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an annual Sum of 6 or 700,000l. to nearly one half.

In the Year 1784, the mode of levying the Duty was altered, and laid wholly upon the Wash, at the Rate of 5d. per Gallon. For each 100 Gallons of the Wash charged with Duty, the Distiller had Credit in the Books of the Excise Officer for 20 Gallons of Spirits, of the Strength of 1 to 10, Hydrometer Proof. The Duty on the Spirit of this Strength consequently amounted to 2s. 1d.

This mode of charging the Duties on Spirits, extended to both Parts of the Island. In England the Manufacture was confined to Six extensive Houses established in the Metropolis, while in Scotland it was in numerous hands, situated in all Parts of the Country. In London the Revenue was therefore easily secured, while in Scotland Evasions of Duty to an enormous Amount were practised, inasmuch that nothing was more common, than for an entered Distiller to have Two acknowledged Prices for his Spirits:—one of the Prices for Spirits legally made, and which was consequently accompanied with regular Excise Permit, amounting

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amounting usually to 4s. or 4s. 6d. per Gallon Glass Proof, or 14 per Cent. under Proof by the Hydrometer; the other Price, for Spirits made and sold without the Payment of any Duty, being generally about 1s. 8d. per Gallon; and it happened for the most part that Two Gallons of Spirits, *without* Permit, were sold, along with One Gallon, *with* Permit, the Purchasers taking the risk of their removal.

Although this was the general Practice of the smaller Distillers in Scotland at that Time, yet those Distillers who carried on large Works, upon Plans similar to the Distillers in London, found it impossible, be their Inclination what it might, to evade the Duty, and carry on a smuggling Trade with Success. Their Operations, of a Nature so extensive, could not be concealed; attracting too, from this Circumstance, the particular Attention and Vigilance of the Revenue Officers, who kept watch over such Manufactories during the Night as well as during the Day.

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The large Distillers in Scotland, thus unable to compete with the illicit Trader in the Scotch Market, were compelled to pursue and extend a Trade which they had, a Year or two before, attempted—namely, a Sale of their Spirits in the London Market, where they had Distillers, taxed like themselves, to cope with: hence the greater part of the Manufacture paying Duty in Scotland, was sent to England, and consumed there, and thus was the Spirit Market in Scotland chiefly supplied by the Smuggler.

This Interference, by the Scotch Distillers in the English Market, drew down upon them the Jealously and Vengeance of the Distillers in London. The keenest Rivalship ensued, these two Sets of Traders attempting to undersell each other in the Market of the Capital.

While this Competition lasted, it was inflamed by the London Distillers, that the Duty on the Scotch Spirits had not been fairly paid, or that the Manufacturer could not carry on a Business which proved to the London Trader so unprofitable; and nothing would satisfy these Gentlemen but the
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Payment of the Duties on all Spirits brought from Scotland, at their landing in England, in the same Manner as upon Brandies imported from France, or Rum from the West Indies.

After much discussion therefore, did there accordingly take place in the Year 1786, what has been termed "The Licence Act," in Scotland; by which there was imposed a Duty of 30s. on the Contents of the Still. The Duty on Spirits manufactured in England continuing to be levied on the Wash, which was now augmented to 6d. per Gallon, equal to 2s. 6d. on the Gallon of Spirits, a Duty of 2s. per Gallon was, at the same time, imposed on all Spirits imported from Scotland into England, to be paid in the River on its Arrival.

This being considered as the Difference between the Scotch Licence Duty on the Still, and the English Duty on the Wash, was termed the Equalizing Duty.

The London Distillers thought that they had now attained their great Object, the Exclusion of the Scotch Distillers from the Market of the
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Capital, since so great a Proportion of the Duty was chargeable without the Possibility of Evasion, and paid under their own Observation.

After all, however, the Trade to London continued; and at length produced, on the Part of the London Distillers, an Application to Parliament for an Increase of the Equalizing Duty, which was raised to 2s. 3d. per Gallon, without any corresponding Addition on the Wash in England.

An Act of Parliament to this Effect passed in February, 1788; in consequence of which, and the long Contest with the English Distillers, the Scotch Distillers trading to England became bankrupt—their Capitals having borne no Proportion to those of their opulent Competitors.

In the Summer of the same Year, the Distillery Law underwent considerable Alterations. The Plan of levying the Duty by a Charge upon the Wash in England, and by a Licence upon the Stills in Scotland, was yet continued; but when Spirits, manufactured in Scotland, were intended

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for English Consumption, it was enacted that they should be made under a new Set of Regulations, of which the Excise Officers were to take strict and regular Accounts, locking up the Spirits and whole Materials, and charging them with no Duty whatever, until they should arrive in the Thames, where they were to pay a Duty, corresponding to that paid by the English Distillers.

Various additional Duties have since been imposed upon the Wash in England, which now pays 10d. per Gallon; and if from every 100 Gallons of Wash the Distillers could draw 20 Gallons of Spirits, the Duty on the Spirit would amount to 4s. 2d.; but the London Distillers have asserted, that they can draw only 18 Gallons from the 100 of Wash, which consequently brings the Duty on the Spirit to 4s. 7d. and this is what the Legislature has fixed to be paid on Spirits imported from Scotland into England.

So much for the History of the Regulations as they now differ, with respect to the Two Ends of the Island.

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When the Licence Act first took effect in Scotland, while permitting the Distillers in the Lowlands to work at a Duty of 30s. per Gallon, on the Contents of their Stills, it allowed the Distillers in the Highland Counties to manufacture Spirits, in Stills not under Thirty nor above Forty Gallons of Content, at a Duty of 20s. on the Gallon, in lieu both of Spirit and Malt Duty, for the Purpose, as the Law expresses it, "Of promoting Agriculture and Improvement of the said Highland Counties and Districts, and for accommodating the Inhabitants thereof with Spirits, drawn from their own Grain, at moderate Rates."

It was admitted on all Hands, that the Highlanders could not be denied the Use of Spirits. They had long been accustomed to manufacture, without Duty, all the Spirits they used. No Revenue was ever drawn from the North, while Highland Spirits never ceased to find their way into the Low Country. It was considered, therefore, of infinite Importance to lay the Highland Distillers under Regulations; that, by confining them to the Use of small Stills, giving them Liberty

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to use only their own Grain, to sell the Produce of it in their own District, and that at a Duty only one-third lower than was paid in the Lowlands, would secure to Government some Revenue from the Highlands, which it had been impossible to do before; while the Lowland Distillers would suffer less Molestation in their Trade than when the Highlanders were under no Regulation at all.

