

149-8

1 2 3 4 5 1 6 7 8 9 0

(2.)

[1]

F I N A N C E.

26th February 1807.

—Nº 1.—

THAT it is proposed by The New Plan of Finance, brought forward by The Chancellor of the Exchequer, that the Annual Excesses of the present Sinking Fund, above the Interest of the Debt charged upon it in any given Year, should be declared to be at the disposal of Parliament, and applicable to the Public Service. And it appears, that the Aggregate Produce of the said Excesses, between the Years 1816 and 1826, will amount in the whole to £. 11,122,809.*

E. K. THAT Annuities to the Amount of £. 683,062, will fall in between the Years 1807 and 1826.

THAT it is proposed by the New Plan of Finance, to charge, on the Aggregate Produce of the said Excesses of the Sinking Fund, and upon the said Annuities, the B. Interest and Sinking Fund of £. 204,200,000. Supplementary Loans; and to impose, in aid of the said Aggregate Produce, between the Years 1810 and 1816, C. New Taxes, to the Amount of £. 2,051,000.

THAT, in addition to the Supplementary Loans so to be provided for, it is proposed by the New Plan to raise War Loans to the amount of £. 292,000,000, on C. the Credit of the War Taxes, amounting to £. 21,000,000.

THAT the War and Supplementary Loans of each Year, added to so much of the War Taxes as may remain unmortgaged, will produce in each Year respectively B. the Sum of £. 32,000,000.

THAT, in order to raise the said Sum of £. 32,000,000, in each Year, without mortgaging the War Taxes, there would be required, in addition to the £. 21,000,000. of War Taxes, an Annual Loan of Eleven Millions only.

THAT, without any Mortgage upon the War Taxes, (supposing the Charge and the permanent Provision for the Interest and Sinking Fund of the same, to arise proportionably in the respective Years) an Annual Loan of Eleven Millions might be provided for, for nearly Nineteen Years, by the Application of the same Funds; viz. The Annuities, amounting to £. 683,062; The Excesses of the Sinking Fund, amounting to £. 11,122,809; and, The New Taxes intended to be imposed by the New Plan, amounting to £. 2,051,000, on which the Supplementary Loans are to be charged.

—Nº 2.—

THAT the proposed System of Finance proceeds gradually to mortgage, for Fourteen Years, the whole of the War Taxes for the Interest of Loans in War.

THAT these Taxes are not generally of a nature which can, with propriety, be so pledged; as several of them (such as the Tax on Tonnage and Exports, and the Duties on Tea and on Spirits) must probably either be modified, or reduced, on a Peace; whilst it is proposed by the said Plan, that the Property Tax, amounting to £. 11,500,000, should in that Event be entirely remitted; in which Case (exclusive of any Mortgage at the time affecting the Residue of the War Taxes) the Portion of them which might be continued, without material prejudice to the Public Revenue

A beyond

* Note.—The Letters in the Margin refer to the Tables in the printed Papers, in which the Price of the 3-Per-Cent. Stock is taken at 60.

FINANCE.—26th February 1807.

beyond the War, must be wholly insufficient to equalize the Revenue with the Peace Expenditure.

Suppose a Peace Establishment at £ 13,000,000;

If the War Taxes were mortgaged, there would remain,

Land and Malt £ 2,750,000

Surplus of Consolidated Fund 3,500,000

£ 6,200,000 Lottery 450,000

£ 6,700,000

Annual Deficiency to be provided for by New Loans or Taxes 8,300,000

Supposing the Peace Establishment to amount to 20,000,000

The Deficiency to be provided for, in like manner, would be 13,300,000

N^o 3. That the New Plan will require Loans to a greater amount, to be raised in each Year, than would be required if the usual System of borrowing were persevered in.

