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IT is beyond a doubt, that the Board of Excise in Scotland have thought proper to represent, that the stock of spirits at present in the hands of the distillers and dealers in Scotland is enormous; and, regardless of the injustice of the measure, and the ruin which it would occasion, have recommended that this stock shall be subjected to a large additional duty. As I have it in trust from Mess. James and John Heig, Distillers, at Lochrin, to attend to their interest in any question which may come under the cognizance of the committee, though I do not think myself intitled directly to apply to the committee itself; I hope, considering the urgency of the case, I shall be forgiven, if I take the liberty to lay before you, individually, the reasons which

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appear to me unanswerable, why no such suggestions ought to be listened to, no such tax ought to be imposed.

The distillers of Scotland entertain no doubt of the honor and justice of his Majesty's ministers, and it is impossible for them not to place the most perfect confidence in the wisdom and justice of the British Parliament; but it is necessary, in every case, that full information should form the basis of decision, otherwise the best intentioned men, being misled, may be induced to decide erroneously. Let only the subject therefore be fairly canvassed, and patient attention given to the following statement, and your justice will prevent a measure which would prove so ruinous to the Scotch distillers.

I will not take up your time by bringing forward a variety of arguments, which, though in themselves of considerable weight, might not be considered as entirely conclusive; I shall confine myself to two, which appear to me completely decisive of the question.

First, I will shew that any tax which may be imposed upon the stock of spirits now in the hands of the distillers and spirit dealers in
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Scotland, would be directly in the face of a contract now subsisting between Government and these distillers.

Secondly, That it would be a most partial and therefore iniquitous tax, and ruinous to the trade in Scotland.

To violate, to break through the obligations of a solemn compact, must be considered by every man who has any just impressions of right and wrong, as an act which would be subversive of every law of justice and good order: I have only therefore to shew, that there actually does subsist an agreement betwixt Government and the Scotch distillers, and that the imposition of any tax upon the stock of spirits in Scotland, would be a breach of that agreement, and every candid man must then decide that the measure is inadmissible.

There are only two ways in which taxes can be imposed upon the community; the first is, when the duties are not laid upon persons but goods, and this is a case which can imply no compact with Government, for the article itself is taxed wherever it is found, and is still held in view, subject to the demands of the necessities of the state, and additional duties

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may be laid upon it in every various form in which it may appear. But, secondly, when duties are laid not upon the article itself, but upon the person who deals in it, and a licence is granted to him for that purpose, in that case the article must be considered as farmed out to the holder of that licence, for the term limited, at a certain price. This transaction bears every characteristic mark of a contract entered into by engaging parties; and without the consent of those parties, no interposition of power can dissolve a single obligation contained in it. The man who has acted under that licence, having been intitled to use it for his own benefit, to the utmost extent of his abilities, has become in every respect the proprietor of the goods manufactured by him under it, and is intitled to hold them in the same manner as he might have held the price, had they been converted into money; for when articles of agreement are implimented, the power of parties over each other is at an end: Government, on the one hand, cannot justly say, you have had too good a bargain, and you must give me more; neither, on the other hand, can the manufacturer say, I have paid too much, and you must give me a deduction. In a commercial country, such language would be held as ridiculous;

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ridiculous; and to think of enforcing similar claims, by any exertion of authority, would necessarily be deemed an unjust oppression.

This whole argument applies in every point to the Scotch distillers, when, in consequence of an Act of Parliament, they received their licences for distillation, their compact with Government was peremptory, and express cautioners, along with themselves, became bound, that on their part, every article should be implimented, and their duties were paid per advance, so that the agreement by them has been punctually fulfilled. Under the sanction therefore of the licence which they held from Government, they were justly intitled to manufacture spirits to any extent, and to hold these spirits as a property upon which Government cannot justly lay any claim. They have, in consequence, manufactured a quantity beyond the immediate consumption of the country, but not much beyond that extent of stock, which, in justice to the country and to themselves, they ought always to have on hand; and yet this is the subject which is recommended as that from which a large revenue may be derived. But can it be once supposed, that in circumstances like these, our legislature, who is the nurse of

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her children, shall now come forward, and say to these men, by a fictitious bargain we have caught you in a snare; your misfortune, your want of sales, has put you within our power, and we will double upon you your calamity, by doubly taxing the goods which you have on hand, and this not in the plenitude of our justice, but in the plenitude of our authority; we will ravish from you your expected profits, and upon your ruin will we increase the revenue of the public.