It was enacted, that every Person having a 40 Gallon Still, should be allowed to manufacture, annually, into Malt the Number of 250 Bolls of Highland Barley, without Payment of Duty, and to distil the Malt so manufactured into Spirits; that the Operations were to be subject to the continual Check and Survey of the Excise Officers, who were to take an Account of the Spirits produced, to grant Permits for the Removal of them to any Place within the Highland Line; and that whenever the Quantity of Spirits so permitted, amounted in the Year to 1660 Gallons, no more Permits were to be granted without the Payment of additional Duty.

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For the Duty of this Quantity of Spirits, and for the Malt Duty on the 250 Bolls of Grain, the Licence Duty of 40l. being 20s. per Gallon on the Contents of the Still, was held to be a Composition.

Although the Officers of Excise did occasionally, after the Commencement of the Act, survey the Works of those Highland Distillers, yet, on Account of the immense Distance of the greater Number of these Distilleries from the Residence of the Excise Officer, the Badness of the Roads, and other Causes, any Account, thus taken, afforded to the Revenue no additional Security; nor to the Lowland Distillers any Protection against the Frauds of the Highlanders. The Accounts which entered the Books of the Excise were such only as the Distillers themselves chose to furnish: The Officer probably did not visit them above once in a Fortnight, and frequently not so often. The utmost annual Duty paid by any one of these Distillers amounted to no more than 40l. To have kept a correct Account of his Operations, would have required, at the very least, the constant Attendance of two Excise Officers, at an Expence not under 100l. a Year

Year; and this is supposing that the Officers themselves in these remote Corners of the Country, at a great Distance from their Superiors, could not have been diverted from their Duty by a small pecuniary Acknowledgment. Hence great Quantities of Malt were made, great Quantities of Spirits were manufactured, and removed without Permit; and thus at last were the Highland Distillers suffered to carry on their Trade in their Licenced Stills without Check or Controul. No Instance can be given of any Surplus Quantity of Malt or Surplus Quantity of Spirits being ever charged with Duty.

The Licence Act was passed by the Way of Experiment. The Distillers, as it was their Interest, so they bent their Attention to perform as much Work as possible in Stills of given Dimensions. In this they were to a certain Extent successful; but in proportion as they made Improvements, the Legislature imposed additional Licence Duties. These Additions, as they affected the Highlands and Lowlands respectively, are exhibited in the following Table:

At the commencement of the Act, 1786, the Duty in the Lowlands

was	£. 1 10	Highlands	£. 1
Act 1788 increased to	3 0	Ditto	Continued
Act 1793 increased to	9 0	Ditto	amounted to 1 10
Act 1795 increased to	18 0	Ditto ditto	2 10
* Ditto increased to	54 0	Ditto ditto	6 10 and £. 9.

In the laying on of these Duties, no regular System seems to have been pursued. At first, when the Duty was 1l. per Gallon, or 40l. on the Still, the Malt Duty on 250 Bolls of Barley, if fairly paid, would have amounted to 50l. The Highlanders, therefore, derived from Government a Premium for making Spirits; but the difference between the Highland and Lowland Duty (when the Restrictions upon the former were considered) excited at that Time little or no Jealousy on the Part of the Distillers in the South of Scotland. This, however, was not long the Case; for the Difference, trifling as it was, established an imperceptible, but not a less dangerous Precedent, which now threatens the Destruction both of the Lowland Distillery, and of the Interests of the Lowland Landholder and

* The Duty on the Highland District is always exclusive of Malt Duty.

Farmer

Farmer, in so far as they depend upon that Manufacture for the Sale of their Produce.

In the year 1788 the Lowland Duty, as noted above, was doubled, without any Addition being put on the Highlands.

In 1793 the doubled Lowland Duty was tripled and raised to 9l. while the small Addition of only 10s. was laid upon the Highlands.

It was now that the Eyes of the Lowland Distillers were opened. In the Year 1786 and 1787, the Lowland Entries at the then Duties amounted to 39,125 Gallons; but at the increased Duties last mentioned, they had fallen off to 10,140 Gallons. The Highland Entries having in the same Proportion increased, being in

1793 no less than - - - 11,198 Gallons

In the Year following, viz. 1794, there was no Alteration of Duty; but the Highland Entries still farther increased to - - - 13,072 Gallons

While the Lowland Entries continued to diminish, and fell to 8578 Gallons

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And according as the Difference in the Rate of Duty between the two Districts was enlarged, the Entries in the Highlands continued to increase, and in the Lowlands to diminish.

At the present moment the Lowland Entries do not exceed 4000 Gallons; and there is every Reason to apprehend, that many of the Distillers now at work in that District, will not continue their Trade until the natural Expiration of their Licences upon the 10th of October next; but that, under a Provision in the Law, they will make a Sale and Transfer of their Stills, in order to be relieved of the further Payment of Duty; it being, in such a Case, optional to the Purchaser to work the Stills and pay the Duty for the unexpired Term of the Licence, or not, as they think proper.

Complaints, by the Lowland Distillers, of the Injuries they have suffered by Means of the Highland Exemption, have every Year been submitted to the Lords of the Treasury. The Highlanders, anxious to preserve an Advantage so important, have pleaded their Inability to pay the same Duty with the Lowland Distillers, on Account of the inferior

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inferior Quality of their Grain; of the Restrictions they are under by Law, as to the Size of their Stills; of the Limitation of their Market for Spirits; and of their Distance from Fuel, &c.

Their Lordships, ever anxious to do justice to all Parties, have industriously procured much Information, for the Purposes of enabling the Legislature to decide the Question, as well upon its Merits, as upon Principles of national Policy.

This Information and Correspondence has been printed, and laid before the Committee, and the Lowland Distillers apprehend it amply supports their Plea, for a total Abolition of the Exemption.

In discussing the Evidence, the Point to be first POINT I. considered is, *how far the Exemption has been abused and perverted from its original Purpose.*

In John Stein's Letter, the total Amount of ^{Correspondence, pages 8 and 9.} the Distillery Revenue for this Year, without a Change of Regulations, is stated as not exceeding 150,000l. while it was computed by the Chancellor of the Exchequer as capable of yielding 500,000l.

