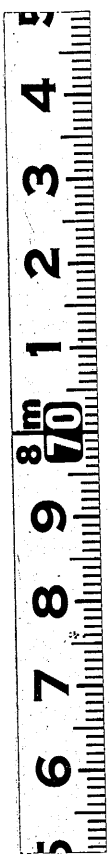


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The Earl of Lauderdale

for the Author

ON THE
SINKING FUND.

—
2s. 6d.

ON
THE APPLICATION
OF
THE SINKING FUND
TOWARDS
ANY LOANS RAISED FOR THE PUBLIC SERVICE.
BEING THE SUBSTANCE OF A SPEECH
ADDRESSED TO THE HOUSE OF COMMONS,
ON THE 28th APRIL, 1814,
BY PASCOE GRENFELL, ESQ.
SECOND EDITION.

LONDON:
JOHN MURRAY, ALBEMARLE-STREET.

1819.

PREFACE.

THE manuscript, of which the following pages contain a copy, was transmitted by Mr. Grenfell, in May 1814, to one of his friends, by whom he had been requested either to print, or to communicate to him, a correct statement of some observations addressed by him to the House of Commons, on the 28th of April in that year, on the subject of applying the SINKING FUND, under the provisions of the Act, 26 Geo. III. cap. 31, towards any Loans raised for the public service.

It will be seen from the letter, dated 9th May 1814, which accompanied this manuscript, that there was no intention of publishing it at that period.

The SINKING FUND, however, having of late attracted much public notice, and an expectation being entertained by many persons that it will become a subject of Parliamentary

discussion in the approaching session, it has been suggested by those who have read this manuscript, that its publication, at the present moment, may not be useless or uninteresting; and it is in deference to these opinions, that it is now submitted to the Public.

It may be proper to add here, that within a short time subsequent to the discussion upon this subject, in the House of Commons, a Loan of TWENTY-FOUR MILLIONS was contracted for by Government, for the service of that year; and that the CHANCELLOR OF THE EXCHEQUER, in communicating to the House the terms upon which he had concluded his bargain, stated, that at the meeting held in Downing-Street betwixt himself and the Contractors, who attended him to bid for the Loan, he had thought it right, in consequence of what had recently passed in the House of Commons upon the subject of the Sinking Fund, to ask the opinion of these Gentlemen, as to the expediency of applying the whole, or a part of that Fund, in diminution of the amount of the Loan, for which he was about to treat with them—that, with the exception of one individual*,

* The individual here alluded to was Mr. RICARDO.

all the Contractors present had declared, that it would be inexpedient to reduce the amount of the Sum proposed to be borrowed of them, by any such application of the Sinking Fund; that he had, accordingly, deferred to opinions so generally expressed by these Gentlemen, and had contracted with them for the whole Sum of TWENTY-FOUR MILLIONS, wanted for the service of the current year.

It will be perceived, that the view taken in the following discussion of the SINKING FUND, is strictly limited to the consideration of the means of applying such a Fund, most advantageously, for the public interests, in those periods, when new Loans are to be raised. When that discussion took place, there was no opportunity for considering the still larger question, which now presses itself upon the attention of the Public,—namely,—What means the present State of the Public Income and Expenditure may be expected to furnish, towards the important object for which the Sinking Fund was originally established—the object—of *redeeming the National Debt*.

The system of our Sinking Fund rests on the two Acts of 1786 and 1792; the principles of which, it is presumed, were as fol-

lows: by the Act of 1786, an actually existing excess of income above expenditure, (*the fact itself having been previously examined and ascertained by Parliament,*) was made annually applicable to the reduction of debt; such excess being, in truth, the only principle upon which any solid efficient system for that purpose, ever has been, or ever can be, founded.

By the Act of 1792, it was provided, that all subsequent accumulation of debt should be accompanied by a corresponding increase of revenue, created by new taxation, to such an extent, as not only to cover the interest and charges of each new Loan, but also to produce, EITHER a SUM of ONE PER CENT on its nominal amount, to be applied to its gradual reduction; OR, such a Sum as would be sufficient for discharging the debt *in Forty-five Years*. In other words, the first measure purported to reduce our old debts by the application of an existing surplus; the second went to provide a new surplus, to meet every new debt, and to be in like manner applied to its reduction. Surplus of revenue—the excess of ordinary income above ordinary expenditure—was, in both cases, the only source contemplated for reducing debt; and

seems, indeed, to be *the only* source from which such reduction ever can be derived.