This language may suit the genius, and accord with the plans of pitiful designing men, but the genius of a great nation would detest the imputation. That Government, that people, whose pride it is to give example of faith and fidelity to surrounding nations, can never be wrought upon, to meditate injustice or oppression towards her own children. The open liberality and justice of a commercial people mark the character of all their transactions, and the meanest of British subjects can sit securely under the shadow of her wings. This liberal justice is the security of the Scotch distillers, that they shall possess their property in peace and safety, for no act can so conceal their right to that possession; no pretence of public good can so disguise injustice, that
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Government shall suffer themselves to be persuaded to appropriate their unalienable property to the public revenue.

I have farther to observe, that if these unanswerable arguments were to be set aside, which I confidently hope will never be attempted, and that Government should come to deliberate upon the expediency of laying a duty upon the stock of spirits, at present in the hands of the Scotch distillers, that tax would prove so partial, so unequal, that it would be utterly impossible to modify it to the rules of justice.

Any tax which operates upon the community with partiality, and does not equally affect every person in similar circumstances, is generally esteemed oppressive, and it is hardly possible to form an idea of any object of taxation which would affect the individuals concerned in it, so unequally, or which would be felt more injurious to the general interests of the trade, than that which is supposed to be in contemplation against the Scotch distillers.—There is no genius needful to give a narration of facts, and in the present case, when facts are fully known, they will be found sufficient to demonstrate the inequality, the

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impolicy of the tax proposed. All the distillers in Scotland, upon the 10th of October last, commenced their operations under one system; all were equally entitled to take every advantage allowed them by the licence under which they acted, and every one of them certainly conducted his business according to his best judgment for his own benefit; some of them confiding in the stability of the law, retained a considerable proportion of their goods unsold, which therefore still remain upon their hands, whilst others happening to speculate upon other grounds, sold their spirits almost as quickly as they were manufactured, and have little now on hand to become the subject of additional taxation. It needs no arithmetical powers to shew the different predicament in which they now respectively stand as to their operations since October last. Suppose the one has sold all his spirits, call it ten thousand gallons, and that six-pence per gallon clear profit had been realized by him, this is now his own, and no imposition of duty can affect it, where, as if the imposition of a duty of six-pence per gallon is laid upon the stock in hand, the other manufacturer is left without a single shilling profit, to console him for his labours. The contrast betwixt Government and these persons, commenced in
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one moment, they manufactured their spirits at the same time, under the same law, and I shall suppose to the same extent; the one had no confidence in the stability of the system, under which he acted, and his apprehensions saved him; whilst the other confided in the faith of Government, and in the abundance of his confidence he is lost. Forbid it justice, it cannot, it must not be, the Government of this country is too fair, too righteous, even to deliberate upon a measure so unworthy of them.

But I must observe further, that when all the distillers commenced their operations upon the 10th of October last, under the licence which was equal to them all, they were no doubt individually satisfied, that they had knowledge and abilities sufficient, with advantage to themselves, to execute the task which they had undertaken; they did not then discern the great distinction which might be created in their respective situations, from the superior knowledge, abilities, or good fortune of some distillers above the rest; however a little time opened their eyes, and they not only saw, but felt the distinction which some acquired by their superior skill and management. They now became anxious to profit
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by the example set before them, and full of ardent hope, they pursued the steps of their more intelligent brethren, and though for a little while they found their profits lower, and their duties higher, in proportion as they had been unskilful, yet they doubted not, in a very little while, to attain the perfection of the most intelligent, and be able to rival them in the market; but whilst they thus console themselves in hope, if the tax now proposed, takes place, their calamity shall be rivetted upon them, and what was formerly only a transient misfortune, shall now prove to them an increased, a confirmed destruction.

These distillers, who possibly have hitherto hardly paid one shilling of duty upon the gallon of their spirits, can be required to pay no more of the additional duty than those other distillers, who have already paid from one shilling and six-pence to two shillings for every gallon which they have manufactured; and whilst the additional duty will hardly be felt by the first, who may still possibly find a market for his goods, though with little profit, the last, who has already paid so heavily, by the tax proposed, which would affect him so unequally, must find, not his profits only, but part also of his capital
invaded,

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invaded, for it will be impossible for him to find a market, where he can sell his goods, otherways than to his disadvantage; instead therefore of acquiring vigour hereafter to compete with others in the trade, oppression shall drive him from his business, in despair. To devise a tax so unequal in its operations, would be to devise injustice, and no such measure can originate in, or be supported by a British Parliament.