500,000l. It is true, that if all the Stills now entered were to be continued till the End of the present Year, the Amount would be greater than is stated by Mr. Stein. But if the Trade is not put upon a new Footing, this will not be the Case, and the Lowland Distillers now declare it to be their Opinion, that Mr. Stein's Computation, or thereabouts, will hold good.

Correspondence pages 14 and 15.

In the Minutes of a general Meeting of the Lowland Distillers, held at Edinburgh, the 9th of August, 1797, many Frauds and Abuses, as practised by the Highland Distillers, are particularized. One Distiller, Mr. Caffis, whose Distillery was situated in the Highland District, until the Act passed, removing the Ideal Line somewhat farther to the Northward, which going beyond him, subjected his Trade to the Lowland Duty, instead of the Highland Duty, as formerly, declares, that (though it be expressly contrary to Law for a Highland Distiller to have more than One 40 Gallon Still) he had, when the Lowland District extended so far as to include his Premises, Three Stills of 40 Gallons each, all licensed in his own Name, and working in one House. That the

the People who bought the Spirits from him, carried them for Sale to the South of the Line; there being very little demand within the Boundary; that though he did not himself buy Barley in the Southern District, yet the Farmers there brought it to his Door, and he appears not to have asked any questions. He specifies Instances where the Highland Distillers buy Malt in the Low Country, and carry it North to be distilled. This is corroborated by the Letter from Alexander Robertson, Esq. Collector of Excise at Stirling.

Correspondence, page 17.

Mr. James Miller mentions, that though he uses, in his Lowland Distillery, considerable Quantities of Barley, which grew to the North of the Line, and carries it upwards of 20 Miles, he is informed, many of the Highland Distillers, in other Parts of the Northern District, use Grain from the South.

Andrew Stein, the Northernmost Distiller, in the South District, says that when the Duties on the Highlands and Lowlands bore a nearer Proportion to each other, than they do at present, the chief Market for the Sale of his Spirits, was
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in Perth, which is situated between his Distillery and the Boundary; but since the Lowland Duties have been raised so high, he had been cut out of that Market, and his former Customers are supplied with Highland Spirits. That so long as he was able to make Sales in Perth, his Spirits brought as good Prices as the Highland Spirits, but since the high Lowland Duty commenced, he has not been able to sell his Spirits so cheap as the Highlanders, who now sell their Spirits at his Door; and he accordingly gave up Business on the 10th of June last.

Correspondence, page 16.

Matthew Brown says that Thomas Fleming, a Distiller in the Northern District, is at present imprisoned in the Tolbooth of Dunbarton, for Debt, being the Price of Grain purchased by him in Glasgow, (South District) from Messrs. Laurie and Pinkerton, and used in his Highland Distillery; that Highland Spirits at present, overrun Glasgow, Greenock, Port Glasgow, and Dunbarton.

16. Mr. Philp, and many other Gentlemen present, say, that if Government would pass from the

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the Penalties incurred by Persons who had received Highland Spirits in the Southern District, they would be able to bring forward satisfactory Evidence of the Enormity of these Frauds; but otherwise the Witnesses would not speak out.

John Mitchell, Esq. Collector of Excise, Dumfries, states the great Opportunity there is of bringing Spirits from the one District into the other, and the Impossibility of devising any effectual Check to it; which he says must prove an insurmountable Bar to the successful Progress of the Lowland Distillery, and ultimately bring it to nothing. Correspondence, page 23.

In the Meeting of Distillers, held at Paisley, 25.
(South District) they state that considerable Quantities of Barley and Malt are transported from the Lowland to the Highland District, and there distilled; that great Quantities of Highland Spirits are sent into the Lowlands, and there consumed. That this is a necessary Consequence of the great Extent of the Entries of Highland Stills, and the great Proportion of these Entries

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that are situated in the near Vicinity of the Line, since the District itself cannot supply the Stills with one-fourth of the Grain they require; and that it does not contain an Extent of Population to consume one-fourth of the Spirits there manufactured. That the Trade of the Lowland Distillers has, in consequence, been very much injured. That the Quality of the Barley in the Middle District, is fully equal to the Generality of Barley produced in the Lowlands. That they are supplied with what Quantity they require in the Highlands, beyond the Produce of that District, from the same Market which supplies the Lowland Distillers; which is transported *openly* by Land or Water Carriage, without Obstruction or Molestation.

In the Act imposing the last Additional Duties upon the Highlands, the Quantity of Grain permitted to be annually used in a 40 Gallon Still was enlarged from 250 to 500 Bolls. By the same Rule the Quantity of Spirits ought to have been enlarged from 1660 to 3320 Gallons; but no additional Allowance was made in this Respect, which, if there was no other Proof of the Fact, is decisive

decisive upon the Point, that all Check upon the *Quantities* of Spirits made and sent out by these Distillers, was considered as useless and unnecessary; accordingly no Account or Check has ever been practised or attempted.

But this indeed is further demonstrated by the ^{Correspondence, page 26.} Accounts and Calculations furnished by Messrs.

Blair and Martin, Distillers in Greenock: they shew, that in Butè and South Argyleshire, the Quantity of Spirits produced, in one Year, by a 40 Gallon Still, is 430 Bolls Malt, at 12 Gallons per Boll

	5,160 Gallons
The Statutory Allowance, even taking it in the Ratio of 1,660 Gallons to the 250 Bolls of Grain, and supposing it all to be consumed in the Highlands, is	- 3,320 Gallons
There is a Surplus to be smuggled in the Low Country of	- 1,840 Gallons

In their Statement for the County of Dumbarton and Vicinity thereof, they calculate the Produce of a 40 Gallon Still at 500 Bolls Malt per Annum, and at

at 10½ Gallons Spirit per Boll, being	5,250 Gallons
Deducting as above	- - - 3,320 Gallons
Surplus to be smuggled	- - - 1,930 Gallons

Correspondence, page 27.

These Calculations proceed on the Supposition, that the Highland Distillers confine themselves to the fixed Allowance of 500 Bolls of Grain or thereabouts. But it is impossible to believe they do so; for Messrs. Blair and Martin next give an Account of the Produce of a 40 Gallon Still, as worked in their own Distillery, by which it appears that the Annual Consumption of Grain is 48 Bolls per Week, or 2,500 Bolls per Annum, producing 11 Gallons of Spirits per Boll, equal to 27,500 Galls.