By the present System, in order to cover a War Expenditure of £ 32,000,000

There would be wanted in each Year, in aid of the Twenty-one Millions War Taxes, a Loan of 11,000,000

Amounting, in Twenty Years, to 220,000,000

£ 840,630,800

NEW PLAN:

B. Amount of War Loans, for Twenty Years £ 292,000,000

B. Ditto of Supplementary Loans, for D. 204,200,000

Total £ 496,200,000

Total Excess by the New Plan £ 276,200,000

The average Capital to be annually raised by the New Plan is,

Annual Amount of Loans by the New Plan, on a Twenty Years Average,

War Loan £ 14,600,000

Supplementary Ditto 10,200,000

Total by New Plan 24,800,000

Average Annual Excess by New Plan 13,800,000

THAT the comparative Increase of the Public Debt, which would be produced

by the two Systems, and the Effect they will have on the proportionate Amount of the Sinking Fund, by their Operation in Twenty Years, is as follows:

EFFECT OF THE PRESENT SYSTEM,

The Amount of Money Capital of the Public Debt is (by Table N.) in the

Year 1807 £ 363,793,722

The Amount of Ditto will be, in the Year 1826, supposing Eleven

Millions raised in each Year 270,443,305

Decrease of Debt in Twenty Years, raising Eleven Millions

in each Year 93,350,417

FINANCE.—26th February 1807.

3

EFFECT OF THE NEW PLAN:

N. Amount of the Money Capital of the Public Debt under the New Plan is,

in 1807 £ 363,793,722

The Amount of Ditto will be, in 1826 £ 455,537,932

Increase by New Plan in Twenty Years £ 90,544,210

Decrease of Debt by present System, as above £ 93,350,417

Increase of Ditto by the New Plan £ 90,544,210

Total Increase of Debt by New System £ 183,894,667

EFFECT OF THE PRESENT PLAN ON THE SINKING FUND:

N. Amount of Sinking Fund, under the present System, on the Public Debt, is,

in 1807 £ 8,515,642

N. Amount of Ditto will be, in 1826, £ 27,115,881

Increase of Sinking Fund in 20 Years £ 18,600,239

EFFECT OF NEW PLAN ON THE SINKING FUND:

Amount of Sinking Fund, under the New System, is stated to be, in

1807 £ 8,935,042

Amount of Ditto under the New System, will be, in 1826 £ 26,901,360

Increase in 20 Years £ 17,966,318

Difference in favour of present System 644,421

So that the New Plan gives only £ 26,901,360. Sinking Fund on a Debt

of £ 455,537,932; whilst the present System would give the larger Sinking Fund

of £ 27,115,881, on the smaller Debt of £ 270,443,305.

The Proportion of the Sinking Fund to the whole Debt would, under the

present Plan, in 1826, above One-tenth.

N. The Proportion of the Sinking Fund to the whole Debt, under the New Plan,

will be, in 1826, about One-seventeenth.

The Sinking Fund, under the present Plan, above stated at £ 27,115,881, continues to increase at Compound Interest, after the Year 1826, till the whole Debt is redeemed.

The Sinking Fund, under the New Plan, having attained its Maximum of

£ 28,155,358, in the Year 1826, declines to £ 26,901,360, in the Year 1826; and

must continue to decline after that period, so long as the Excesses shall be deducted.

To furnish the following Table, it was necessary to calculate the Sinking Fund for

each year from 1807 to 1826, and then to deduct the Excesses.

N^o 5. To furnish

THAT an Increase of Charges for the Interest and Sinking Fund of Loans, for

the Twenty Years, must take place under the New Plan, compared with the like

Charge, which would take place were the present System persevered.

EFFECTS OF THE PRESENT SYSTEM:

L. Annual Loan, £ 11,000,000.—Charge for Interest and Sinking Fund £ 733,333

L. Amount of Loans for Twenty Years, £ 220,000,000.—Charge for Ditto £ 14,666,680

EFFECT OF THE NEW PLAN:

C.	Charge of the Supplementary Loans, amounting in Twenty Years, to War Taxes, mortgaged at the end of Twenty Years, which are to be liberated successively in the next Fourteen Years after 1826	£. 14,266,388
L.	Charge, as above, under the present System	£. 14,666,660
G.	Charge under the New Plan, for Supplementary Loans only	£. 14,299,388
	Difference, exclusive of Charge of Distribution, as stated in Resolution 8, A.	£. 370,272

	War Taxes, mortgaged as above for War Loans, according to the New Plan	£. 21,000,000
	Ditto, according to the present System	Nil.

N° 6.

