency to be made good from Grants 1791	207,728 3 1
	£13,203,816 14 4½

Remained unpaid on the 15th of April 1791.

Deficiency 1789	1,293 2 10½
American Loyalists	5,145 1 8½
East Florida	726 11 0½
Lottery Prizes	500,000 0 0
Bank receiving and paying ditto	1,331 6 11
Ditto Drawing Lottery	10,500 0 0
Secretary to Florida Loffes	278 14 8
	519,564 17 2½

Towards satisfying which there is to come in
from the

Confolidated Fund	£176,347 6 7½
Lottery Contributions	135,489 7 6½
	311,836 14 1½
Deficiency	207,728 3 1

* Future produce of Confolidated Fund, of which there remained
undischarged on the 5th of Jan. 1791, £176,347 6 7½ (Report 1791,
Appendix W. 6.) to which, if the deficiency of Grants £207,728 3 1
be added, the revenue of 1791 was anticipated £384,075 9 8½, not-
withstanding the net produce of the Confolidated Fund for the Quarter
ending 5th Jan. 1791, was £504,186 more than the corresponding
quarter, ending 5th Jan. 1790.

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The Expenditure under the four heads of Navy, Army, Ordnance, and Miscellaneous Services, in the year 1790, were as follows :

Navy	—	£2,381,636	17	11
Army	—	1,874,074	18	5½
Ordnance	—	509,447	18	9
Miscellaneous	—	575,223	8	8
		<u>£5,340,383</u>	<u>3</u>	<u>9½</u>

Distribution of Grants 1790 annexed.

Having proved that the accounts of Customs, Stamps, and Incidents, for the year 1789, were erroneous to the amount (4) of 51,943l. 17s. 9d. the net produce in the Consolidated Fund being so much less—we shall prove that the Customs, Excise, Stamps, and Incidents (5) of the year 1790, have been stated at 221,998l. 10s. 5½d. more than should have been.

It is not possible, consistent with propriety, to consider the receipt of the Revenue, by any other rule, than that of the *actual* payments into the (6) Consolidated Fund, the same appearing in the account of that Fund.

Any other rule would cause confusion in the accounts, and might be extended to monies, that may be received seven years hence.

It appears from the Consolidated Accounts, that the surplus, after payment of Civil Lists and charges on the Consolidated Fund, and interest of the National Debt, was (7) £2,791,574 1 7½

Civil List and Charges (8) on Consolidated Fund	-	1,007,385	16	6½
Interest of National Debt and Million laid out (9)	-	10,289,625	7	2½
		<u>£14,088,585</u>	<u>5</u>	<u>4</u>

From which must be deducted Imprest Monies, India

Company's Payment, and Arrears of Taxes (10)	-	271,846	19	3½
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(4) Page 78.

(5) Report 1791. Appendix A. No. 1.

(6) Because if there be two, or more, accounts allowed to exist at the same time, the public might be imposed on.

(7) Report 1791. Appendix W. No. 6.

(8) Report 1791. Appendix I. No. 1.

(9) Report 1791. Appendix G. No. 1.

(10) Report 1791. Appendix F. No. 2.

The

[86]

The actual payments, from Customs, Excise, Stamps, and Incidents, could not have exceeded, from 5th January 1790, to 5th January 1791, the sum of - - £13,816,738 6 0½

The produce of Customs, Excise, Stamps and Incidents, exclusive of appropriated duties, is stated at (11) - 14,038,636 16 6½

And consequently overcharged - - 221,998 10 5½

In further proof that those accounts are erroneous, the Customs, &c. of 1789, are stated (including the make-weight of appropriated duties) at - - £13,433,068 11 3

And of 1790, at - - 14,072,978 19 7½

1790 more than 1789 - - £639,910 8 4½

The Consolidated Surplus (12) applicable to the current service of 1789, from 5th January 1789, to 5th January 1790, was - - £2,442,479 11 9

The same account for 1790, from 5th January 1790 to the 5th January 1791, was - - 2,791,574 1 7½

1790 therefore (13) exceeded 1789 only - £349,094 9 10½

Both accounts therefore cannot be true, and consequently all deductions and calculations made from the accounts of (14) Customs, Excise, Stamps, and Incidents, must be erroneous, for the reasons stated above.

Instead therefore of the year 1790 having exceeded 1789 £639,910 8 4½

The exceeding of 1790 by the account most to be relied (15) on, is - - 349,094 9 10½

(11) Report 1791. Appendix A. states the amount of Customs, Excise, Stamps, and Incidents, at £14,072,978 19 7½, but then £34,342 3 1½, the amount of appropriated duties, are included, which have no more to do with the revenue applicable to the public service, than they have with the revenue of the Emperor of China.

(12) Report 1791. Appendix W. No. 6.

(13) Even this apparent increase vanishes when the produce is taken from 5th April 1790, to 5th April 1791.

(14) And because formerly the only account was from the Exchequer from the revenue there accounted for.

(15) The Consolidated account.

The

[87]

The Report of 1791 has been therefore formed on an erroneous account of Revenue, in the year 1790, to the amount of - - £290,815 18 6½

Taking the Surplus of the Consolidated Fund, from the 5th April 1789, to the 5th April 1790, compared with the Surplus from the 5th April 1790 to the 5th April 1791, the blown up bladder of an increase of 639,910l. 8s. 4½d. in 1790, will be found to have burst; and that the latter year, instead of having produced a greater, has actually produced (16) a less Revenue.

Surplus of Consolidated Fund	5th April 1789, to 5th April 1790	5th April 1790, to 5th April 1791.
Quarter ending 5th July -	£366,290 15 9½ -	£223,553 18 0½
10th October -	1,415,431 2 2½ -	1,174,336 3 10½
5th January -	221,575 12 8½ -	725,762 11 5½
5th April -	667,921 8 2½ -	479,568 15 7½
	£2,671,218 18 11	£2,603,221 9 0½

Surplus of the year ending 5th April 1791, less than the year ending 5th April 1790 - - £67,997 9 10½

And when it is remembered that the January quarter 1791, exceeded the corresponding quarter of 1790 (17) above 500,000l. and that the quarter ending 5th April, 1791, contains every penny of the additional duty on Malt, (18) on the stock in hand, an apparent increase on the 5th Jan. 1791, of revenue, is not to be considered as extraordinary.

Had not a general alarm taken place, respecting new Taxes, to be imposed for defraying the expence of the armament of the year 1790, which caused all

(16) Report 1791. Appendix W. No. 6.

(17) Arising from duties on Spirits, Licenses changed from the usual times of payment, &c.

(18) Imposed in the last Session of Parliament of three pence a bushel,

persons

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persons concerned in articles, reported to be objects of new taxation, (18*) to exert themselves to increase their stocks, at the old duties, it is highly probable that instead of the revenue of the year ending the 5th of Jan. 1791, exceeding the year 1790, it would have fallen considerably short.