In what manner, and to what extent, these principles, both or either of them, are applicable to the present state of our income and expenditure, is among the most urgent of all the momentous subjects, to which the attention of Parliament may now be directed—an inquiry, which it is not the purpose of these pages to anticipate.

25th January, 1817.

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Copy of a Letter from Mr. GRENFELL to _____

Spring Gardens, 9th May, 1814.

MY DEAR SIR,

" I am much flattered by what you are pleased to say of the observations which I made in the House of Commons, on the 28th of last month, on the subject of applying the Sinking Fund towards the Loan of the year. Interesting, however, as the subject may be, I do not think either my observations, or the Author of them, of sufficient importance to warrant their exhibition in print; and I must therefore decline what you suggest to me upon this head; but I shall very readily obey your wishes, by communicating to you the substance of what I addressed to the House on that occasion; and though, in this statement, there may be some omissions, you may rely upon it, that I shall give you nothing that I did not say. I send you, then, herewith, the Substance of my Observations to the House, together with a Copy of the Clause in the Act, upon which those Observations were founded.

" I am, &c.

" P. G."

SUBSTANCE

OF

A SPEECH, &c.

MR. GRENFELL having desired the Clerk to read from the table the 13th sec. of the 26th Geo. III., *cap.* xxxi.*, began by observing, that he was aware that the subject in question was one upon which there existed, in the minds of practical men in particular, a considerable difference of opinion; and that upon a question so circumstanced, and upon which opinions were so conflicting, any sentiments of his neither would, nor ought to carry with them any weight or authority. Although, therefore, he had certainly, after much and repeated consideration, satisfied his own mind upon the subject, he, nevertheless, begged the House distinctly to understand, that he did not bring this subject forward for the purpose of expressing his own opinion upon it, but that his chief and sole object was, to invite and attract to it, the notice and

* Vide NOTE at the end.

consideration of the House and of the Public; and more particularly that of the Right Honourable Gentleman (the Chancellor of the Exchequer,) who was at the head of the Financial Department of the Country.

He, moreover, flattered himself, that it would not be imputed to him, that he was obtruding upon the House a subject trivial in its nature, or one, from the consideration of which any mischief could arise to the public credit of the country; and he felt the more confidence in this expectation, when he recollected, what must be within the memory of many who now heard him, and probably within the knowledge of all, that the clause in the Act of 26th of the King, which had been read, and which, in a manner, involved the whole of the subject, originated with, and was proposed in the Committee which sat upon the Bill, by the late Mr. Fox,—that it was adopted with a recognition of the great benefits which the Public might derive from the use of it, by the late Mr. Pitt,—and that it now stands in our Statute Book, and recommends itself to our notice, under the sanction of the united authorities, of these two great and rival Statesmen.

He was aware that, with reference to many in whose presence he was speaking, any explanation on his part

either as to the Act itself, or to its mode of execution, would be perfectly unnecessary and superfluous; but as financial subjects were not perhaps the subjects of most general attraction amongst Members of that House, it might be proper, and perhaps it might be expected from him on the present occasion, that he should state in some detail, what *had been* the practice observed in carrying this Act into execution, and what *would have been* the practice, if the clause to which he had referred had been acted upon; and he would endeavour to do this as briefly as possible.

He believed it would be generally admitted, that this Act, of the 26th of the King, laid the foundation for the system of our SINKING FUND—a system which, he would take that opportunity of observing, had always appeared to him, notwithstanding all the objections and cavillings he had heard urged against it, to be, *upon its original principle*, the most powerful and efficient for the maintenance and support of our Finances, that ever was devised or acted upon, in this, or in any other financial Country: and after this unqualified declaration of his sentiments upon the subject of the Sinking Fund, *as originally instituted*, he trusted it would not be imputed to him by the House, as it had been, he confessed to his surprise, elsewhere,

that there was any thing in his views or intentions, in bringing this subject forward, that was, in the most remote degree, hostile to the principles of that great financial measure: on the contrary, if his view of the subject were a correct one, and if the House should go along with him in it, the effect of this discussion would be, not to impair, but to give fresh energy and vigour to, this powerful and beneficial system.