THAT the Ways and Means, proposed by the New Plan, to prevent the necessity of imposing New-Taxes to any considerable amount, viz. the Expiring Annuities, together with the Excesses of the Sinking Fund above the Interest of the Unredeemed Debt, are equally applicable, *pro tanto*, to mitigate their Increase under any other mode of raising Loans which may be decided on. The Means proposed by the New Plan, of defraying the Interest and Sinking Fund of the Supplementary Loans, are as follows:

Produce of the Excess of the Sinking Fund between 1816 and 1826, above the Interest of the Unredeemed Debt

F. Applicable by the falling in of Annuities

K. New Permanent Taxes proposed by the New Plan to be raised
between 1816 and 1817, to the amount of £. 2,051,000
of bond gold, or £. 2,051,000 of annuity. Total £. 13,856,871

C. Charge of Supplementary Loans, Annuities not deducted

* Ways and Means as above

Remains to be provided for, exclusive of the Charge of equalizing the Ways and Means, with the Charge, so far as they do not arise proportionally within the respective Years

K. Charge for the Total Amount of Loans, at the rate of £. 11,000,000. a Year, under the present System, at £. 733,333 per Annum, for Interest and

Sinking-Fund; the Expiring Annuities not deducted

As a Fund to supply this Charge, the Ways and Means, as above, for raising the Interest and Sinking Fund of the Supplementary

Loans, may be applied, *pro tanto*

Remains to be provided for, in order to cover the Charge, exclusive of the Charge of Distribution, as above

It therefore appears, that the Means required to be applied under the New System, to defray the Charge for Interest and Sinking Fund on the Supplementary Loans alone, would, with the Addition of Taxes to the amount of £. 370,272, and the Charge of Distribution, as above, defray the Total Charges of the Loans required to complete the Fund of £. 32,000,000. annually for War Expenditure, without the necessity of any Incumbrance whatever upon the War Taxes.

Vide Resolution 8 A, and Table explanatory thereof; which will be furnished.

N° 7.

THAT the comparative Effects which would be produced on the Public Income by the two Systems, on Return of Peace, and on the Formation of a Peace Establishment, are as follows:

UNDER THE PRESENT PLAN:

There would be no Charge whatever upon any Part of the War Taxes.—The whole Twenty-one Millions would remain free.—The Property Tax, or whatever Portion of the other War Taxes were not required towards making an adequate Provision for the Peace Establishment, might be immediately remitted, leaving that Resource unpledged, and available on the Recurrence of War.

UNDER THE NEW SYSTEM:

When Peace takes place, a considerable Part, if not the whole of the War Taxes, will have been mortgaged.—In the latter Case, there will only remain a clear Revenue of £. 6,700,000. immediately applicable to support the Charges of a Peace Establishment.

By Table R. it appears that in 1826, the Excesses of the War, and present Sinking Fund, will, if Peace be then made, amount to £. 10,720,730.—If this Sum shall be then preferably applied to liberate a Part of the Property Tax mortgaged for the War Debt, the Remainder of the Property Tax, and all the War Taxes, will become Permanent Taxes, and Part of the Consolidated Fund, and be mortgaged, like the other Parts of that Fund, for the Redemption of the War Debt, and the present Debt thus consolidated into a Common Debt; and the Deficiency, on the Peace Establishment, must be provided for either by fresh Taxes, or fresh Loans,

N° 8.

THAT the Sum of Eleven Millions, a Year, required in aid of the Twenty-one Millions War Taxes, to complete the War Expenditure of Thirty-two Millions, may be raised (should the Principle of applying the Excesses of the Sinking Fund to the Public Service be decided on), according to the following Mode, without mortgaging the War Taxes; without swelling the Loans to be raised within the Year to the inordinate Amount of Thirty-two Millions Sterling; without rendering New Taxes of any materially greater Amount necessary than it is proposed to lay on by the New System, and without making so considerable an Addition to the Debt, as will be made, should the New System be carried into execution.

The Sum required as above, to provide for a Loan of Eleven Millions per Annum, for 20 Years, is £. 14,666,660

The Resources available, amount (exclusive of the Charges of Distribution) to £. 13,856,871

Deficiency £. 809,789

This Deficiency of £. 809,789, exceeding only by £. 370,272, the Charges for Supplementary Loans, would remain an additional Charge to be provided for, in addition to the Charge of equalizing the Ways and Means with the Annual Demands within the respective Years.