If the Highland Distillers are equally industrious; the same Work may be performed by them, and consequently deducting their Statutory Allowances of - - - 3,320 Gallons

The Quantity remaining to be smuggled is - - - 24,180 Gallons

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William Corbet, Esquire, Collector of Excise* in Glasgow, informs, that the Highland Distillers,

* This Gentleman is an Officer of the greatest Experience; was many Years General Surveyor of Scotland; is most expert, active, and intelligent; and, as a Reward for his long and faithful Services, was lately promoted to the Collectorship of Glasgow.

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so far from confining their Market within the legal Bounds, transport large Quantities of Spirits to the Low Country, already overstocked, which helps, in a great Degree to increase the Hardship under which the Low Country Distiller labours; that this could not possibly be done, if they did not greatly exceed the legal Quantity of Grain and Spirits. That many of the Distillers in the Highlands, particularly in the intermediate District, have acquired a Degree of Dexterity in working, and have Advantages little inferior to the Low Country Distillers; that many Instances have been found, both in Perth and Argyle Shires, of their having not only used large Pipes, similar to those used by some Distillers in the Lowlands, but of having a Contrivance on the most improved Plan, connected with the Still-head, for heating their Wash, which greatly assists and forwards the Operation of Distilling, but which, under a Licence, operates partially, and for that Reason is by Law prohibited, under a high Penalty; that in consequence of an overstocked Market, almost all the Highland Distillers had then (September, 1797) given over Business, which they imputed to their own Inability to pay the Licence Duty; that this seemed to be themmediate

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diate, but was only the secondary Cause, the Depression in the Price of Spirits being the principal Cause, of which their Inability to pay the Duty is only the Effect, and it furnishes no good Reason to conclude that in general they are not, under the same Regulations, nearly as able to bear the high Duty of 54l. per Gallon, as the Low Country Distiller; and allowing that they should not be altogether so, it appears to him absolutely necessary that the Distiller should be put on the same Footing over all Scotland, for the Security of that important Branch of Revenue in the Low Country, which has been evaded to an alarming Degree, and what may be thought of some Importance, to do away the Odium always attendant on partial Taxation. That were it possible to confine the Highland Distillers strictly to the legal Regulations and Restraints, at present in force respecting them, it would be a matter of little Importance to the Revenue, or Lowland Distillers, whether they should continue on the present Footing or not; but all former Experience goes to shew, in the clearest Light, that this is impossible; that no legal Restraints, no Vigilance on the Part of the Revenue Officers, are able to prevent the Introduction of

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Low Country Grain into the Highland Counties, for the Purposes of Distillation; nor the Transportation of Highland Distilled Spirits to the Low Country;—that the matter, therefore, comes to a short Issue, and the Conclusions must be obvious.

The Point next to be considered is, What Quantity of POINT 2.
Malt can be distilled in a Still of given Dimensions.

John Maitland, Esquire, General Surveyor of Excise, informs, upon the Authority of Adam and William Murray, Distillers, in Edinburgh, who carry on a very small Business, (their proper Trade being Bakers), and who say they have no Secrets, that their Still, of 72 Gallons, when worked for the Scotch Market, uses 72 Bolls of Malt per Week. That it is a general Idea among the Distillers, to reckon a Boll of Malt (equal to 6 Winchester Bushels, or three-fourths of an English Quarter) to be consumed for each Gallon of Still's Content.

Mr. Maitland farther informs, that George Home, Distiller, in Edinburgh, whom he describes to be a candid, honest Man, uses 30 Bolls of Malt per Week, (1560 Bolls per Annum) in a Still of 24 Gallons Content.

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Correspondence page 8.

Mr. Maitland is likewise informed, by Mr. Kemp, Distiller, at Leith, that he had been lately over a good Part of the North Country, and making it his Business to learn what is practised by the Distillers in the Highland District, found that a 40 Gallon Still in that, (now the Middle District) consumed 50 Bolls per Week, or 2600 Bolls per Annum.

—19 & 20. Mr. Grant, Supervisor of Excise, a most intelligent Officer, who furnishes the Collector of Haddington with a Set of Observations on the Highland and Lowland Distilleries, says, that if the Highland Distillers were under no Restriction, as to Quantity of Grain they use, and the Quantity of Spirits they produce, but were at full Liberty to adopt the Method of the Lowland Distillers, a 40 Gallon Still might consume annually 3650 Bolls of Grain, or about 70 Bolls per Week, and that this would produce 36,500 Gallons of Spirits. Mr. —19. Grant adds, that the Lowland Distillers have, for several Years past, produced superior Quantities, in Proportion to the Size of their Stills; and that in this Calculation considerable Allowance is made for the inferior Quality of the Highland Grain.

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The Meeting of Distillers, held at Paisley, say, ^{Correspondence, page 25.} that it is perfectly consistent with their own practical Knowledge, that a 40 Gallon Still will do fully as much Work, in Proportion, as one of larger Content; and that, were the Lowland Distillers at Liberty, they would prefer and work Stills of 40 Gallons in preference to large ones.

In the Accounts furnished by Blair and Martin, ——— 27. Distillers, at Greenock, it appears that they consume, in a 40 Gallon Still, 48 Bolls per Week, or 2496 Bolls per Annum.

William Corbet, Esq. informs, that as a 40 ——— 29. Gallon Still can be wrought to as great Advantage as any Size whatsoever, he has made it the Data in his Statement, being fully convinced that no other Size can be wrought to greater Advantage; accordingly his Statement bears, that the Quantity of Barley which may be consumed annually, in a Still of that Size, is 3120 Bolls. ——— 32.

The Power of a 40 Gallon Still is further ——— 3 & 9. proved to be as great as the Power of a larger one, in Proportion to its Size, by the Letter

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from Mr. Stein, who says, that small Stills have the Advantage, and that it is more for the Interest of the Distiller to use a small Still than a large one, as it will do more in Proportion. He proposes also that Highlands and Lowlands should be allowed to use Stills of the same Dimensions, and then neither Party could complain.

Correspondence, page 15.