But has the extra receipt of Revenue in the quarter ending the 5th of Jan. 1791, arising from the operation of expected taxes, *been applied to the expenses of the armament?* Certainly they have not, because the sum of 2,300,000*l.* taken from the future produce of the Consolidated Fund for the current *service of the year 1790*, with all the assistance of that extraordinary quarter, above stated, applied in discharge (19) of the 2,300,000*l.* was insufficient; and there remained undischarged the sum of 176,347*l.* 6*s.* 7½*d.* on the 5th Jan. 1791.

(*18) EXCISE.—Duty on Foreign Spirits.

	1789	£ 785,817	0	0
	1790	935,518	0	0
	Increase	149,701	0	0
British Spirits	1789	505,862	0	0
	1790	595,601	0	0
	Increase	89,739	0	0
Licences	1789	160,492	0	0
	1790	269,322	0	0
	Increase	108,830	0	0
Wine	1789	252,649	0	0
	1790	308,624	0	0
	Increase	55,975	0	0
CUSTOMS.				
Wine	1789	457,778	0	0
	1790	503,809	0	0
	Increase	46,031	0	0

19) Of the 2,300,000*l.* borrowed on the credit of the Consolidated Fund, there was repaid on

5 July 1790	-	223,553	18	0½
10 Oct.	-	1,174,336	3	10½
5 Jan. 1791	-	725,762	11	5½
		£ 2,123,652	13	4½

After

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After making good the above sum from the Revenue of the quarter ending the 5th of April 1791, there (20) appears 303,221*l.* 9*s.* 0½*d.* remaining towards the service of the year 1791: but then the deficiency of Grants 1790 being 207,728*l.* 3*s.* 1*d.* the difference is only 95,493*l.* 5*s.* 11½*d.* towards current service of 1791, or armament 1790.

The Income and Expenditure of the year 1790, appears to have been as follows:

INCOME.		EXPENDITURE.	
Nett produce of Customs, Excise, Stamps, and Incidents, from 5 Jan. 1790, to 5 Jan. 1791	£ 13,816,738 6 0½	Interest of National Debt, Civil List, charges on Consolidated Fund, and million laid out in purchase of Stock, from 5 Jan. 1790, to 5 Jan. 1791	£ 11,297,011 3 8½
Annual Land and Malt Taxes	2,750,000 0 0	Interest on Tontine and Long Annuities - (A)	42,862 0 0
CASUAL RECEIPTS.		Navy, Army, Ordnance, and Miscellaneous Services	5,340,383 3 9½
Profit of Lottery	290,937 10 0	Interest on £5,500,000 Exchequer Bills	176,768 13 7
Imprest Money, India Company's Money, and Arrears of Taxes	271,846 19 3¼	Deficiency Land and Malt 1788	455,147 4 10
Secret Service 1788 re-paid	34,000 0 0		£ 17,312,172 5 11½
	£ 17,163,522 15 4	Deficiency of 1786, 1787, 1788, and 1789, (page 81)	3,338,537 1 1
Deficiency in the five years 1786, 1787, 1788, 1789, and 1790, the Expenditure having exceeded the Income	3,487,186 11 8¼		£ 20,650,709 7 0½
	£ 20,650,709 7 0½		

(A) Report 1791, Appendix G. No. 1, states, that there was issued to pay the Interest of 1,002,099*l.* due 10 Oct. 1790

One Quarter's Interest on Tontine and Long Annuities, to 5 Jan. 1791, would be

£ 60,820 9 0

Might have been charged in the above account, but is taken at what is stated to be the future annual expence.

(20) Report 1791, Appendix W. 6.

N

But

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But as many of those articles have been transferred to the Consolidated Fund, and made a direct charge thereon (25) in calculating the produce of the subsisting taxes, at stated by the Committee of 1786, and comparing that estimate, with the produce of Customs, Excise, Stamps, and Incidents in the last five years, there must be deducted therefrom, the estimated amount of the appropriated duties (26) as they stood in 1786, being 66,538l.

Estimated produce of subsisting taxes, as stated in the Report of 1786, were	-	-	-	£12,797,471	0	0
Deduct the appropriated duties on the Expenditure side of that Report	-	-	-	66,538	0	0
Estimated produce of all taxes	-	-	-	£12,730,933	0	0

Produce (27) of Customs, Excise, Stamps, and Incidents, from 5th Jan. 1786 to 5th Jan. 1787	-	-	-	£11,867,055		
Deduct British Spirits, (28) Deals, and Perfumery	-	-	-	30,524		
British Spirits in Scotland omitted (29 by the Committee	-	-	-	9,705		
				40,229		
				11,826,826		

(25) Report 1791. Appendix I. No. 1.						
Charge, exclusive of Civil List, 1786	-	-	-	£ 67,633	4	3½
1790	-	-	-	109,385	16	6½
Increase	-	-	-	41,752	12	2½

(26) Report 1791. Appendix F. No. 5. The amount of the Appropriated Duties are stated at £75,626.

(27) Report 1791. Appendix A. No. 1.

(28) Report 1791. Appendix B. No. 1. imposed in 1786.

(29) Report 1791. Appendix A. No. 3. a sixth part of £58,231.

The

[91]

Brought forward	£11,826,826
Deduct appropriated duties	- 66,538
Produce of 1786	- 11,760,288
Estimated produce of all taxes	- 12,730,933
The year 1786 fell short of the Estimate	£970,645 0 0

Produce of Customs, Excise, Stamps, and Incidents, from 5th Jan. 1787 to 5th Jan. 1788	-	-	-	£12,923,134		
Deduct British Spirits (30) Deals, Perfumery, and Consolidation Act, &c.	-	-	-	168,339		
British Spirits (31) Scotland omitted	-	-	-	12,529		
Spirituous Liquors Licences, 5th July 1787, do.	-	-	-	34,678		
Do. Scotland at do.	-	-	-	8,000		
				223,546		

Deduct Appropriated Duties	12,699,588
	66,538
Produce of 1786	12,633,050
	11,760,288
Produce of 1786 and 1787	24,393,338
Average	12,196,669
Estimated produce of all Taxes	12,730,933

Average of 1786 and 1787, fell short of Estimate £534,264 0 0

(30) Report 1791. Appendix B. No. 1.

(31) Report 1791. A. No. 3.

N 2

Produce

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Customs, Excise, Stamps, and Incidents, from 5 Jan. 1788, to 5 Jan. 1789 (32)	£12,999,580	
Deduct British Spirits, Deals, (33) Per- fumery, Consolidation Act, and Cam- bricks - - -	£194,690	
Br. Spirits, (34) Scotland omitted	6,333	
Spirituous Liquor Licenses do.	90,507	
Ditto, Scotland do.	9,000	
	<u>300,520</u>	
	12,699,060	
Deduct Appropriated Duties - - -	66,538	
	<u>12,632,522</u>	
Produce of 1786 and 1787 - - -	24,393,338	
	<u>37,025,860</u>	
	Average	12,341,953
Estimated produce of all Taxes -	12,730,933	
Average of three years fell short of estimate		£388,980 o o
Customs, Excise, Stamps, and Incidents, from 5 Jan. 1789, to 5 Jan. 1790 (35)	13,366,937	
Deduct British Spirits, Deals, (36) Per- fumery, Consolidation Act, Cambricks, and Stamps - - -	£223,197	
Br. Spirits (37) Scotland, omitted	6,166	
Spirituous Liquor Licenses do.	85,043	
Ditto, Scotland do.	4,500	
Tobacco Licenses, fame as Tea	12,500	
	<u>331,406</u>	
	13,035,531	

- (32) See page 67.
 (33) Report 1791. Appendix B. No. 1.
 (34) Report 1791. Appendix A. No. 3.
 (35) See page 81.
 (36) Report 1791. Appendix B. No. 1.
 (37) Report 1791. Appendix A. No. 3.