He next proceeded to state, that in consequence of this Act of the 26th of the King, and of other Acts which had subsequently passed in furtherance of the same object, there had been, and continued to be, annually taken from the CONSOLIDATED FUND, and vested in the hands of certain Commissioners—called Commissioners for the reduction of the National Debt—of whom the Speaker of the House of Commons was one,—considerable sums of the public money, for the purpose of being by them laid out in the purchase of THREE PER CENTS, or of other portions of the Public Debt, with a view to its gradual extinction: that this system had been adhered to, without interruption, from the period of its institution in 1786, down to the commencement of the operation of that plan of Finance, which was last year proposed by the Chancellor of the Exchequer: and although that

plan appeared to him, to involve in it a departure from the original principle of the Sinking Fund, yet as it seemed a departure justified by necessity, and by the circumstances in which the Country was now placed, much as he lamented that necessity, it had, nevertheless, received then, and continued to receive now, his humble, but unqualified support and approbation: and the effect of a steady adherence to this system had been, to accumulate, in the names of these Commissioners HUNDREDS OF MILLIONS of the Public floating Debt, with a view to its final extinction, and to place at their future disposal, annually, MANY MILLIONS, applicable to further accumulations of the like nature and description.

Now, the mode in which these Commissioners had laid out this money, he believed to be, by the employment of certain Agents or Brokers, who go, on four days in every week throughout the year, into the Stock market, and there lay out, on account of the Commissioners, certain limited sums of money, in the purchase of the floating Public Debt. It might be proper to observe here, that when this Act passed in 1786, and during a period of seven years afterwards, (being a period of peace, when no Loans were required for the public service,) this was, in fact, *the only* way in which the Commissioners could lay out

this money: but the clause in the Act to which he had already referred, anticipating a period when it might again be necessary to have recourse to Loans, and the framers of it, no doubt, contemplating, that whenever such period should arrive, another and more advantageous mode might present itself for investing this money, this clause then provides; that the Commissioners shall be empowered to apply *the whole*, or *any part* of the SINKING FUND, to the *Loan of the year*—in other words, it authorizes them to become subscribers to, and contractors for, such Loans; and entitles them to a participation in all profits and advantages, of which such contracts may be productive. It must be obvious, then, that all such profits would, in fact, be savings to the Public, and go to increase the power—the impetus, if he might use the expression—of this machine, which we call the Sinking Fund, and which is thus working for the gradual and final extinction of the Public Debt. The House would perceive, that under the operation of both these modes of laying out this money by the Commissioners, the effect would be precisely the same—SO FAR AS THIS—that in either case, *the whole* of the money that comes into their hands would, in conformity to the original object of the Act, be invested in the purchase of the

Public Debt; and the only circumstance deserving of any notice, with reference to the two modes, would be, to ascertain, which of the two is the most advantageous for the public interests.

In examining this part of the subject, he would endeavour to state, as briefly as possible, to the House, the arguments which he had heard urged, on both sides of the question; but, before he did this, he believed it would render himself, and the subject, more intelligible to the House, if he were permitted to assume, what, however, he believed to be nearly the fact, that the amount of the SINKING FUND, applicable in the present year to the purchase of Stock, was TWELVE MILLIONS. He would further beg to apply his observations upon this subject, to a Loan of TWENTY-TWO MILLIONS. He named this amount of Loan merely, and for no other reason, than because it happened to be the amount of the *last Loan* contracted for. It would answer his purpose just as well, to apply his observations to the Loan preceding the last, the amount of which was TWENTY-SEVEN MILLIONS; when, too, it may be observed, that the SINKING FUND might be stated at FIFTEEN, instead of the TWELVE millions, to which it was now reduced, by the operation of the plan of Finance of 1813.

