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C A S E

OF THE

LOWLAND DISTILLERS:

HUMBLY SUBMITTED TO THE

C O M M I T T E E

APPOINTED TO

INVESTIGATE THE PARTIAL EXEMPTION

IN FAVOUR OF THE

HIGHLANDS OF SCOTLAND.

L O N D O N :

PRINTED IN THE YEAR 1798.

C A S E

OF THE

LOWLAND DISTILLERS.

WHILST the Duties on Spirits manufactured in *Scotland*, continued to be levied by the Excise on the Quantity distilled, they were so universally evaded, and so expensive in the Collection, that they could hardly be considered as an Object of Revenue.

A Committee of the House of Commons, appointed in 1782, for inquiring into Abuses in the Revenue, describe this Evil in strong colours; but no other remedy occurs to them, than to remove an Exemption from Duty enjoyed by the Estate of *Ferrintosh*, in the Shire of *Inverness*, under colour of which an immense quantity of Unexcised

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excised Spirits was circulated through the Kingdom. This injurious Exemption was bought up by Government for a large sum of Money; and thus all the Distillers in *Scotland* would have stood on an equal footing, provided it had been found possible to check the Unlimited Smuggling of the Petty Stills, which abounded in all parts.

SUCH was the extent of this Mischief, which no severity of the Excise could correct, that from the year 1761 to 1780, the Revenue from all the Spirits Distilled in *Scotland*, never rose higher than from 5600l. to 7000l. per ann.; and from 1780 to 1786, there was in reality no Duty recovered at all; for the apparent Revenue of Thirty or Forty Thousand Pounds in those Years, arose from Spirits sent to the English Market, whilst the whole Consumption of *Scotland* (as great as it has ever been since) was supplied literally by the Smugler.

At length, in the year 1786, a Regulation was adopted, of the highest Political

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dom, by which the Tax on the Spirit was taken off, and a Duty, by way of Annual License, imposed on the Still itself, according to the number of Gallons it should contain.

By this Regulation, the Honest Trader was relieved from vexation, and a large efficient Revenue obtained without trouble or expence. But unfortunately, the grand principle of the Measure was departed from in the outset, and a Partial Exemption in favour of the Highlands was yielded to the solicitation of the Proprietors of those Districts.

For this purpose, a Line was supposed to be drawn across the Country, from the Mouth of the *Clyde* to the *Murray Firth*; on the South of which the Gallon of Still was charged with a Duty of *Thirty Shillings per ann. and only Twenty Shillings* on the North. And, as a sort of Equivalent, the Highland Distiller was prohibited from drawing his Barley from the Southern Division, or exporting his Spirits thither. He was also limited in the Size of his Still,
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and the Quantity of Malt, for which, however, he paid no Duty.

THIS trifling Inequality was submitted to with no great reluctance by the Lowland Distiller, who was well satisfied with the general effect of the Measure, in preventing the unbounded Smuggling which had formerly prevailed.

By and by, however, the Lowland District was charged *Three Pounds* per Gallon, the Highland Duty remaining unaltered. In 1793, the Highland License was raised to *Thirty Shillings*, and the Lowland to *Nine Pounds*. Afterwards another Advance took place, which doubled the Lowland Duty; and last year it was raised to the present enormous amount of *Fifty-four Pounds*; the North paying no more than *Six Pounds Ten Shillings*, excepting a narrow intermediate District which is raised to *Nine Pounds*.

THE consequence of this monstrous Inequality, was what might easily have been anticipated. The Highlands immediately became one immense Distillery, and poured their

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their Spirits on the Lowland Districts. The Line of Demarcation was occupied by numerous Adventurers from all parts, who enriched the Proprietors of the Ground for so lucrative a Privilege; and in a short time, Two Hundred Stills, working day and night, smoked on this *Consecrated Border*.

EVEN so early as 1794, the Highland District, with a Population not greatly exceeding 300,000 People, had a License for near *Eleven Thousand Two Hundred Gallons*; while the Lowland Division, containing 1,400,000 Souls, had entered only *Ten Thousand Two Hundred*; which in the following Year were reduced to *Eight Thousand Six Hundred*, and those of the Highlands increased to *Thirteen Thousand One Hundred*. Of these, no less than *Seven Thousand Five Hundred* were situated on the Boundary, and employed in working entirely for the Lowland Market, which is now so completely filled, that many of the Highland Distillers themselves have been induced to discontinue their Licenses, until the progress of Consumption shall have renewed the Demand.

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THIS accounts for the present low entry of the Highland District, which does not exceed 5000 Gallons. That of the Lowlands is exactly 4054, and must rapidly decrease, because the Surplus of Stock created by the Highland Distiller, is in the hands of the Dealers, while that of the Lowlander remains a burden in his own.

UNDER these circumstances, the Lords Commissioners of the Treasury have very laudably instituted an Inquiry, through the medium of the Board of Excise in *Scotland*, into the Nature and Extent of the Evils complained of. That Board has accordingly collected the opinions of as many Distillers on either side of the Boundary as chose to explain themselves, together with the Information supplied by the Collectors of the Duty; which are printed and laid before the Committee.

IN this Report, Letters are not wanting from Highland Distillers (and several of them couched in the very same words), justifying the Exemption in their favour by the common-place arguments of the

Poverty

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Poverty of their Grain;

High Price of Fuel;

Comparative slowness of their mode of Working;

Inferiority in Skill; and the

Restriction to Stills of small contents.

Some of them also pretend to give Statements of their Trade, exhibiting a Loss instead of Profit; and others, with singular modesty, complain of the Competition of the Lowland Distiller in their own bounds.