Deduct

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Brought forward	£13,035,531	
Deduct Appropriated Duties	66,538	
	<u>12,968,993</u>	
Produce of 1786, 1787, and 1788	37,025,860	
	<u>49,994,853</u>	
	Average -	12,498,713
Estimated produce of all Taxes -	12,730,933	
Average of four years, fell short of Estimate		232,220 o o
Customs, Excise, Stamps, and Incidents, from 5 Jan. 1790, to 5 Jan. 1791 (38)	£13,816,738	
Deduct British Spirits, Deals (39), Per- fumery, Consolidation Act, Cambricks, Assessed Taxes, and Stamps, allowing £52,161 for Shop Tax repealed	£290,585	
British Spirits (40) Scotland, omitted - - -	6,916	
Spirituous Liquor Licences ditto	153,177	
Ditto Scotland ditto	3,000	
Tobacco Licences, fame as Tea	13,100	
	<u>466,778</u>	
	13,349,960	
Deduct Appropriated Duties -	66,538	
	<u>13,283,422</u>	
Produce of 1786, 1787, 1788, and 1789	49,994,117	
	<u>63,277,539</u>	
	Average -	12,655,507
Estimated Produce of all Taxes -	12,730,933	
Average of five years fell short of Estimate		£75,426 o o
(38) See page 89. (39) Report 1791. Appendix B. No. 1. (40) Report 1791. Appendix A. No. 3.		It

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It is very extraordinary that the person who compiled the account (41) for the Committee, should so adroitly take a sixth part of the produce of the tax produced under the article of British Spirits, being one penny per gallon on wash imposed in 1786, and should forget that the tax equally applied to Scotland. That the Spirituous Liquor Licences imposed in 1787, should also be overlooked, both in England and Scotland, and that the Tobacco Licences should likewise be forgotten.

The truth is, the person who compiles, or is directed to compile, the Accounts for the Committee (42) are as desirous to swell the Income, as to conceal the Expenditure.

It is evident from the statements of the five years, and the averages from 1786 to 1790, the Committee of 1786 were most compleatly mistaken in their estimate of the then existing Taxes, having failed on the comparison of every Year.

But there is one Circumstance that seems to have escaped notice, to elucidate which it is necessary to advert to the Report of the Commissioners of public Accounts on the Customs, from which it appears, That the whole Receipt of that branch of Revenue from the 5th of Jan. 1781 to the 5th of Jan. 1782 in Money and Bonds, was

				£3,811,242	6	3 $\frac{1}{2}$
Of which there was paid into the Exchequer				2,772,346	6	4 $\frac{1}{2}$
Remained				£1,038,895	19	11 $\frac{1}{2}$

Of which	£148,645	12	6	was for salaries
	644,691	16	6 $\frac{1}{2}$	for Debentures (43) and Bounties.
	4	0	0	an error
	244,654	3	5	Bonds and Imprest Monies undischarged
	900	7	5 $\frac{1}{2}$	Balance in the hands of the Accountant General

£1,038,895 19 11 $\frac{1}{2}$

(41) Report 1791. Appendix B. No. 1.

(42) There is not the most distant idea of throwing the least blame on the Select Committee, who certainly had nothing to do, but to form the Report from the materials brought to them; whatever false statements there are, the blame must, and ought to fall, on those by whom the compilation was directed.

(43) When the merchant imports goods, the duties must be paid in money before the goods are delivered; it is therefore but fair, that what he exports, the duties should be reserved and be ready when he has a right to demand them.

If

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If the 644,691 $\frac{1}{2}$ was directed to be paid into the Exchequer, and the persons to whom the money actually belonged, were obliged to wait for payment from the receipt of the Customs arising from the year following, there cannot be a doubt, but that the Revenue, under the head of Customs, and consequently the whole Revenue, would have all the appearance and effect of an increase of so much; at the same time it is evidently an anticipation of Revenue, and an unfunded debt.

The same measure might be practised with the Excise, the Post-office, the Salt-office, &c. and a large sum thus obtained would give an appearance of an Increase of Revenue, but in fact would be arrears of taxes recovered, or new debt created.

The Committee of 1786 have therefore failed in their prediction of the produce of the existing taxes, upon the average of five years - £75,426 0 0.

They have also failed in their estimate of the produce of Land and Malt (44) on the average of five years, in the sum of - £62,753 0 0.

It is childish to say, that because the two last years Land and Malt are not settled with the Bank, therefore an account sufficiently correct cannot be rendered.

(44) Report 1786, page 17.

Land Tax					£1,967,650	0	0
Malt Tax					632,350	0	0
					2,600,000	0	0
Deduct Militia				£91,000	0	0	
Interest				103,000	0	0	
					194,000	0	0
Nett Produce					2,406,000	0	0
Actual Produce					2,343,247	0	0
					62,753	0	0

The Minister must have forgotten himself, when he said the account of Land and Malt could not be made up to the end of 1790. He did not consider that it was in fact telling the nation, that the account *never can be made up*, and consequently the people *never can know* the state of the National affairs, for the same reason will hold good for a hundred years to come, as there always are two years unsettled.

Was

Was not the Committee of Supply, of the year 1790, authorised to direct payment to the Bank of England, the deficiency and interest due on the Malt Tax; the deficiency, interest, charge of militia, or any other expence or disbursement, that may have been made out of the Land Tax for the year 1788? Out of what fund were those demands to be made good? Not out of the Land and Malt Taxes of 1788, for the produce of that year was all consumed; those demands therefore could not be paid but from the 2,750,000l. raised for the service of the year 1790.

Where then is there any difficulty in the matter? The fact is, the absurd idea is a sort of *Ministerial craft*, which thinking men will scout.

The nett produce of Land and Malt in 1786 was	-	£2,340,593	15	3½
1787	-	2,312,702	16	7½
1788	-	2,389,269	8	10½
1789	-	2,378,816	12	11½
1790	-	2,294,852	15	2
		£11,716,235	6	11½

Average of the five years - £2,343,247 1 4

The Committee of 1786, therefore, estimated the net produce of Land and Malt together at 62,000l. too much, and the Committee of 1791 at 20,000l. more than should have been.

We shall now bring the whole Income and Expenditure of the five years into one view.

Income and Expenditure annexed.

From which it is evident that there is a deficiency, after taking all the Income on one side and Expenditure on the other, of - £3,487,186

It perhaps will be said that the interest of the National Debt is taken too high in 1786, because of the Long Annuities, only three quarters were paid, which made the payments (45) one quarter less, though in fact this was a payment postponed, which deduct

170,093

£3,317,093

(45) If the same Measure was practised in consolidated three per cents. would give an advantage of £817,322 from the present year, to throw it on the next.