Now the advocates for the prevailing system, assuming, that it is for the advantage of the Public, that the price of the Public Funds should be kept as high as possible—a position which he was not disposed to combat, and the truth of which he conceived, nobody could deny, *so long as we continue to be a BORROWING COUNTRY*—that is, so long as we increase our Public Debt, through the medium of Loans, more than we decrease it by the operation of the Sinking Fund—the advocates of this system then contend, that the price of the Funds is kept higher, in consequence of these Agents and Brokers of the Commissioners being sent weekly into the Stock-market in the way described, than the price would be, if a quantity of Stock, precisely equal to the whole amount purchased in this manner within the year, were withheld from that market—assigned at once, to the Commissioners for the Reduction of the National Debt—and these Agents and Brokers kept out of the market altogether: in other words, what they contend for is this—that to throw Stock, to the value of TWENTY-TWO MILLIONS, upon the market *at the beginning of any year*, and to employ Brokers to go into that market, and lay out TWELVE MILLIONS in the purchase of Stock *in the course of that year*, would leave

the price higher *at the end of such year*, than would be the case, if Stock to the value of TWELVE MILLIONS were, in the first instance, assigned to the Commissioners, and TEN MILLIONS ONLY thrown upon the market!

It was so extremely important that he should be understood upon this part of the subject, that he would, with the leave of the House, explain himself in another way upon it, by stating a fact:—In the month of November last, Government wanted, and raised in the City, TWENTY-TWO MILLIONS OF MONEY; in exchange for which, they created and gave, to the Loan Contractors, about THIRTY-NINE MILLIONS of Capital Stock in the *three per cents*: now, in the very same year in which Government want *twenty-two millions of money*, in exchange for three per cents., the Commissioners for the Reduction of the National Debt (*in other words, the Government itself*,) become possessed of *twelve millions of money*, (*more than one-half of the whole sum required*,) which they want to lay out in the purchase of, or to exchange for, three per cents. It appeared to him, then, that the plain, simple, and best mode of effecting this operation would be, that Government should take, from *their own Commissioners*, these *twelve millions*

of money, giving them in exchange, about *twenty-one millions of three per cents.*, and look to the City only for the remaining *ten millions* of money, for which they might give, in exchange, about *eighteen millions* of three per cents.—No! we are told, that this is not the way to go to work; but that we are to go into the City for the whole *twenty-two millions of money*—to throw the whole *thirty-nine millions of three per cents.* (instead of eighteen millions only) upon the market—for the purpose, as is gravely alleged, of keeping up the price—and afterwards, to send our own Commissioners into that very market, with their *twelve millions* of money, to get as much Stock back again for the Public, as they can obtain at the market price of the day!

Knowing this to be the opinion of many grave and respectable persons, he would not presume to say, *confidently*, that this contrivance—this dexterous—but, at the same time, apparently circuitous mode recommended for the investment of this money by the Commissioners, might not produce the beneficial effects ascribed to it: its most sanguine advocates, however, must admit, that the advantages imputed to it rest, after all, upon mere opinion, and are utterly incapable of any thing like proof or demonstration.

Now, in the absence of all proof or demonstration, he knew of no way by which we could bring our minds to a satisfactory conclusion upon this, or any other subject, but by a reference to general principles—to the common and ordinary transactions of life,—and to the maxims of common sense. He was aware, that great stress was laid on the opinions of *practical men* on this subject: no person ought to feel a greater respect for that class, of which he was himself an humble Member, than he did: but he really could not compliment that class so far as not to believe (*and, believing it, nothing should prevent his stating it,*) that Statesmen, Members of that House, persons who had never been concerned in Loan Contracts, or in dealings in the Funds, and who, perhaps, had never even seen the Stock-market, were, upon a subject of this nature, fully as competent to form a correct judgment—at least, as likely to form *an unbiassed and disinterested judgment*,—as the most practical man of business that was to be met with, either east or west of Temple-bar. Looking at the subject, therefore, upon general principles, and according to the ordinary transactions in life, it appeared to him that *the permanent price* of this article, which we call Stock, depended upon, and was governed by, the same prin-