As the Charges, upon a Loan of Eleven Millions, would, in each Year, amount to £. 733,333., if it should be thought fit, in aid of the Annuities, to raise, in the first Nine Years, only the precise Amount of Taxes proposed by the New Plan, until the Excesses of the Sinking Fund shall arise in 1816; the Difference between the above Funds, and the Annual Charge of £. 733,333. may be added, as it arises, in the said Period, to the Loan of the Year; the Interest and Sinking Fund, theron being defrayed, in the first instance, out of the Consolidated Fund, till otherwise replaced.

Vide Table,
App. N° 1.

Vide Table,
App. N° 1.

That the comparative Effects of the Plan in Ref. 8. as contrasted with the New System, may be stated as follows: *

FIRST CASE.—Supposing Peace to take place at the end of 9th year, that is, in 1815; then—

Capital borrowed in 9 Years by New System,

War Loans	- £. 130,000,000
Supplementary Loans	- £. 30,200,000
Total borrowed by New Plan	- £. 160,200,000

Capital borrowed in 9 Years by Resolution 8.

Ordinary Loans, at 11 Millions Annually	- £. 99,000,000
To equalize Ways and Means with the Charge, within the respective Years, including the Advances from the Consolidated Fund	- 29,791,234

Total borrowed by Resolution 8	- £. 128,791,234
More Capital borrowed by New Plan	- £. 31,408,766

Debt remaining unredeemed at the end of 1815; also, Comparative Amount of Sinking Fund, supposing Peace then to take place, the Excesses of the War Sinking Fund in New Plan being previously deducted, in order to liberate the larger Proportion of War Taxes:

Debt:	Sinking Fund:
By New Plan - £. 384,480,570	- 18,278,435
By Ref. 8. - £. 378,249,442	- 15,645,001
More Debt by New Plan	- £. 6,231,128

By New Plan, War Taxes pledged, and rendered permanent after the Excesses of War Sinking Fund have been deducted - £. 9,517,749

By Resolution 8. War Taxes pledged - Nil.

By New Plan, Loan raised in 1815 - 24,000,000

By Resolution 8. D^o including a Sum equal to the Advances from Consolidated Fund - 17,019,360

In the above Case no New Taxes, beyond those to be imposed by the New Plan, will be required; as the Excesses of the present Sinking Fund arising in 1816, will fully supply the permanent Provision for the postponed Charge of the Loans raised in the preceding Nine Years.

* Note.—The Comparison of the Debts and Sinking Fund, in the additional Resolutions 8 A. and 9 A. are given as they will respectively stand at the close of the Year of Comparison, giving the Sinking Fund Credit for the Interest of the Stock redeemed within the Year. The Comparison in the original Resolution 4. is made on the Debt and Sinking Fund at the Commencement of the respective Years; the former has been adopted in the additional Resolutions, as the most correct, but the Explanatory Tables which refer to the 4th Resolution, being already printed; it has not been thought advisable to alter the period of Comparison, as the Result would not be thereby materially varied.

+ This Sum is composed as follows:

Present Debt unredeemed at close of 1815	- £. 260,923,615	Sinking Fund:	- £. 12,925,211
New separate Debt of £. 128,791,234, of which £. 11,735,827 has been redeemed in Nine Years	- £. 11,735,827	Debt:	- £. 271,799
		Sinking Fund:	- £. 143,117,016
		Debt:	- £. 266,598,834
		Sinking Fund:	- £. 198,843,599
		Debt:	- £. 341,900,615
		Sinking Fund:	- £. 15,740,171

SECOND CASE.—Supposing War to continue to the end of 20 Years:

Capital to be raised by New Plan,	- £. 496,200,000
War Loans	- £. 292,000,000
Supplementary Loans	- £. 204,200,000
Total borrowed by New Plan	- £. 496,200,000

App. No. 2.