In the General Meeting of Distillers in Edinburgh, David Caffilis declares he can work a Still of 40 Gallons as fast as he can do one of 57; that one 40 Gallon Still will supply the present Middle District with Spirits, from Dumblane to Loch Lomond, being a Stretch of 30 English Miles.

15. James Miller corroborates and confirms the Information and Opinion of Mr. Caffilis.

16. Andrew Stein informs, that a 40 Gallon Still will do more Work than one of 100 Gallons, in Proportion; that two 40 Gallon Stills will do as much Work as one of 100 Gallons.

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The Meeting propose that Highland and Lowlands shall each have 40 Gallon Stills, and that each shall pay the same Duty. Correspondence, page 16.

Adam Dawson, Distiller, at Bonnington, proposes that 40 Gallon Stills shall be allowed in the Highlands and Lowlands indiscriminately, and that one Rate of Duty shall extend to both. 21.

The Meeting of the Distillers, held at Paisley, inform, that many of the Highland Stills are upon the best constructed Plans, and are worked to as much Advantage as any Stills in the Lowlands. 25.

This is also confirmed by the Information of Mr. Corbet. 29.

Under this Head a Fact may be stated, perfectly well known to the Excise in Scotland, but not appearing in the Correspondence, which establishes indisputably the Quantity of Spirits produced by a small Still of only 20 Gallons Content. Last Year the Lowland Distillers, owing to the Interference of the Highlanders in the Lowland Market,

ket, came to have on hand such large Stocks of Spirits, that they were unable to go on with their Trade, and advance to Government every two Months the high Licence Duty of 54l. per Gallon. Their Case was stated to the Lords of the Treasury, who humanely allowed them to deposit their Spirits under the Custody of the Revenue Officers, for the Licence Duties, as they became payable, until Sales could be made. Though it was not required by Law, nor by the Orders of the Treasury, yet the Board of Excise thought it necessary to lay the Distillers, availing themselves of this Indulgence, under regular and complete Survey. Many of the Distillers would not submit to this, but some of them did; in particular, a Distiller at Whitburn, using a 20 Gallon Still, appears to have made weekly, with this small Still, 200 Gallons of good Spirits from Malt, which, at the Rate of 10 Gallons per Boll, is equal to the weekly Quantity of 20 Bolls of Grain, or 1040 Bolls per Annum, and is more than double the Highland Calculations for a Still of twice the Size.

All the Calculations furnished by the Highland Distillers, as applicable to this Point, go not so much to the Quantity which *may* be distilled, if proper Means and Exertions were adopted, as to the Quantities which the Law *permits*. Although the Law requires that the Operations in the Highland District should be subject to Check and Survey, yet, as has been mentioned, no such Checks and Surveys have ever taken place. The Distillers, therefore, whatever they may pretend to the Contrary, are left as much to the full Scope of their Genius and Industry, as if they were situated to the South of the Line. Those Highland Statements, in calculating the Power of a Still, are therefore to be totally disregarded, since by other Evidence, of a most unquestionable Nature, the Power of a 40 Gallon Still is proved to be at least five Times what the Highlander admits.

But every Dispute between the Traders in these two Districts will at once be quashed, by permitting the general Use of small Stills; leaving to the Distillers the full Exercise of their Skill and Industry.

POINT 3. *What is the Quantity of Spirits which can be produced from the Boll of Malt?*

This, no doubt, depends, in a great Measure, upon the Quality of the Grain; and Calculations upon it must, therefore, be somewhat various.— Taking it, however, from the printed Correspondence, it appears, that Adam and William Murray, Distillers, in Edinburgh, who declare they have no Secrets, draw from 10 to 11 Gallons of Spirits from the Boll; that this is their ordinary Produce, but that they have sometimes 12 Gallons; that Distillers who use raw (unmalted) Grain, may get a larger Produce; but that they distil from nothing but Malt, and get a higher Price for their Spirits on that Account.

7. George Home, Distiller, in Edinburgh, produces less Spirits from his Malt than others do; because having a ready Money Market, and a good Price for his Barm (Yeast), he throws more of it, and, consequently, has less Spirit; but from 30 Bolls Malt used weekly, he has 240 Gallons of Spirits, or eight Gallons per Boll,

Boll, though the usual Produce from the Boll of Malt is from 10 to 11 Gallons.

Mr. Kemp, Distiller, at Leith, when lately in Page 8. the North Country, enquired into the Practices of the Distillers in the Highland District, and found that their Produce from the Boll of Malt is 10 to 12 Gallons.

John Stein informs, that the Distillers in London draw 20 Gallons of Spirit, 1 to 10 over, from 100 Gallons of Wash.—This is the Statutory Proportion; and it is always understood by the London Distillers, that 100 Gallons of Wash is taken from one Quarter of Corn. It is alledged by them, however, that they draw but 18 Gallons of Spirit from the 100 of Wash, or the Quarter of Corn; and taking this for the Rule, it is equal to 20 Gallons Glas Proof, which is the Strength known in Scotland. This Produce from the English Quarter is equal to 15 Gallons from the Scotch Boll.

Mr. Grant, Supervisor of Excise, states the Produce from every Boll of Malt, after allowing

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for the inferior Quality of the Highland Grain, to be 10 Gallons of Spirit.

Page 26 Blair and Martin, Distillers, state the Produce from a Boll of Malt, in Bute and South Argyleshire, at 12 Gallons of Spirit; in the County of Dumbarton at $10\frac{1}{2}$ Gallons; and at Greenock at 11.

— 29 William Corbet, Esq. states the Produce from the Boll at $9\frac{1}{2}$ Gallons proof; which, in most Cafes, he thinks is rather under-rated,^s but not greatly so. That the Difference of Quality of the Grain, and the different Degrees of Skill in the Distillers, cause a considerable Variation in the Produce; but that Differences of this Nature will always exist, not only in the Distillery, but in all other Manufactures, and furnish a lasting Reward to superior Skill and Dexterity.

— 35 In Inverness Collection the Produce is stated at 12 Scotch Pints, or 6 Gallons per Boll.