The

To face }
Page 96. }

Dr.

1786

NATIONAL INCOME.

All Taxes from 5 Jan. 1786, to 5 Jan. 1787, (exclusive of East India Company)	£11,867,154	13	0
Deduct Appropriated Duties	67,377	17	10
	12,923,134	17	1¼
From 5 Jan. 1787, to 5 Jan. 1788	-	-	-
Deduct Appropriated Duties	48,867	13	10½
	12,999,580	4	4
From 5 Jan. 1788, to 5 Jan. 1789	-	-	-
Deduct Appropriated Duties	39,879	7	8½
	-	-	-
From 5 Jan. 1789, to 5 Jan. 1790, exclusive of Appropriated Duties	-	-	-
From 5 Jan. 1790, to 5 Jan. 1791, exclusive of ditto	-	-	-
Profit of Lotteries	1786	£188,750	0 0
	1787	256,875	0 0
	1788	270,600	0 0
	1789	271,562	10 0
	1790	290,937	10 0
Five Years Land and Malt Taxes, each year £2,750,000	-	13,750,000	0 0
Deduct Deficiency 1786	£409,405	4	8½
1787	437,297	3	4½
1788	360,730	11	1¼
1789	371,183	7	0½
1790	455,147	4	10
		2,033,763	11 1¼
Voted out of the Sinking Fund	1786	1,211,470	15 10¾
Ditto	1787	1,226,072	2 11½
Ditto Consolidated Fund	1788	589,162	15 2½

EXTRA RECEIPTS, NOT REVENUE.

1786 from East India Company, Rescued Duties	-	£522,400	8 1
1789 Ditto - for Troops	-	300,000	0 0
1790 Ditto - Ditto	-	200,000	0 0
Savings Land Forces 1784, 1785, and 1786	-	1,022,400	8 1
Imprest Monies, and Arrears of Land and Malt, 1786, 1787, and 1788 (A)	-	670,810	4 6
Ditto Ditto and French Prizes, 1789, and 1790	-	376,894	13 11½
Surplus 6d. per pound Pensions, &c. 1786, and Chelsea, 1785	-	143,070	7 7½
Secret Service Money, 1788, repaid	-	193,877	17 8½
		34,000	0 0

Deficiency of Income in five years

8

£ 80

(A) Report 1791, Appendix F, No. 2, states an Account of all Sums paid into the Exchequer, or

The Amount of 1786 being £175

1787 102

1788 94

372

If this Account is right, that signed Thomas Steele, dated

To face }
Page 96. }

Dr.

1786, 1787, 1788, 1789, 1790.

Cr.

NATIONAL INCOME.

All Taxes from 5 Jan. 1786, to 5 Jan. 1787, (exclusive of East India Company)	£11,867,154	13	0
Deduct Appropriated Duties	67,377	17	10
	£11,799,776	15	2
From 5 Jan. 1787, to 5 Jan. 1788	12,923,134	17	1½
Deduct Appropriated Duties	48,867	13	10½
	12,874,267	3	3¾
From 5 Jan. 1788, to 5 Jan. 1789	12,999,580	4	4
Deduct Appropriated Duties	39,879	7	8½
	12,959,700	16	7½
From 5 Jan. 1789, to 5 Jan. 1790, exclusive of Appropriated Duties	13,366,937	15	4¾
From 5 Jan. 1790, to 5 Jan. 1791, exclusive of ditto	13,816,738	6	0¾
	64,817,420	16	6¾
Profit of Lotteries	1786	£188,750	0 0
	1787	256,875	0 0
	1788	270,600	0 0
	1789	271,562	10 0
	1790	290,937	10 0
		1,278,725	0 0
Five Years Land and Malt Taxes, each year £2,750,000		13,750,000	0 0
Deduct Deficiency	1786	£409,405	4 8½
	1787	437,297	3 4¾
	1788	360,730	11 1¾
	1789	371,183	7 0¾
	1790	455,147	4 10
		2,033,763	11 1¾
		11,716,236	8 10¾
Voted out of the Sinking Fund	1786	1,211,470	15 10¾
Ditto	1787	1,226,072	2 11½
Ditto Consolidated Fund	1788	589,162	15 2½
		3,026,705	14 0¾
		80,839,087	19 6¾

EXTRA RECEIPTS, NOT REVENUE.

1786 from East India Company, Respited Duties	£522,400	8	1
1789 Ditto - for Troops	300,000	0	0
1790 Ditto - Ditto	200,000	0	0
	1,022,400	8	1
Savings Land Forces 1784, 1785, and 1786	670,810	4	6
Imprest Monies, and Arrears of Land and Malt, 1786, 1787, and 1788 (A)	376,894	13	11½
Ditto Ditto and French Prizes, 1789, and 1790	143,070	7	7½
Surplus 6d. per pound Pensions, &c. 1786, and Chelsea, 1785	193,877	17	8½
Secret Service Money, 1788, repaid	34,000	0	0
	2,441,053	11	10¾
	83,280,141	11	4¾
	3,487,186	11	8¾
	£86,767,328	3	0¾
Deficiency of Income in five years			

NATIONAL EXPENDITURE.

Civil List, Interest of National Debt, and Million for Purchase of Stock, 5 Jan. 1786, to 5 Jan. 1787	Interest Civil List, &c. ¼ of Million	£9,277,407	16	1½
		966,983	4	3¾
		750,000	0	0
		£10,994,391	0	5¾
Ditto. 5 Jan. 1787, to 5 Jan. 1788	Interest Civil List, &c. Million	9,276,661	5	11½
		990,088	0	4½
		1,000,000	0	0
		11,266,749	6	4
Ditto. 5 Jan. 1788, to 5 Jan. 1789	Interest Civil List, &c. Million	9,276,221	16	2½
		1,001,759	0	2¾
		1,000,000	0	0
		11,277,980	16	5¾
Ditto. 5 Jan. 1789, to 5 Jan. 1790	Interest Civil List, &c. Million	9,283,108	0	3¾
		1,009,573	11	8
		1,000,000	0	0
		11,292,681	11	11¾
Ditto. 5 Jan. 1790, to 5 Jan. 1791	Interest Civil List, &c. Million	9,289,625	7	2½
		1,007,385	16	6¾
		1,000,000	0	0
		11,297,011	3	8¾
Interest on Tontine and Long Annuities				42,862 0 0
Ditto on £5,500,000 Exchequer Bills	1786	223,455	2	11
	1787	145,786	8	4
	1788	181,419	6	7½
	1789	186,714	14	2½
	1790	176,768	13	7
		914,144	5	8
Navy, Army, Ordnance, and Miscellaneous Services, from 1 Jan. to 31 December				57,085,820 4 7
	1786	5,522,176	17	11
	1787	4,683,420	15	7¾
	1788	5,389,756	13	2¾
	1789	5,302,441	3	10¾
	1790	5,340,383	3	9¾
		26,238,178	14	5¾
Deficiency of Grants 1785, made good in				83,323,998 19 0¾
Ditto, voted into Sinking Fund	1786	127,138	3	2½
Ditto, - Ditto	1786	1,285,064	18	3¾
Ditto, - Confolidated Fund	1787	1,435,392	15	4¾
	1788	578,732	14	7½
Ditto, - Mint	1786 and 1787			3,426,328 11 6
				17,000 12 6
				£86,767,328 3 0¾

(A) Report 1791, Appendix F, No. 2, states an Account of all Sums paid into the Exchequer, or applied to the Public Service, from 6 Jan. 1786, to 5 Jan. 1791, not being Customs, Excise, Stamps, Incidents, Lottery, or annual Land and Malt.