Ditto, by Resolution 8. Eleven Millions in each Year	- £. 220,000,000
To equalize Ways and Means up to 1815	- 29,791,234
To equalize D ^o up to 1826, supposing £. 500,000. New Taxes (in addition to those proposed by New Plan) to be imposed in each of the 6 Years successively from 1816 to 1821, both inclusive	- 16,807,600

App. No. 1.

Total Capital borrowed by Ref. 8.	- £. 266,598,834
More Capital borrowed by New Plan	- £. 220,001,166

Debt remaining Unredeemed at end of 1826; also, Comparative Amount of Sinking Fund, supposing Peace then made, the Excesses of the War Sinking Fund being previously deducted in order to liberate the larger proportion of War Taxes:

Debt:	Sinking Fund:
By New Plan, in 1826	- £. 428,636,572
By Ref. 8. - in D ^o	- £. 341,900,615
More Debt unredeemed by New Plan	- £. 86,675,957

By New Plan, War Taxes pledged, and rendered permanent after the Excesses of War Sinking Fund have been deducted - £. 10,279,270

By Ref. 8. War Taxes pledged - Nil.

By New Plan, Loan to be raised in 1826 - £. 32,006,000

By Resolution 8. - £. 24,000,000

There is, however, to be set off against the £. 10,279,270. War Taxes rendered permanent by New Plan, the £. 3,000,000. New Taxes to be laid on between 1816 and 1821, supposing the whole Period to be one of War. In the event however, of Peace taking place between 1816 and 1826, these New Taxes, according to the Period at which it shall happen, may be altogether dispensed with, or be proportionably reduced.—Whereas the Amount of the War Taxes, which will be pledged and rendered permanent, even at the Commencement of 1816, is £. 9,517,749.

Nº 9.—

THAT nearly the same Results, (viz. the having abstained from mortgaging the War Taxes, and the having kept the Loan of the Year within moderate Limits,) may be produced, by determining, that, when the Loan of the Year in War does not exceed the amount of the Sinking Fund in the said Year, instead of making Provision for the debts of ten years, it is preferable to bring into use of suitable duration.

This Sum is composed as follows:	Debt:	Sinking Fund:
Present Debt unredeemed at close of 1815	- £. 260,923,615	- £. 12,925,211
New separate Debt of £. 128,791,234, of which £. 11,735,827 has been redeemed in Nine Years	- £. 11,735,827	Debt:
		- £. 271,799
		Debt:
		- £. 266,598,834
		Sinking Fund:
		- £. 198,843,599
		Debt:
		- £. 341,900,615
		Sinking Fund:
		- £. 15,740,171

tion for the Interest of the said Loan by New Taxes; the same shall be provided for by and out of the Interest receivable on the Amount of Stock in that Year, reckoned by the Commissioners of the National Debt; in which case, the Amount of Debt unredeemed will continue stationary during War.

N. The Sinking Fund is at present - - - - - £. 8,331,709
It will be, at the close of 1810 - - - - - 10,956,941

In about Four Years therefore, from the present time, no New Taxes will be required (the debt remaining the same) however long the War may continue; and the War Taxes will remain free at the close of the War, when the Sinking Fund will resume its progressive operation; the Purchase of Stock by the Commissioners being continued, in the mean time, to the full Amount of the Sinking Fund.

THAT the Charge for Four Years Loan, as above, for Eleven Millions in each Year, taking credit for £. 385,515. Annuities, amounts to - - - - - £. 2,547,810.
Taxes required in each Year, for the next Four Years - - - - - £. 626,952.

The Taxes so to be imposed exceed only, by £. 496,810: the total Amount of New Taxes proposed by the New Plan to be imposed between 1810 and 1817; by which Plan, the War Taxes are at the same time progressively absorbed and pledged for the Redemption of the Loans raised upon them.

According to this Plan, the Debt would continue stationary at £. 358,955,705 throughout the War.

N. Amount of Debt at close of 1826, by New Plan - - - - - £. 428,636,572
Ditto in 1826, by this Plan - - - - - 358,955,705

Difference of Debt in favour of this Plan - - - - - £. 69,680,867
And no War Taxes mortgaged.

Any Excess of Annual Expenditure above the 32 Millions, is supposed in this, as in the New Plan, to be separately provided for in the usual Manner.