There is an occasional circumstance which I cannot avoid taking notice of in this place, which increases the inequality, and, in the present instance, would add to the injustice, and that is, that the Excise in Scotland, who, it is believed, have views of much greater importance to themselves, than merely the increase of the Revenue; these men have been careful to give due notice of the intended measure to all concerned; and having given the alarm, every one who can dispose his mind to wade through the puddle of a smuggling trade, has had full opportunity to secrete their spirits, and will therefore avoid the duty; whilst, at the same time, it will fall, with all its weight, upon the candid honest man, who deals fairly with the world, and scorns for any advantage which he might acquire to do unjustly, or become

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come the slave of fear, and the officers of excise; thus would it now happen, as it ever has done, and ever must do, whilst duties are collected by a survey, that the snare will be found laid to involve the honest man in ruin, and let the knave escape.

Before I conclude, I must beg permission to lay before you one or two observations, which appear to me material upon the subject:— When it is found necessary for the support of Government, that duties shall be imposed upon the people who reap the benefit of its protection, and an equal hand is laid upon the community at large, or at least upon the individuals who are in similar circumstances, in that case every man of good sense, every good subject, not only bears the imposition with patience, but pays it with cheerfulness; but if any person, or class of men, become particularly marked, and feel the oppression of duties which are not made to operate upon others who are precisely in similar situations, it is not then to be wondered at, if they should take the liberty to complain. Now, though I were to suppose that the imposition of the duty proposed, would not be a violation of the contract betwixt Government and the Scotch Distillers, though it were true that the
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tax proposed would not prove partial in its operations upon these distillers amongst themselves, yet it is easy to point out other subjects of taxation of much more importance, precisely in the same predicament; and it must be felt exceedingly hard, and even injurious, that they should be left unmolested, whilst so great a burden is proposed to be laid upon the stocks of the distillers and dealers in Scotland.

It is a well known fact, that the London distillers give over all distillation during the Summer months; and it cannot be doubted, but they have now stocks of spirits on hand sufficient to answer their sales, for at least six months to come; now it is not even pretended that there is a stock in Scotland more than is adequate to the consumption of a similar period. The brewers also, that they may be enabled to serve the country with their manufacture in a proper state for use, find it necessary to keep a stock of porter and ale a full year and more, before it is sent to the market; yet, though their circumstances are directly parallel, no demand for new duties is made upon the English distilleries, or British brewery; in strictest justice the Scotch are entitled to a similar treatment.

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I have said that there is not in Scotland a stock of spirits beyond what is necessary for the consumption of half a year; and though I am informed that the returns of the excise have stated it at 2,000,000 of gallons, I am persuaded my statement will be found correct; for I can easily shew that the number of persons who are supposed in Scotland to drink home-made spirits, do not exceed 3,500,000; now, upon the supposition that the consumption should average one gallon per day, to thirty-two persons, it would make the consumption for half a year to amount to 1,995,596 gallons, so that it appears there are only in present stock 404 gallons more than is necessary for half a year's consumption; and I beg that it may be particularly observed, that at no time ought the Scotch distillers to have a smaller stock of spirits upon their hands, for as Scotch spirits are used without being rectified; and it is well known that newly distilled spirits are neither so palatable nor wholesome, as they are when kept for a considerable time. The Scotch distillers ought not only to be particularly nice in their manufacture, but ought also to keep them to a proper age before they are offered to a market, so that any enactment which would compel them to do otherwise, would injure the country; and any
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duty imposed upon stock so necessarily held, would be a very unjust oppression upon the holder, an oppression which has never yet been attempted to be laid upon the English brewers or distillers.

There is yet one argument in reserve, which, by many, is held to be of great weight in the present case; and it is this, that in all the former changes which have taken place concerning the British distilleries, it never has been thought just to affect the stocks in hand; it is even said, that when the same measure was formerly proposed to his Majesty's Ministers, they rejected it as incompatible with material justice, on account of the contract which did then, and still subsists betwixt Government and the licensed distillers; but the truth is, I never pay much respect to arguments deduced from precedent, for precedent can never make any thing become just or unjust: but from the arguments above stated, it must be granted, that the ministry have then acted upon the most just principles: I cannot entertain any doubt they will still maintain the same just manner of thinking; and in whatever manner the general law respecting the Scotch distilleries shall be settled, it will never be allowed to have a retrospect, nor in
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any shape violate the engagements of mutual compact, which are always held sacred by every well regulated Government, and by every honest man.