— 37 In Caithness Collection it is stated by the Collector at $5\frac{1}{2}$ Gallons per Boll; but by the Distil-

— 40 lers at only 4 Gallons.—These Distillers evidently do

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do not state the Truth; for they say it is necessary for them to reduce their Spirits with Water, which they, from Experience, only know how to temper. They therefore propose to have Credit for an additional Quantity, on Account of the Water. This is most ridiculous; for every old Woman in Scotland, and especially in the Highlands, knows, by the bell on the Top of a Glas of Spirits, what is the precise Strength, and can reduce or prepare it as well as any Distiller in the Country.

In Argyle (South Collection) the Produce is Page 43 stated at $5\frac{1}{2}$ Gallons per Boll.

In Argyle (North Collection) it is stated at — 46 18 Scotch Pints, or 9 Gallons per Boll. But Thomas Ross, Esq. Collector of Excise, observes, — 45 that the Average of 18 Pints from the Boll is too little, as he knows it is a Practice with most of the Distillers in that Country to engage a Person to make Spirits for them, who gives them 20 Pints from the Boll, taking his Chance of the Surplus Spirits for his Wages.

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Page 47 In Aberdeen Collection, James M^rFarlane, Esq. says, that from every Information he could obtain, a Distiller, that understands his Business, takes from a Boll of Malt, in that Country, from 8 to 10 Gallons of Spirits.

— 48 Thomas Simpson, Highland Distiller, acknowledges that 14 Pints, or 7 Gallons, is the highest general Quality extracted from the Boll of such Grain, as that District usually produces.

48 & 49 A Meeting, consisting of Fourteen Highland Distillers, held at Huntly, give it as their Opinion, that the Produce of Spirits from their Grain, does not exceed (13 or 14 Pints) $6\frac{1}{2}$ to 7 Gallons per Boll.

— 51 A Meeting of North-Line Distillers, held at Dumblane, acknowledge that 8 or 9 Gallons of Spirits, from the Boll, are produced by them upon an Average.

— 56 In Perth Collection, John Steward, Highland Distiller, states that he can produce from 250 Bolls of Barley, 4000 Scotch Pints of Spirits, which

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which is equal to 8 Gallons per Boll. In the same Collection, William White states his Produce at 12 Pints, or 6 Gallons per Boll. In the same Collection, but farther to the Northward, James Duff states his Produce at 8 Gallons of saleable Whiskey from the Boll. He says, the Lowland Distillers, by their superior Dexterity, can draw 5 Gallons, at least, more from the Boll, than they can do. In the same Collection, Andrew Ronaldson states 8 Gallons as the Produce from the Boll.

Nine Highland Distillers declare their Produce to be 11 Pints, or $5\frac{1}{2}$ Gallons. — 61

John Bisher, Perth Collection, states his Produce at 9 Gallons saleable Whiskey, per Boll. — 62

William Johnston, same Collection, at 6 Gallons from the Boll; and James Gall, also, in same Collection, states his Produce at only 5 Gallons per Boll. — 64

What

POINT 4. *What is the Duty actually paid by this Process on the Gallon of Spirits ?*

Correspondence, Page 36

The Calculation of the 20 Gallon Still, used at Whitburn, as stated in Page 30, brings the Duty to 2s. 1d. on the Gallon of Spirits, Glafs Proof; to which add one-fifth as the Difference between that Strength, and the Strength known in England, of 1 to 10 over Hydrometer Proof, it amounts to 2s. 6d. being 2s. 1d. less than the Duty paid upon Spirit of the same Strength in England.

Page 8

Mr. Kemp, Distiller, at Leith, gave over Business on the 10th of June last, and says, that every Gallon of Spirits he made cost him 4s. 8d. Glafs Proof, equal to 5s. 1d. 1 to 10 over; deducting, therefore, 2s. 4d. the Cost of the Spirits, there remains, by this Calculation, 2s. 9d. of Duty to Government.

— 20 Mr. Grant's Computation brings the Duty to 1s. 3d. Glafs Proof, equal to 1s. 6d. 1 to 10 over; but it is to be observed that his Calculations are hypothetical, and not from a real Information.

Wm.

Wm. Corbet, Esq. states the Quantity of Spirits produced under 3120l. of Duty paid in the Lowlands to be 29,640 Gallons, Glafs Proof; which brings it to 2s. 1d. of that Strength, equal to 2s. 6d. 1 to 10 over.

Correspondence, page 32

Messrs. Blair and Martin state the Quantity of Spirits produced under 2160l. of Duty paid by them, at Greenock, to be 27,500 Gallons; which brings it to 1s. 7d., equal to about 2s. per Gallon, 1 to 10 over.

As the Highland Distillers found their Claim to this Exemption on the inferior Quality of their Grain, what are the Prices of Grain in Highlands and Lowlands respectively ? POINT 5.

In all the Calculations furnished by the Highland Distillers they uniformly state the Price of the Grain much beyond the Truth.

In Inverness Collection it is stated at 22s. per Boll. Correspondence, page 35

In Argyle (South Collection) at 20s. — 43

In Do. (North Collection at 25s.) — 46

In

Correspondence, pages	In Aberdeen Collection, at 20s.
48 & 49	In Linlithgow Collection, (Highland District) at 22s
51 & 53	
— 56	In Perth Collection (Highland District) at 20s.
57 & 59	Ditto ditto at 18s.
— 61	Ditto ditto at 19s.
— 62	Ditto ditto at 17s.
— 64	Ditto ditto at 18s.

It will appear that these Prices for Highland Barley, pretended to be of such inferior Quality, when the Difference between the Boll and the Quarter is taken into Consideration, are as high as the Prices which have been paid in the London Market, for the best Barley, during the last Twelve Months. They are higher than any Prices which had been known, during that Time, for the best Barley in the Lowlands. Accordingly in all the Calculations furnished by the Lowland Distillers, the highest Price stated by them for the best Barley, does not exceed 20s. per Boll.

— 30 Mr. Corbet says, " I am assured, by one of
 " them, (the Lowland Distillers) a Man of Intel-
 " ligence, who, I have every Reason to believe,
 " would not mislead me, that if Barley was at
 " 20s.

" 20s. per Boll, marketable Spirits at 4s. 6d. per
 " Gallon, and the Duty no more than 54l., he
 " never would wish for a better Trade."

LOCAL ADVANTAGES. POINT 6.