The Amount of 1786 being £175,408 7 3¾

1787 — 102,427 15 5¾

1788 — 94,182 12 10

£100,000 more India Company, part of Ways and Means of 1781.

372,018 15 6¾

If this Account is right, that signed Thomas Steele, dated Treasury Chambers, June 25, 1789, is wrong; and if this is all, we have given credit for £172,307 too much.

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The foreign secret service money deducted from the year 1789 must be added, because 34,000l. repaid, is applied to the current service

Brought over £3,317,93

182,000

Of this deficiency, the Loans of 1789 provided for

3,499,093

1,189,140

The remaining deficiency must either be an anticipation of the revenue of the following year, or payments postponed, which is the precise same thing

£2,309,953

Thus we have seen that with the assistance of 2,487,186l. extra receipts (from East-India Company, &c.) and a new debt created of 2,309,953l. making together 4,797,039l. the sum of 3,560,860l. has been laid out (46) in the purchase of stock, the interest of the new debt created by the borrowing only 1,189,140l. has been 56,863l.— whilst the sum of 4,750,000l. invested (of which 4,500,000l. was actually laid out) in the Three per Cents. with the addition of all the accumulated dividends and annuities that have fallen in (47) has been only on balance 143,307l. 10s. per annum at the end of four years and a half, exclusive of increased Navy Debt.

(46) £4,750,000	laid out.
1,189,140	borrowed.
3,560,860	laid out on balance.
14,001	Short Annuity.
42,862	Tontine and Long Annuity.
56,863	
Charges on consolidated Fund £ 3000	
59,863	

(47) Report. Appendix Y. No. 1.

Annuity purchased	£203,170 10 0
Annuity increased by Loans 1789 with Charges	59,863 0 0
The Balance	£143,307 10 0
is the Annuities diminished by the purchases.	

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The purchases have been made at the rate of 76l. 7s. 6d. for three pounds a year, or at less than 4l. per cent. whilst the sum of 1,002,140l. is borrowed (to lay out in the same stock) at the rate of more than 4½ per cent. per ann. the charge of 3000l. on the Consolidated Fund (48) being added to 42,862l. the interest of Tontine and Long Annuities.

There cannot be any measure more dangerous, than that of over-rating the Income and under-rating the Expenditure of the country.

Alterations in the receipt of the public revenue, or postponing the payment of the public expences, will produce a temporary but not a permanent increase. In 1789, the assessed taxes were directed to be collected, half-yearly at Michaelmas, by which the revenue obtained an apparent increase, but fell back again in 1790, as will appear from a comparison of the years (49) 1788 with 1789, and 1790.

ASSESSED TAXES.

	1788.	1789.	1790.
Male Servants	£93,068 2 9¾	103,558 19 2¾	88,929 7 0¾
Female ditto	30,740 13 4¾	36,881 4 11	28,464 5 10¾
Four-wheel Carriages	124,977 9 0¾	149,148 11 1	141,055 15 0½
Two-wheel ditto	26,419 14 2¾	34,394 4 3¾	29,803 3 1¾
Horses	108,067 7 1½	114,745 3 2¾	98,621 6 0½
Waggons	19,683 3 8¾	23,472 8 8	14,596 11 4
Carts	10,909 19 1½	11,910 3 1½	9,734 16 1½
Houses and Windows	383,355 3 2	427,717 0 0¾	360,651 17 9½
Houses	124,089 1 11½	157,133 6 4¾	123,970 14 4¾
Commuted Windows (50)	505,916 8 8½	552,345 9 6¾	479,006 11 2½
	£1,427,227 3 3¾	1,611,306 10 5¾	1,374,834 8 0¾

(48) This is excluding the Dutch Loan, for which the public pays £14,001 per annum, or about 7½ per cent. for the Money, to lend it to Holland at 4 and 4½ per cent.—The Annuities expire in 181 Years, the Taxes to pay those Annuities are *for ever*.

(49) Report 1791. Appendix, A. No. 1.

(50) Report 1791. Appendix, C. No. 1.

By

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By this measure the Revenue was increased in the year 1789, 184,079l. but fell back (51) in the year 1790, 236,472l.

There is every reason for thinking, that the last quarter of the year 1790, swelled more than 500,000l. above the corresponding quarter of 1789; by particular exertions and particular circumstances, will, in like manner, fall back in the present year, of which the proof we have given (52) of the quarter ending 5th April 1791, is sufficiently satisfactory.

The Report labours (53) to prove, that the estimate of the Report of 1786 had been verified, and states an Increase above the Estimate of 15,414l. but then there is included in that statement the additional taxes on Four-wheel Carriages, and on Horses in 1789, admitted to have amounted to more than 30,000l. besides which, the collection of Assessed Taxes in 1789, [above what had been usual, was 184,000l. If those sums were deducted from the account, the pretended increase immediately vanishes.

We will now bring into one view what has been the actual Expenditure of the last five years, and compare the estimated expence of the Committee of 1786, under the heads of Navy, Army, Ordnance, and Miscellaneous Services therewith.

1786 Navy, Army, &c.	£5,522,176 17 11
1787	4,683,420 15 7¾
1788	5,389,756 13 2¾
1789	5,484,441 3 10¾
1790	5,340,383 3 9½
	£26,420,178 14 5¾

(51) A much stronger reason for the addition of 10 per cent. on those taxes, than the armament against Spain.

(52) Page 87.

(53) Report 1791. Appendix, C. No. 1.

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Average

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Average actual Expenditure	-	5,284,035
Estimated Expenditure of the Committee of 1786	-	3,822,274
		<u>1,461,761</u>
Deduct Loyalists payments (54)	-	267,275
Actual expenditure, more than estimate of 1786	£1,194,486	per annum.

Let us now see what the Committee of 1791 have estimated those services at.
The actual expenditure of Navy, Army, Ordnance, and Miscellaneous Services, on average of five years - £5,284,035

The Estimate of the Committee of 1791.

Navy	-	£2,000,000
Army	-	1,748,842
Ordnance	-	375,000
Miscellaneous Services	-	128,416
		<u>4,252,258</u>
		1,031,777
Deduct the Loyalists payments, average of five years	-	267,275

Actual expenditure of the last five years more than estimated by the Committee of 1791 - 764,502

Leaving out the Lottery (55) on one side and the payments that have been made to the Loyalists on the other, the following is the statement of the

(54) Report 1791, Appendix. Average of five years payments.

(55) Average Receipts from the Lottery for 5 years	£255,745	0	0
Average Payments to Loyalists	267,275	0	0

Income

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Income and Expenditure, as estimated by the Committee of 1786; the Committee of 1791; and the actual Income and Expenditure on the average of the last five years.