N° 9. A.

THE Comparative Effect of the above Plan (Res. 9.) as contrasted with the New System, may be stated as follows:

1st CASE—Supposing Peace to take place at the end of 7th Year, 1813:

Capital borrowed in 7 Years,
By New Plan, War Loans - - - - - £. 98,000,000
App. N° 2. By D° - - - - - Supplementary Loans - - - - - 15,800,000
Total borrowed by New Plan - - - - - 113,800,000
By Res. 9. Eleven Millions in each Year - - - - - 77,000,000
More borrowed by New Plan - - - - - 36,800,000

Debt remaining Unredeemed at the end of 1813; also, Comparative Amount of Sinking Fund, supposing Peace then made, the Excesses of the War Sinking Fund in New Plan being previously deducted, in order thereby to liberate the larger proportion of War Taxes.

Debt - - - - - £. 377,653,730 Sinking Fund - - - - - 15,915,952
By New Plan - - - - - 358,955,705 - - - - - 10,956,941
By Res. 9. - - - - - 358,955,705 - - - - - 10,956,941
More Debt by New Plan - - - - - 18,698,625

By

By New Plan, War Taxes pledged, and rendered permanent after the Excesses of the War Sinking Fund are deducted - - - - - £. 173,924

By Ref. 9. War Taxes pledged - - - - - Nil.

By New Plan, New Taxes imposed - - - - - £. 172,000

By Ref. 9. - D° - - - - - £. 172,000

By New Plan, Loan to be raised in 1814 - - - - - £. 200,000,000

By Ref. 9. - D° - - - - - in D° - - - - - 11,000,000

2d CASE.—Supposing Peace to take place at the end of 14 Years, 1828:

Capital borrowed in 14 Years, - - - - - £. 210,000,000

By New Plan, War Loans - - - - - £. 210,000,000

By D° - - - - - Supplementary Loans - - - - - 94,200,000

Total borrowed by New Plan - - - - - £. 304,200,000

By Ref. 9.—Eleven Millions in each Year - - - - - £. 154,000,000

More borrowed by New Plan - - - - - £. 150,200,000

Debt Unredeemed at end of 1820; also, Comparative Amount of Sinking Fund, supposing Peace then made, stated as in preceding Case:

Debt: - - - - - Sinking Fund: - - - - -

By New Plan - - - - - £. 401,231,629 - - - - - 17,744,132

By Ref. 9. - - - - - 358,955,705 - - - - - 10,956,941

More Debt by New Plan, - - - - - 42,275,924

By New Plan, War Taxes rendered permanent - - - - - £. 6,486,896

By Ref. 9. War Taxes pledged - - - - - Nil.

By New Plan, New Taxes imposed - - - - - 2,051,000

By Ref. 9. - D° - - - - - 2,547,810

By New Plan, Loan in 1820 - - - - - £. 32,000,000

By Ref. 9. - D° - - - in D° - - - - - 32,000,000

3d CASE.—Supposing Peace to take place at the end of 20 Years, 1826:

Capital borrowed in 20 Years, - - - - - £. 292,000,000

By New Plan, War Loans - - - - - £. 292,000,000

By D° - - - - - Supplementary Loans - - - - - 204,200,000

Total borrowed by New Plan - - - - - £. 496,200,000

By Ref. 9. Eleven Millions in each Year - - - - - 220,600,000

More borrowed by New Plan - - - - - £. 276,200,000

Debt: - - - - - Sinking Fund: - - - - -

By New Plan - - - - - £. 428,636,572 - - - - - 17,525,698

By Ref. 9. - - - - - 358,955,705 - - - - - 10,956,941

More Debt by New Plan - - - - - 69,680,867

C By

By New Plan, War Taxes rendered permanent, £. 10,280,000
By Ref. 9, War Taxes pledged, £. 1,41,614,666, and £. 1,000,000 Nil.
By New Plan, New Taxes imposed, £. 2,051,000
By Ref. 9, going into D^ollars, £. 2,547,810
By New Plan, Loan in 1826, £. 32,000,000
By Ref. 9, going into D^ollars, £. 11,000,000