ciples, which fix and determine the price of every other marketable commodity—namely, by the proportion that the supply sent to market bears to the demand that exists for it. Measuring then, the question by this standard, he should say, that to throw *twenty-two millions* upon the market, *at the beginning of the year*, employing Agents and Brokers afterwards to go into that very market and buy up *twelve millions*, leaving the excess of the Public Debt *at the end of the year* at *ten millions*, would permanently affect the price of Stock no more, than if you were, in the first instance, to bring only *ten millions* into the market, and keep the Brokers of the Commissioners out of the market altogether, leaving the addition to the Public Debt at the end of the year, in both cases, precisely the same—namely, at *ten millions*.

He was so extremely anxious to be distinctly understood by the House upon this part of the subject, that he would request their leave to illustrate his view of it, by supposing one or two cases, more perhaps within the sphere of every man's observation, in the ordinary occurrences, and transactions of life:—

He would suppose, then, that a gentleman possessed of a landed property of *twelve thousand pounds* per annum, should want, for some particular purpose,

to raise, in the next, and for some following years, the sum of *twenty-two thousand pounds* annually; the ordinary way in which a person, under those circumstances, it is presumed, would endeavour to accomplish his object, would be, by looking out for, or going amongst, the money-lenders, to raise *ten thousand pounds* at the cheapest rate possible: now, he should like to know, what it is probable, a person so circumstanced would think of an agent or steward, who should propose to him to borrow *twenty-two*, instead of *ten thousand* pounds—to send his bonds or notes of hand for the former sum into the Money-market—and employ a broker to go into that market to buy up to the amount of *twelve thousand* of these bonds—in order that he might get a better price for the remaining *ten thousand*?

He would put another case:—He would suppose the EAST INDIA COMPANY, who are in possession of the monopoly of the tea-trade, to have in their warehouses, at any given period, *twenty-two thousand* chests of tea, and that they know from previous experience, that the consumption of the Country, in the next year, will require no more than *ten thousand* chests, which it must, nevertheless, be their object to sell at the highest possible price; he would ask the

House, what the East India Company would be likely to think of a broker, who should seriously propose to them, to *employ him* to bring the whole *twenty-two thousand* chests into the market, and, at the same time, authorize *another* broker to go into that market, and buy up, for their account, *twelve thousand* of these chests, with the view, by this contrivance, of obtaining a higher price for the remaining *ten thousand* chests? It was obvious that such a transaction might be very advantageous to *the two brokers* thus employed to sell and to buy; but he believed it would be extremely difficult to persuade the East India Company that it would be *to their* advantage, to lend themselves to so extraordinary—to so absurd an operation; and yet, extraordinary and absurd as it must appear in this case, he confessed he could not see how it differed, *so far as price was considered*, with the system that had been adopted ever since the year 1793, in laying out the money of the Sinking Fund, in the redemption of our National Debt.

There was another ground, upon which, he had heard the prevailing system defended. It had been said, that the effect of the introduction of these twelve millions of money, into the Stock-market, was, to keep the market active,—to facilitate the sales;—nay

he had heard some persons go so far as to contend, that without this facility, it might often happen, that those who had a large quantity of stock to sell, on any particular day, might absolutely be unable to accomplish the sale of it *at any price!* The first observation he would make upon this would be, to ask, why, if the effects of this practice were so beneficial to the Public, was its operation confined to four days in the week? Why was not the Public to have the benefit of it every day? And what became of those unfortunate Stockholders who might be obliged to bring their stock to market on either of those two days in the week, on which the Brokers of the Commissioners keep out of it? But, really, if Gentlemen would look beyond the mere surface of this question, they must be persuaded, that the benefits ascribed to the prevailing practice, in this point of view too, were altogether unfounded and chimerical; and for this reason: He would not deny, no person could be so absurd as to deny, that the effect of the introduction into the market of *twelve millions of money annually*, which was at the rate of about two hundred and thirty thousand pounds weekly, or from fifty to sixty thousand pounds on each of the four buying days in the week, must be a tendency to raise the price of the Funds:

but would Gentlemen be pleased to recollect, that at the very moment when the Commissioners thus appear in the Stock-market, with their bank notes *to buy* Stock, they are met by the Loan Contractors, with Stock in their hands, in the shape of Omnium, or Scrip, *for sale*? that the sale of this Omnium, by the Loan Contractors, has precisely the same effect *in depressing* the price, that the purchase of the Commissioners has *in raising it*? and that the one operation completely counteracts the effects of the other? Nothing being more clear, than that, if the *twelve millions* of money belonging to the Commissioners, were kept out of the market, and applied, in the first instance, to the Loan of the year, the quantity of Stock, equal in value to those twelve millions, which is now brought to market for sale, would also be kept out of the market altogether.

“ Oh! but,” ’tis said, “ this practice has a very beneficial effect upon CIRCULATION, upon PUBLIC CREDIT, and upon the MONEY-MARKET!” The terms CIRCULATION, PUBLIC CREDIT, and MONEY-MARKET were, indeed, high sounding, imposing terms: very intelligible certainly, and very proper, *when properly applied*; but it had often happened to him, to hear these phrases, and others of the like nature, dexterously

made use of for the purpose, either of misleading the judgment of those to whom they were addressed, or of concealing the ignorance of those who used them; and at any events, he conceived, they were wholly inapplicable to the purpose for which they were here adopted: for that in which ever of the two modes the Commissioners lay out their twelve millions in Stock, whether as Loan Contractors themselves, and through the medium of a subscription to the Loan of the year, or by weekly purchases in the Stock-market, the effect upon the Money-market, and upon circulation must, in both instances, be precisely the same; and of this, he trusted the House must be convinced, if they would examine into, and trace the progress of these two modes of proceeding, and see how what is called *the Money-market* is affected by either, and both of them. He had somewhere heard, or read of this Money-market being compared to a RESERVOIR, which is enriched by every thing that is poured in, and impoverished by all that is tapped, and taken out of it. Now, certainly, according to the prevailing practice, the Commissioners pour into this Reservoir, or Money-market, *twelve millions annually*, or about two hundred and thirty thousand pounds every week: but, on the other hand, let it always be remembered,

that as fast, (*nay faster, as might be easily shewn,*) as the Commissioners pour money into this reservoir, it is tapped out of it, by the Loan Contractors, and by them carried to the Exchequer: whereas, if the Commissioners had laid out their twelve millions in part of the Loan of the year, in the manner provided for by the Act of 1786, the money would have been taken *at once* to the Exchequer, without passing through this reservoir at all! It appeared to him, therefore, that the Money market could not be beneficially affected by this transaction; that the only parties *enriched* by it were, *the Loan Contractors*; and the party *impoverished* was, *the Public*.

Having now endeavoured to state the principal arguments urged on the side of those who contend for the prevailing practice, it would be naturally expected from him, that he should point out some positive advantages on the other side, which would render it expedient, and, indeed, justify the change in a practice that had now prevailed, ever since the year 1793; and certainly unless he were prepared to do so, he should feel that he had been guilty of an unwarrantable intrusion on the valuable time of the House: but he was happy to think, that on this side of the question, he could point out positive, specific advantages to the

Public, not resting upon theory, speculation, or opinion, but capable of proof and demonstration. He was sure the House would anticipate what he was going to say, when he stated, that the first, the great, the paramount benefit to be derived from the proposed alteration would be this,—that the Public would save that profit which is now made by the Loan Contractors, upon the whole amount of the Sinking Fund, that would be thus applied towards the Loan of the year. Are Gentlemen aware of the sum to which this saving would have amounted upon the last two Loans? The last Loan, for instance, which was for twenty-two millions, came out at a premium of three or four per cent.; the premium has since risen as high as *thirty-two per cent.*, and at this moment exceeds *twenty per cent.* Now, taking the average premium, as applicable to the amount of the Sinking Fund, at *twenty per cent.*, which, instead of being an exaggerated average, must, he was sure, be admitted, by every person conversant in these matters, to be much below its probable amount, *the positive saving to the Public*, if the Sinking Fund had been applied to the Loan, raised in November last, would amount to no less a sum than TWO MILLIONS FOUR HUNDRED THOUSAND POUNDS! An immense profit to the

Commissioners, or saving to the Public, resulting from the same causes, would have been secured, if the Sinking Fund had been subscribed, and taken as a part of the preceding Loan of twenty-seven millions!