INCOME.

	Report 1786.	Report 1791.	Average of five years, 1786 to 1791.
Permanent Taxes	£12,797,471	13,472,286	12,963,484
Land and Malt	2,600,000	2,558,000	(a) 2,537,247
	<u>£15,397,471</u>	<u>16,030,286</u>	<u>15,500,731</u>

EXPENDITURE.

Interest of Public Debt	£9,275,769	9,317,972	9,290,413
Exchequer Bills	258,000	260,000	(b) 103,000
Civil List	900,000	898,000	(c) 182,828
Charges on Consolidated Fund	64,600	105,385	896,200
Navy	1,800,000	2,000,000	94,950
Army	1,600,000	1,748,842	2,330,508
Ordnance	348,000	375,000	1,927,925
Militia	91,000	95,311	454,884
Miscellaneous Services	74,274	128,416	91,000
Appropriated Duties	66,538	40,252	(d) 303,436
	<u>£14,478,181</u>	<u>14,969,178</u>	<u>15,675,144</u>

(a) Average of 5 Years Land and Malt	-	-	-	-	£2,343,247	0	0
Add Interest	-	-	-	-	103,000	0	0
Militia	-	-	-	-	91,000	0	0
					<hr/>		
					£2,537,247	0	0

(b) Interest on Exchequer Bills issued on Land and Malt Report 1786.

(c) Interest on £5,500,000 Exchequer bills: Those two Sums prove the Report 1791 has estimated Exchequer bills too low £25,828.

(d) This is exclusive of £267,275 average of Payments to Loyalists.

(e) Appropriated Duties not being added to the Income is not set down on the Expenditure Side.

From

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From which it is evident that the Report of 1791 estimates the Expenditure higher than the Report of 1786 in the sum of - - - £490,997

That the average Expenditure of the last five Years has exceeded the estimate of 1786 (56) - - - - - £1,196,963

That the average Expenditure of the last five Years exceeds the estimate of 1791 (57) - - - - - £705,966

That the average Produce, during the last five Years, of the Taxes imposed *previous* to the year 1786, *has fallen short* of the Amount expected by the Committee appointed in the year 1786, to examine the public Income and Expenditure, in the following sums:

In 1786	less than Estimate	(58)	-	£970,645
1787	on Average of two years	do.	-	534,264
1788	on Average of three years	do.	-	388,980
1789	on Average of four years	do.	-	232,220
1790	on Average of five years	do.	-	75,426

That the Land and Malt Taxes have not in any one of the last five years produced the net sum of 1,972,000l. Land Tax, and 597,171l. Malt Tax, making together 2,569,171l. Or, on the average of five years has produced the net sum of 2,406,000l. allowing 91,000l. for Militia, and 103,000l. for interest on Land and Malt Exchequer Bills.

That the Committee of 1786 estimated the Land and Malt Taxes above the average produce of five years - - - - - £62,000

That the Committee of 1791 has estimated the Land and Malt Taxes above what the produce on average of the last five years warranted - - - - - £20,000

That the total net produce of the public income upon an average of the last five years, viz. from 6th Jan. 1786, to the 5th Jan. 1791, has amounted annually to the sum of - - - - - £15,500,731

(56) To which if we add the amount of appropriated Duties as estimated in 1791, £40,252, the estimate of 1786 will have fallen short of the Average Expenditure £1,237,215

(57) On the same Ground of adding the appropriated Duties, the amount would be £746,218.

(58) Page 91.

That

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That the Expenditure during the same period, exclusive of the American Loyalists, or armament 1790, but including the Militia, and money paid the Commissioners for purchases of stock, has amounted annually to the sum of (59) - - - - - £16,650,144

That the Average Excess of Expenditure beyond the Average Income, exclusive of Payments to Loyalists or Armament 1790 during the above period, has amounted annually to - - - - - £1,149,413

That the amount (60) of the National Income, including the profit of Lotteries, the Net produce of Land and Malt, and the sums voted out of the Sinking and Consolidated Funds was in 5 years the sum of - - - - - £80,839,088

That the Expenditure of the five Years, including the postponed Quarter of Long Annuities amount 170,093l. the Army Extraordinaries of 1789 amount 398,769l. 1s. 3d. the sums voted into the Sinking and Consolidated Fund, deficiency of Grants 1785 and Mint 1786 and 1787, but exclusive of £182,000 secret service money of 1789, amount to - - - - - £86,767,328.

That the Expenditure exceeded the Income those five Years, the sum of - - - - - £5,928,240.

That the extraordinary receipts applied towards the excess of Expenditure were 2,441,053l. 11s. 10d. which, deducted from the excess of Expenditure, leaves a deficiency of - - - - - £3,487,186

That the two Loans of 1789, by way of Tontine, (most part changed to Long Annuities) amount to 1,002,140l. and Short Annuities amount to 187,000l. making together 1,182,140l. reduced the deficiency to (61) - - - - - £2,298,046

That the only statements like accounts of past transactions, are the Distri-

(59) Exclusive of the addition to the Navy Debt, as it stood on the 5th of Jan. 1786, and on 5th Jan. 1791.

(60) National Income and Expenditure five Years.

(61) There cannot be any thing plainer than an account stated Debtor and Creditor. This deficiency may be kept out of sight for a long time by playing off one account against the other.

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bution Papers which are not brought forward (62) for a long time after the end of the year, and which apply only to the expences of the Navy, Army, &c. but do not state the interest of National Debt, Civil List, &c.

That the Consolidated Accounts, and the Account as stated in the Distribution Papers, should be brought into ONE ACCOUNT, and the state of that Account should be made up immediately after the 5th of Jan. every year, for the satisfaction not only of the stock-holders, but the people at large.

That the Report of 1791 admits, that Extraordinary Resources, exclusive of profit of Lotteries and Loans 1789, amounted to - - - £3,789,273

Consisting of the following particulars:

From respited duties paid in by the East India Company (63) - - -	522,400
From Arrears of Land and Malt prior to 1786 - - -	146,342
From sums remaining in the Exchequer on 5th January 1786 - - -	1,172,119
From Imprest and other Monies repaid (of which 500,000l. from the East India Company) - - -	820,165
Foreign Secret Service Money - - -	34,000
French Prizes - - -	3,000
Army Savings, and Chelsea - - -	1,091,147
	<u>£3,789,173</u>

Taking the Income of the *three* last years, *though the largest* of the five, the *future average* of Income and Expenditure might have been stated in the following plain manner:

(62) 1786 on 19 April 1787.
1787 on 23 April 1788.
1788 on 8 May 1789.
1789 on 13 April 1790.
1790 on 15 April 1791.

The Distribution Paper of 1755, was presented 19th January 1756, and of 1767, was presented 2d February 1768.

(63) Report 1791, page 10, has stated this receipt 100l. too much.

INCOME.

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INCOME

Of three years - - -	£40,143,375
Average - - -	£13,381,125
Nett produce of Land and Malt, on average of five years (64) - - -	2,343,247
	<u>15,724,372</u>
Lottery average of five years - - -	255,745
	<u>15,980,117</u>
Deficiency - - -	838,621
	<u>£16,818,738</u>

EXPENDITURE.