Now the truth is, that while the Duty is charged on the Still, and not upon the Grain (and they are exempted from the Malt Tax), the *inferiority of the Barley* is not of the smallest consequence in Distilling. It affects in no degree the Strength of the Wash which produces the Spirit; and if a greater quantity of such Grain is necessary, the price is proportionably smaller. Accordingly, the Lowland Distillers uniformly use the worst Barley in the Country, and such as can be employed to no other purpose.

WITH regard to *Fuel*, it is well known that many parts of the Highlands are as well

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well supplied with Coals as the Low Country; and in no part is inequality to be compared with the difference of the Price of Labour in the two Districts.

As far as *celerity of working* is concerned, it will be sufficient to state, that it is an advantage merely in idea; because it depends entirely on the degree of strength of the Wash employed. One Still may be worked much faster than another, if the Wash be not so strong; but in that case, less work is in reality performed.

THE question of *Skill* is what cannot be made the subject of Legislative Provision. Superiority of Skill applies only to Individuals, not to Regions. It springs from Industry or from Genius, and therefore ought not to be depressed. But, in point of Fact, there is no deficiency of Skill in the Highland Districts; for, besides the long experience of the Native Manufacturers, many of the most skilful men belonging to the Lowland Distilleries have been attracted to the North of the Boundary, by the strong inducements it holds out.

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out. As for those who pretend they can only draw from the Malt one half of the proportion of Spirits which others do, they deserve no other answer but that they should not persist to waste the Grain.

It is mere affectation in the Highlander to complain of the *restriction to a small Still*. The Lowlander is prohibited from using one smaller than 52 Gallons; and the two Highland Districts must use them of no greater size than 40 or 30 Gallons respectively. Now it is well known, that a small Still is much more advantageous than a large one, in the proportion of their content; and on this ground the Lowland Distillers would be extremely well pleased to be included in the Highland Restriction.

It will not be supposed that the great body of *Lowland Distillers* are influenced by any mean or invidious desire of encroaching on the rights of the *Highlander*. On the contrary, they would be perfectly contented to see the whole Northern District supplied with its own Spirits, free from Duty, if by any means it could be pre-

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prevented from being smuggled to the South. But while the Duty remains unequal, this never can be restrained.

THE whole of the Report proves the magnitude and the extent of this Evil. But it is sufficient to refer to the testimony of Mr. CORBETT, Collector of *Glasgow*, a Man wholly free from interest in the question; who possesses a great understanding; and from having been above ten years General Surveyor of the Distillery both in the Highlands and Lowlands, must know more of the situation of both parties than any other Practical Officer whatever. In his Letters to the Commissioners, in the 29th page of the Report, after speaking of the great dexterity which the Highlanders have arrived at in the process of Distillation, and their systematic breach of every restriction of the Law under which they hold their Exemption, he delivers it as his decided opinion, that “no Legal Restraints, no
“vigilance on the part of the Officers,
“are able to prevent both the introduc-
“tion of Low Country Grain into the
“Highlands, for the purposes of Distilla-
“tion,

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“tion, nor the transportation of Highland
“Distilled Spirits to the Low Country.”

THUS, by admitting an Exception into the best Revenue Law that was ever formed, its whole Benefits are in a great measure destroyed. Smuggling, which it was calculated totally to suppress, has been renewed, and even with infinitely greater security to the Offender than before; because the License of his Still protects his Stock of Grain and of Spirits to the very Border of the Line, to watch a fit opportunity of sending it over. The controul of the Law is relaxed. The whole Inhabitants are marshalled and disciplined into a regular Army of Smugglers. One Conviction only (and that for no greater penalty than Ten Shillings) has been heard of for years; and the illegal traffic is no longer conducted in secret and by stealth, but in the face of day, and often under the *escort of Armed Men*.

THERE is nothing in all this to be wondered at. For, while such strong Temptation exists, it would be ignorance of Human Nature to suppose it possible to defend from Encroachment a Frontier of Two
Hundred

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Hundred and Fifty Miles, or to restrain the busy spirit of Smuggling by the magic of an imaginary Line.

THE Lowland Distillers are bold to say, that no Regulation, no Modification, nothing short of an Equality of Duty, can ever correct this evil, which is equally ruinous to them and hurtful to the Revenue.

FEELING, as they do, the certainty of Ruin, if the Exemption is continued, they do not think it incumbent on them to enter into the particulars of private and partial Losses which its repeal might occasion. Perhaps some *Landholders* who have profited so greatly by the *Smugglers* that settled on their Estates, may complain of the diminution of their Rents: Perhaps some *Smuggling Distillers* may feel a decrease of Trade: Perhaps the *Farmers*, *Taylors* and *Shoemakers*, whom we hear of in the Report as uniting together in the speculation of a Still, may be obliged to return to their real Callings. But the evil to the *real Highland Distiller*, will not be in any degree such as has been held out; for although, when working under the same Law,

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Law, he may no longer be enabled to *deprive* the *Lowlander* of the *Lowland Market*, yet it cannot admit of a doubt, that the advantage of his situation would be fully sufficient to frustrate any Competition in his own.

ON the ground of general policy, it appears the interest of the Legislature to recall so *pernicious* an *Exemption* speedily, lest by the lapse of time, as in former cases, it should become necessary to *purchase* it as a Right. It would also be worthy of their wisdom, to blot out this Line of Separation, which, by creating distinctions of Interest between two parts of the Country, may terminate in lasting Animosity and Dissension. Every part of the Kingdom has its portion of advantage and inconvenience; and it is not in the power of the Government to equalize the irregular distribution of Nature. It is not doubted, therefore, but they will renounce such Experiments, and return to the enlarged and liberal policy of suffering the current of Trade to seek its own level, and permitting every individual to reap the fruit of his own industry and talents.

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