The Expence of Labour is unquestionably lower in the Highlands, than in the Lowland. Coals may in some Places be a little dearer in the Highlands, but in general the Difference is trifling, and particularly in the more Southern Parts of the Highland District, where the most of the Trade is carried on. In a Meeting of the Distillers, held at Edinburgh, and in a Meeting at Paisley, this Difference is demonstrated to be little or nothing. It farther appears that the Highland Distillers use a considerable Proportion of Peat and Wood Fuel which they get almost at their own Doors, at little or no Expence, and which gives their Spirits that peculiar Flavour so much prized by the Consumers, producing to them a much higher Price than is received by the Lowland Distillers. For Example :

... In

Page 35	In Inverness Collection, at 4s. per Pint, or 8s. per Gallon.
— 37 & 39	In Caithness Collection at 7s. per Gallon
— 42	In Argyle (South Col.) 7s. per do.
— 45	Ditto (North Col.) 6s. to 7s.
— 46	Ditto ditto 4s. 6d.
— 56	In Perth Collection at 6s. per Gallon.
— 51 & 59	Ditto - - 5s. per do.
— 61	Ditto - - 6s. per do.
— 62	Ditto - - 4s. per do.
— 64	Ditto - - 5s. per do.
- 64	Ditto - - 6s. per do.

While the Price which the Lowland Distillers are at present able to procure, does not exceed 4s. although in Mr. Corbet's Calculation, p. 33. he states their Price at 4s. 6d.

The Lowland Distillers submit to the Committee of the Honourable the House of Commons, that the Exemption from Duty on Spirits distilled in the Highlands should be abolished, and that both Districts should be put upon an equal Footing, for the following, among other Reasons.

REASON

REASON I.

Because, by the Articles of the Treaty of Union, it is provided, " That all Parts of the United Kingdom shall have the same Allowances, Encouragements, and Drawbacks, and be under the same Prohibitions, Restrictions, and Regulations of Trade;" and more particularly, " That the United Kingdom of Great Britain shall be represented by one and the same Parliament; and that all Parts of the United Kingdom be for ever liable to the same Excise upon all excisable Liquors," unless as is therein excepted with respect to the Duty on Ale. It follows, therefore, that all partial Exemptions of this Nature are unconstitutional.

REASON II.

Because all Exemptions, of whatever Nature, are, in every View, in themselves impolitic, prejudicial to the general Interest of the Inhabitants, and dangerous to the Interests of the State. And that, from these Considerations, the Legislature has, in its Wisdom,

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12 Geo. I.
Chap. 28 § 21
5 Geo. III.
Chap. 26.
5 Geo. III.
Chap. 39.

from Time to Time, bought up private Rights, and abolished Exemptions—some of them of less Magnitude than the present: One of the most important, the Sovereignty of the Island of Man, for which there was paid to his Grace the Duke of Athol the Sum of 70,000*l.* This Island answered the Purpose of a Warehouse, into which Smugglers could deposit their contraband Goods, until they had an Opportunity of running them in upon the Scotch and English Coasts. When a Drawback of Duties was allowed on Goods exported from this Country, the Island also served as a Receptacle for these Goods, until they were clandestinely returned into the British Market. The whole Navy of England would have been unable to prevent these Depredations upon the Public Revenue, and much less therefore are a few straggling Excise Officers, with trifling Salaries, capable of preventing the Highland Distillers from sending their Spirits into the Lowlands.

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The Sugar-Houses in Scotland may next be noticed, as having possessed an Exemption from Duty, the Right of which was likewise purchased by Government, “ it being ^{1 Geo. I.} Chap. 9.
“ evidently (as the Law expresses it) prejudicial to his Majesty’s Revenue, and to
“ all other Traders in Sugars and Distillery of Spirits, that such Exemptions
“ should subsist and continue.” Accordingly, upon Payment of certain large Sums to the Proprietors, with Discharges for their by gone Duties, these Exemptions were, with great Propriety, abolished.

Another important Exemption from Customs and Duties, abolished by the Legislature, was that in Favour of the two Manufactories, called the Rope and Soap Works of Glasgow, which occasioned, in the Words of the Statute, ^{24 Geo. III.} Chap. 7.
“ a great Diminution of the Revenue,
“ and Breach of that Equality in Trade,
“ which ought to have place in all Parts
“ of the united Kingdom.” This Privilege was, therefore, declared to have ceased, and determined at the Treaty of Union;

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but the Bonds granted by the Proprietors of the Soap and Rope Works for by-gone Duties, were ordered to be cancelled, and the Sum of 2,500l. ordered to be paid to each of the Companies, " in Consideration " of their Loss and Damage by the Determination of the foresaid Exemptions."

An Exemption from Duty on Coal exported, as enjoyed by the Estate of Pitferran, in the County of Fife, was also but recently abolished. The Act declares it to be " expedient, as well in Respect of the public Revenue, as in Respect of the Interest of other Proprietors of Coal Mines and Coal Works, that the said Right of Exemption should any longer continue to exist; and whereas it is, at the same Time, just and reasonable that a suitable Recompence should be made for surrendering the said Right," the Lords of the Treasury were authorized to treat with the Proprietors for a Purchase of the Exemption, which accordingly took place upon Payment of the Sum of 4000l.

But

27 Geo. III.
Chap. 1.

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But what more particularly applies to the present Case, is the Abolition and Purchase by Government of the Exemption from Duty on Spirits manufactured on the small Estate of Ferintosh, the Property of Mr. Forbes, of Culloden. This Exemption was allowed by several Acts and Declarations of the Parliament of Scotland before the Union, but is now declared by the British Legislature " to have been highly detrimental to " the Revenue of Excise, and prejudicial to " the Distillery in other Parts of Scotland; " and it is therefore become necessary that " the same should be extinguished, upon a " suitable Compensation to be made for " the same to the Proprietor of the said " Lands." This Act, therefore, authorized the Lords of the Treasury to treat with Mr. Forbes for a Purchase of his Right, for which he was paid 21,580l. by the Verdict of a Jury in the Court of Exchequer, at Edinburgh.

24 Geo. III.
Chap. 46.

REASON III.

Because, if the present Highland Exemption shall not be now abolished, it will soon be claimed

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claimed by the Highlanders as a Right which cannot be taken from them, except upon Payment of its Value by Government; and if 21,58cl. was paid for the Rent of the Exemption, which no Person considered as over-rated, it must ere long require many Millions Sterling to pay in the same Proportion for an Exemption nearly similar, extending over all the Highlands of Scotland.