Interest of National Debt, including Tontine, Civil List, Million laid out, and 12,000l. to Duke of Clarence - - -	£11,351,873
Navy, Army, &c. on average of last five years - - -	5,284,035
Interest on Exchequer Bills on same average - - -	182,828
	<u>(64*) £16,818,738</u>

From which it appears that the future income (exclusive of Lottery 255,745l.) is likely to produce - - - £15,724,372

And the future Expenditure, exclusive of 267,275l. payments to Loyalists, will probably be - - - 16,551,463

Expenditure may be expected to exceed the future Income, independent and exclusive of any provision for the Spanish or Russian Armament - - - £827,091

(64) See page 96.

(64*) The Expenditure of 1791 affords no better prospect than 1790.

Navy (after deducting 6,000 men 312,000l.) - - -	£2,131,400
Army - - -	1,859,483
Ordnance - - -	443,673
Miscellaneous - - -	708,998
Exchequer Bills - - -	182,828
Deficiency Land and Malt - - -	406,753
Interest of National Debt, &c, - - -	11,351,873
	<u>£17,085,008</u>
To answer which, the Average produce of Taxes - - -	£13,381,125
Land and Malt - - -	2,750,000
Lottery 1791 - - -	306,250
	<u>16,437,375</u>
Deficiency - - -	647,633
	<u>£17,085,008</u>

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ARMAMENT

[106]

ARMAMENT 1790

Was hastily and intemperately entered into, on very trifling grounds, (65) and after great expence incurred, great interruption to the commerce of this country, by taking the seamen from the merchants' ships, extra expence in seamen's wages, and in insurance, the dispute between the two Courts was settled—much in the same way it might have been, without any expence whatever.

In the last session, of the last Parliament, a million had been granted by a vote of credit towards the Armament, and as soon after the meeting of the new Parliament (66) as might be, it was stated that the million had been applied.

To augmentation of the Navy	-	-	£650,000
Army (68)	-	-	200,000
Ordnance	-	-	150,000
			<u>£1,000,000</u>

It was stated about the same (67) time that the expence of the Armament had been as follows :

Navy	-	-	£2,465,000
Deduct Stores unconfumed	-	-	250,000
			<u>2,225,000</u>
Vote of Credit	-	-	650,000
			<u>1,565,000</u>
Army	-	-	224,000
Vote of Credit (68)	-	-	160,000
			<u>64,000</u>
Ordnance	-	-	301,000
Vote of Credit	-	-	150,000
			<u>151,000</u>
Carried over			£1,780,000

(65) The declaration of the Court of Spain, of the 4th of June 1790, states, that "if the Court of London had made an amicable return to the complaints made by his Catholic Majesty, relative to those merchants, whom Spain regards as *usurpers* and *violators of Treaties*, and had shewed any desire to terminate the affair by an amicable accommodation, a great deal of unnecessary expence might have been saved."

(66) On the 25th November Parliament met.

(67) On the 15th December.

Provisions

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	Brought forward	£1,780,000
Provisions	-	81,000
Vote of Credit (68)	-	40,000
		<u>41,000</u>
Remained to be provided for	-	1,821,000
Vote of Credit	-	1,000,000
Six thousand additional Seamen (69)	-	312,000
		<u>£3,133,000</u>

The provision for this monstrous expence, was by a vote for 1,300,000l. to be raised by Exchequer Bills, and charged on the Consolidated Fund; and by a second vote for 1,833,000l. Exchequer Bills, to be borrowed from the Bank of England; the whole sum to be borrowed on Exchequer Bills was 3,133,000l.

The most material business was still to do, namely, providing the means of repayment of the money so raised; from the people at large.

There were three different ways, in which this could be done. The first and best was to have sold as much of the stock that had been purchased with the public money, as would have defrayed the whole expence; in which case, no new tax or imposition whatever would have been necessary.

The second mode, was by adverting to the practice of the last hundred years, by funding the debt, and imposing taxes to the amount of the interest of the debt so funded, which might have been done at the rate of 4 per cent. or 120,000l. a year for the loan of 3,000,000l.

The third mode, *a new one*, the worst and most dangerous to the real security of the Stockholder, the Landholder, and Manufacturer, was to impose taxes to the amount of 800,000l. a year, under the pretence of discharging the expence in four years.

A question naturally arises here. *Could the Representatives of the People, consistent with their duty, agree to depart from the practice of Funding, without first consulting their Constituents?* Did they consult and obtain from their Consti-

(68) This division of Services has a fine effect, in puzzling country Gentlemen.

(69) On the 6th of December, in a Committee of Supply, 24,000 seamen, including 4,800 marines, were voted for service of 1791: on the 16th December 6,000 seamen were to be provided for in a different way; thus dividing and puzzling the business.

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tuen^ts *their consent* to this (70) *new mode of imposing taxes*? Were the taxes so imposed, declared in the different acts to be for *four years*, and no longer? The answer to those questions must be, that in no one instance did they consult their Constituents—that such consent was never given; and that in no one of the acts together imposing new taxes, to the amount of EIGHT HUNDRED THOUSAND POUNDS A YEAR, is there any limitation to the term of *four years* (70*)

The taxes imposed are as follow :

On Malt (private families) 3d. a bushel, estimated to produce,	
per annum (71)	£126,000
Brandy, Rum (72) and British Spirits	235,000
Affessed Tax (73)	100,000
Additional duty of 2s. 8d. per cwt. on raw sugar imported from the West Indies	241,000
Carried over	£702,000

(70) Some of the taxes were pushed through with uncommon celerity—the tax of three-pence per bushel on Malt. The additional duty of one penny per gallon on Wash; ten-pence per gallon on Brandy; Eight-pence per gallon on Rum; and ten per cent. on the Assessed Taxes, except the Commutation Window Tax, were first moved for on the 15th December, and the bills received the Royal assent on the 29th following, which is just fourteen days to impose taxes, to the amount of 460,000l. a year.

(70*) With taxes that bow down to the earth the Labourer, the Mechanic, and the Manufacturer, the first measure of a new Parliament has been to lay on such further burthens, as must eventually ruin the commerce of this country; with an export of silver to China, unknown before 1784; with the necessity of a coinage every day to supply the gold that is drawn away; with an extension of paper currency, in every town and village in the kingdom (which proves the diminution of gold in the country) with a demand for the first necessary of life (corn) almost unprecedented; with the prospect of the ensuing crop being a very bad one. The country is told, you have nothing to fear whilst three per cents. are at 82½: as well might the South Sea Stockholder, in the year 1720, when the price was 1000 per cent. or the more recent instance of the East India Stock in 1772, when at 260 per cent. be produced as a proof of national prosperity. The bubble has burst twice; beware the third time.

(71) The public Brewer is exempt by having a drawback. If twelve families out of thirty-nine cease to brew, this new duty will not produce any thing.

(72) Rare news for the Smugglers! will probably be found by increase of smuggling, to diminish the revenue.

(73) This tax is made retrospective; the act passed on the 29th December 1790. On the 5th April 1791, half a year is to be paid.