Another advantage that would result, from applying the Sinking Fund to the Loan of the year, would be, that the Chancellor of the Exchequer would thereby have a better chance of creating a competition amongst the monied men, for that part of the Loan, for the supply of which he would have to treat with the Gentlemen in the City: the benefits to the Public, arising from competition on those occasions, are too obvious to require to be stated. Now, with reference to the two last Loans contracted for, the one amounting to twenty-seven millions, and the other to twenty-two millions, *there was no competition whatever*. The Chancellor of the Exchequer had only *one party* to treat with, and this was attributable to the magnitude of the Loans! But if, in either of those cases, he had reduced the Amount of the Loan to be contracted for in the City, by the application of the Sinking Fund, in part of the whole sum raised, he would have reduced the twenty-seven millions *to twelve*, and the twenty-two millions *to ten*; and there can be no doubt, but that there would *then* have been

a competition amongst the bidders; inasmuch as many parties in the City would have been found, to offer for a Loan of *ten* or *twelve* millions, who could not grapple with so large a sum, as *twenty-seven* or *twenty-two* millions.

Many other collateral advantages might be stated, in support of the view which he had presumed to take of this question; but he would trespass no longer upon the time of the House than to observe, that without imputing any thing like blame, either to the Right Honourable Gentleman, the present Chancellor of the Exchequer, or to his predecessors, for not having hitherto availed themselves of the clause in the Act to which he had so often referred, he would entreat the Right Honourable Gentleman to take the subject into his most serious consideration, previously to the period when he would have to contract for another Loan, for the service of the current year; his sole object being, to bring the subject under the consideration of the House: and in the Motion with which he should conclude, he had carefully abstained from committing the House to any opinion, upon this subject.

He then moved that there be laid before the House

“ An Account of the Money expended by the
 “ Commissioners for the Reduction of the National
 “ Debt, together with the Amount of the Capital
 “ Stock obtained for the same, in any of the Public
 “ Funds, bearing interest at Three Pounds per Cent.
 “ per Annum, in the Quarter ending 5th April
 “ instant.”

Also,

“ An Account of the Average Price in Money at
 “ which every One Hundred Pounds of the said
 “ capital Stock has been thus obtained, during the
 “ above period.”

Also,

“ An Account shewing the Price in Money pay-
 “ able for every One Hundred Pounds Capital Stock,
 “ (without distinguishing between the Reduced An-
 “ nuities and the Consolidated Annuities) by every
 “ Contributor to the Sum of Twenty-two Millions,
 “ raised by Annuities, agreeably to the Resolutions
 “ of this House, of the 16th of November last.”

These Accounts were ordered.

The Clause referred to in page 13.

“ Provided also, and be it further enacted, by the au-
 “ thority aforesaid, That it shall and may be lawful for the
 “ said Commissioners, if they shall think it expedient, at
 “ any time between the end of any quarter and the first day
 “ of the calendar month which shall commence next after
 “ the end of such quarter, to subscribe any of the monies
 “ which shall have been placed to their account at the end
 “ of such quarter, and also all such monies as shall be to be
 “ placed to their account by virtue of this Act, during the
 “ remainder of the then current year, computed, as by this Act
 “ directed, towards any Public Loan, to be raised by virtue
 “ of any future Act or Acts of Parliament, by such Annu-
 “ ties as are herein after-mentioned, that is to say, Perpetual
 “ Annuities, subject only to redemption at par, for which
 “ the Sinking Fund shall be collateral security: Provided
 “ always, That the Capital stock of such Annuities so to
 “ be granted, shall bear the same rate of interest with some
 “ Capital Stock of redeemable Public Annuities then subsist-
 “ ing; and that the amount of the Capital Stock to be given
 “ for every sum of One Hundred Pounds so to be sub-
 “ scribed, shall be estimated according to the Market price
 “ of such subsisting Stock at the time of such subscription.”

THE END.

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