REASON IV.

Because the Exemption granted at first, as Matter of Favour to the Highlanders, "for promoting the Agriculture of the Highlands, and accommodating the *inhabitants thereof* with Spirits drawn *from their own grain*, at moderate Prices," has been most grossly abused by them, as well both in running down Spirits upon the Lowland Market, as in transporting to the Highlands, for Distillation, immense Quantities of Lowland and English Barley; and because this can never be prevented by any Restriction of Law, or any Vigilance on the Part of the Revenue Officers, so long as the Difference in the Rates

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Rates of Duty afford to the Highlanders an Inducement to smuggle; and hence its continuance is manifestly unjust to the rest of Scotland.

REASON V.

Because, at first, the Highland Duty amounted to *two-thirds* of that in the Lowlands, the one being 20s. and the other 30s. per Gallon. The Highlanders were restricted to the Use of 40 Gallon Stills, while the Lowland Distillers might have Stills of any Size, from 52 Gallons upwards; many of them being, at that Time, of 1000 Gallons Content. But the high Duties since imposed in the Lowlands, having driven the Distillers to their Shifts, they have now clearly ascertained that the Advantage is in Favour of small Stills, since they may be brought sooner to boil; and, consequently, all the Stills now at work in the Lowland District are of the smallest Capacity allowed by Law, (52 Gallons, exclusive of the Head) while the Highlanders continue to use 40 Gallon Stills as formerly, and are at

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full Liberty to make the best Use of them in their Power; and because, therefore, it is preposterous to maintain that the Circumstance of the local Situation of a Still of small Capacity can make any Difference in its operative Powers; and the Lowland Distillers do, in Fact, offer to restrict themselves to Stills of the same Content with those used in the Highlands, whatever that may be:—but more particularly because the Highland Duty, instead of two-thirds, as at first, does not now amount to *one-sixth* of that paid in the Low Country, it being in the northernmost District 6l. 10s. in the middle Highland District 9l. and in the Lowland District 5l. per Gallon.

REASON VI.

Because, in Proportion to the *Price actually paid* for Highland Grain, an equal Quantity of Spirit may be produced from it, as from Grain of a superior Quality, at a higher Price; but further, because the Duty does in no Shape depend upon the Quality of the Grain; for if all the Duty were laid upon *it*, as in the Case

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of Malt; then, in Proportion as it was good or bad, the Manufacturer would have the better or worse Bargain in Point of Duty. But this is not the Case; neither is it laid upon the Wash, but on the Content or Capacity of the Still. If the Grain is inferior, it is cheaper, and the Distiller can therefore afford to Use a larger Quantity, for producing Wort or Wash of a given Strength.—Every Distiller of common Knowledge weighs his Malt and Corn into his Mash Ton. According to the *weight* he pours on his Liquor; and thus from 125 Bolls at 16s. he has in fact the same Produce and Strength of Wort, as from 100 Bolls at 20s. The Wort, when fermented, becomes Wash, which is distilled; and it matters not, therefore, whether the Trader makes Use of superior or inferior Grain; and, in fact, all the Barley of inferior Quality is used by the Distillers.

REASON VII.

Because, although it could be believed, as asserted by the Highland Distillers, that they are either so indolent, or wonderfully ignorant in their

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their Art, as to be unable to work Stills or produce Spirits, they deserve not the smallest Indulgence on these Accounts. If the Distillery must flourish in the Highlands, and that the People themselves cannot conduct the Manufacture, let them give Encouragement to Instructors from the Lowlands, a Practice already common among many of them.— Were the Duties on both Districts equal, this would become instantly general; but under the present low Duty, the Highlander feels no necessity for Exertion.

When the Duty in the Lowlands was raised to 9l. on the Gallon, the Distillers in that District thought it would be a Prohibition; but by close Application to their Business, they overcame Difficulties which at first appeared as insurmountable; and the Duty has since been raised, first to 18l. and then to 54l.

LASTLY, The great Body of Lowland Distillers, in whose Behalf this Case is humbly submitted, persuade themselves that its attentive Consideration will satisfy the Wisdom of the Honourable

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Honourable Committee, that their Demand of an equal Rate of Duty on the Scotch Distillery, without Distinction, is founded on material Justice and the soundest National Policy; and that even the Highlanders themselves will be benefited by the Change, from the Spirit Market of the whole of Scotland being legally thrown open to all its Inhabitants; and giving thereby full and free scope to the Genius, the Industry, and the Energy of all Ranks of Distillers.

And they beg to conclude their Case with the Words of Mr. Corbet, the late General-Surveyor of Excise in Scotland, whose Opinion, from his high Integrity, extensive Knowledge of his Subject, and long Experience is justly entitled to the utmost Credit. “*The Difference of the Quality in the Grain, and the different Degrees of Skill in the Distillers, causes a considerable Variation in the Produce; BUT DIFFERENCES OF THIS NATURE WILL ALWAYS EXIST, NOT ONLY IN THE DISTILLERY, BUT IN ALL OTHER MANUFACTORIES, AND FURNISH A LASTING REWARD TO SUPERIOR SKILL AND DEXTERITY.*”

The first part of the document is a letter from the Secretary of the State Department to the Secretary of the War Department. The letter is dated August 1, 1918, and is addressed to the Secretary of the War Department, Washington, D.C. The letter is signed by the Secretary of the State Department, Robert Lansing.

The letter discusses the proposed transfer of the War Relocation Authority to the War Relocation Administration. The letter states that the War Relocation Authority was established by Executive Order on June 17, 1918, and is currently operating under the War Relocation Act. The letter proposes that the War Relocation Authority be transferred to the War Relocation Administration, which was established by Executive Order on August 1, 1918.

The letter also discusses the proposed transfer of the War Relocation Authority's assets to the War Relocation Administration. The letter states that the War Relocation Authority's assets, including its real estate, personal property, and other assets, should be transferred to the War Relocation Administration. The letter proposes that the War Relocation Administration be authorized to sell, lease, or otherwise dispose of the War Relocation Authority's assets in the best interest of the Government.

The letter concludes by stating that the proposed transfer of the War Relocation Authority to the War Relocation Administration is in the best interest of the Government and the War Relocation Authority. The letter is signed by the Secretary of the State Department, Robert Lansing.