Brought

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Brought forward	£702,000
Game Licenses one half additional; Gamekeepers double	26,000
Additional Stamps on Bills of Exchange, Inland Bills, and regulation of Receipt Stamps (74)	72,000
	£800,000

One of the most extraordinary means of reimbursing the Consolidated Fund, was to take from the Bank of England 500,000l. of unpaid dividends, which unquestionably did not belong to government; because, the money had been issued for the sole purpose of paying the public annuitants; nor to the Bank, because the money was received by them for that express purpose. The property, therefore, was unalienably that of private persons, whose names and places of residence were well known, and stood registered in the Books kept at the Bank.

It reflects no honour on government, who must have known from time to time, that there was a large sum accumulating, (74*) that measures were not taken to *oblige* the Bank of England to publish the names and places of residence of the owners of that money; and it is certainly matter of great blame on the Directors of the Bank of England, that they did not, without the interference of Government, cause from time to time lists to be hung up in the different offices, that all persons interested might be enabled to receive the money that was due to them.

The Directors of the Bank of England, however, have taken upon themselves to bargain with Government for the loan of 500,000l. the *property* of which, it is *confessed*, is not in them; and although they had the means in their power, they have not in any shape whatever attempted to obtain the consent of the right and lawful owners.

That the security is changed, is evident to the understanding of every individual. The money was formerly in the *stage next* to the owner; it is now placed *a stage further back*. And it is now become the interest of Government to throw obstacles in the way, which in the former situation was impracticable, if the Bank acted honestly,

(74) Estimated by Mr. Pitt to produce 300,000l.

(74*) Report 1786 states the Unclaimed Dividends as a resource; the measure therefore of seizing on this private property was decided on, as far back as that date.

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The measure of applying such monies to the current service, is a breach of public faith, especially when it is considered that this country never (after eight years peace) had such an

UNFUNDED DEBT.

There can be no doubt about the Exchequer Bills in the Bank and in circulation, being - - - £5,500,000

Two years due to the Bank on Land and Malt, being for interest, Militia, and Deficiencies, which, on average of the last five years, is - - - 812,000

Army Extraordinaries two years in arrear - - - 730,000

Exchequer Bills lent the East-India Company in 1783 - - - 300,000

Navy and Victualling Debts, sixteen months unpaid on the 31st of December 1790, which contained that part contracted by the Armament 1790, and therefore cannot be estimated at less than (75) - - - 3,000,000

Loyalists' Debentures, bearing $3\frac{1}{2}$ per Cent. Interest on the 10th of October 1790 - - - 1,546,000

Loyalists' Payments and Pensions, 54,211. per annum, at ten years purchase, value - - - 542,000

Civil List Debt, as on the 2d of July 1789 - - - 307,000

Dividends due, but not payable in the half year, ending 5th April and 10th October, 1,800,000. and in the half year, ending 5th January and 5th July, 2,160,000. for which there formerly was a reserve (76) made in the Exchequer, that, by the Consolidating Act, no longer exists, on average - - - 990,000

Exchequer Bills issued by vote of the 16th December, on the credit of the Consolidated Fund, and borrowed of the Bank - - - 1,300,000

Do. issued by the vote of the 16th December to be borrowed of the Bank - - - 1,833,000

Duncan Campbell, Esq. for a debt contracted by postponing the payment due to him in 1787, which is taken at the charge of 1791 - - - 41,000

(75) Navy and Victualling Debt on the 31st of Dec. 1789, amounted to 2,677,000. when no such exertion and consequently expence of arming existed.

(76) Report 91, page 26.

By

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Brought forward £16,901,000

By paying only three quarters (77) of a year of Long Annuities in 1786; on the 5th January 1791, there was due one quarter, being so much postponed payment - - - 170,000

The drawbacks and bounties of the Customs, formerly reserved, but now paid out of the growing duties, forms a new debt of about - - - 600,000

The drawbacks of the Excise having been put on the same footing, may be estimated at - - - 200,000

£17,871,000

Present total of unfunded debt, exclusive of the expences of armament against Russia, which will probably make the whole unfunded debt - - - £20,000,000

In the year 1770, the Unfunded Debt consisted of 1,800,000. Exchequer Bills.

It never can be believed that this system of conducting the finances can have been pursued without a meaning.

If the present Administration mean to keep the power they possess, they cannot take stronger measures than those they have taken, of rendering the situation of such persons as might succeed them, so difficult, that honest men, knowing the situation of the country, and having character to lose, must refuse to undertake the conduct of public affairs.

All Government that is formed or carried on upon any other principle than the good of the governed, is Tyranny. There is no part of Government so material, as the imposing Taxes. A ploughman at the plough tail is equal to the first Minister of State, if that Minister has no other rule for his Conduct, than that when more money is wanted, more Taxes must be imposed—Such a ploughman of a Minister, might know, that Taxes increase every necessary of life, and render the expences attendant on Government much higher than the proportion of the produce of such impositions—By new impositions in order to increase revenue, such a Minister will find, he is flying from his shadow—But is there no Consideration, respecting the operation of *new Taxes* on the *Commerce* and *Manufactures* of the Country? Have not many branches of Manufactures emigrated to Scotland to avoid the great burthen of Taxes in England? Pursue them with new

(77) Report 91, page 26.

impositions,

impositions, and they will soon emigrate to countries less taxed;—all the Taxes that have been imposed during the present Administration, were they doubled, would never bring them back to England again.

The *Amount* of Taxes imposed since 1783 are as follow :

In 1784 Taxes were imposed for £930,000 a year

1785	-	do.	-	553,000
1786	-	do.	-	100,000
1787	-	do.	-	170,000
1789	-	do.	-	110,000
1790	-	do.	-	800,000

£2,663,000

And yet with all those immense burthens, the Expenditure has constantly exceeded the Income.

If this accumulated load of unfunded debt (78) is against the public annuitants, let the one hundred and twenty-nine thousand possessors of the public funds look to that; funding it in the way that was practised in 1784 and 1785, will ruin the manufactures and commerce of this country, and consequently public credit. The Select Committee of 1786 state, that a further considerable increase in the then subsisting taxes, *beyond their estimate*, might be expected. “If the due collection thereof could be secured by measures adequate to the purpose,” and “such as would probably afford an ample provision for any deficiencies, which might at any time be found in certain extraordinary resources.”

Has not every measure been tried that could possibly be conceived as conducive to an increase of Revenue? Have not the Excise Laws been extended beyond all former precedent? and is not the extension of those Laws an abridgement of the liberty of the subject? Montesquieu (79) says, “It is a *general rule* that Taxes may be heavier in proportion to the *Liberty of the Subject*, and that there is a necessity of reducing them in proportion to the increase of *Slavery*.”

(78) The Report of the Select Committee of 1782 states the unfunded debt at the sum of 18,662,000*l.* which was then considered as dangerous to public credit. 11th Report of Commissioners of Public Accounts, Appendix, No. 39, state the whole unfunded debt at 18,856,541*l.* which it was said kept down the public funds so low as 54 per cent. With a *larger* unfunded debt, by management, the price of the same stock is at 82 per cent.

(79) Spirit of Laws, Vol. I. Book 13. Chap. 12.

F I N I S.