THAT the Improvidence of the mode of raising Money, proposed by the New Plan, will best appear, if, instead of having the whole of the War Taxes free upon a Peace, as is the case by Res. 9, a Portion of them equal to the Amount pledged, and rendered permanent in 1826 by the New Plan, viz. £. 10,279,270, should be given over to the Sinking Fund; as it will stand by Resolution 9, in that Year. The Comparison of Debt and Sinking Fund would then stand thus; the War Taxes being equally mortgaged:

Old War Taxes, £. 1,41,614,666, to amount of £. 1,000,000, less Sinking Fund.
By New Plan, £. 428,636,572, £. 17,525,698
By Ref. 9, £. 358,955,705, £. 21,236,211

By New Plan, more Debt - £. 69,680,867 less Sinking Fund £. 3,710,513
The same Observation applies to both the preceding Cases.

If the measure of imposing the £. 2,547,810 New Taxes, required by Resolution 9, in the first Four Years, be objected to, and it be deemed expedient that the Imposition of New Taxes in the next Three Years be wholly abstained from, their Commencement may be postponed till the Fourth Year, by simply confining the provision in the first 3 Years to a Sum sufficient to cover the difference between the Eleven Millions to be raised, and the Stock purchased within the Year by the Sinking Fund, that is, to the Sum of £. 2,668,291, the Annual Interest and Sinking Fund on which amounting to £. 177,836, will be nearly covered by the Annuities which are to fall in, in the two first Years. A small increase of Taxes beyond the £. 2,547,816, viz. of £. 533,658, will result from this temporary Indulgence in the following Years; but, on the other hand, Credit may be taken for the Annuities, amounting to £. 298,092, which are subsequently to fall in.

THAT much Prejudice and Embarrassment is likely to result both to the Interest of the Stockholder, and to the Money Transactions of the Country, from the large and rapidly increasing Loans which must be raised, according to the New Plan, in each Year of War, the Annual Amount of which, in the latter Years of the operation (if to their estimated Amount, viz. 32 Millions, be added the Sums which will be required for the Service of Ireland, for Subsidies, and other unforeseen Expences; and for the progressive advance of Charge upon any given Establishment) will probably not fall short before the close of the period, of from 40 to 50 Millions Money Capital; which, supposing the 3 per-Cents. at 60, would require the creation of a Capital of from 60 to 80 Millions annually.

THAT the making of Loans to such an inordinate Amount (increasing in each Year in a greater proportion than the Sinking Fund) must, by the great influx of New Stock to be thus created, and sold in the Market, have a tendency to lower the Price of the Public Securities, and consequently to reduce the Value of the Property of the Stockholder.

THAT the Negotiation of Loans to so large an Amount, and the augmented Issues which will be required to be made from the Exchequer in execution of the said Plan, must lead to an extension of the circulating Medium of the Country, to increased Charges of Management on the part of the Public, and to the accelerated Depreciation of the Value of Money, on the stability of which the Interest of the Stockholder, and those who may enjoy fixed Rents, so peculiarly depends.

That

THAT the Principle of placing at the disposal of Parliament the Excesses of the Sinking Fund above the Interest of the Debt unredeemed, as proposed by the New Plan, is calculated to lead to a much more extended Diversion of the Sinking Fund from its Application to the Purchase of Stock, than the Principle proposed in Resolution 9, viz. that of applying in War, not the Fund itself, but the Interest of the Stock redeemed within the Year by the Fund, as a Provision for the Loan of that particular Year; inasmuch, as the latter only proposes to derive Aid from the Operations of the Sinking Fund during War, and only to the precise Extent of the *Interest* of the Sums redeemed within the Year, leaving the *Fund* entire to resume its Operation at Compound Interest, upon a Peace; whereas the former Plan opens the Excesses of the Sinking Fund to the absolute disposal of Parliament, in Peace as well as in War, "for such Public Services as Parliament may direct," without any other Limitation than that a Sum equal to the Debt subsisting in 1802, shall be redeemed within 45 Years from that Period, instead of 24 Years from the present Time, as it would be reduced by the Operations of the Fund, as it now stands, under the Provisions of the 42d Geo. III. cap. 71, thereby annually subtracting from the Fund itself after the Year 1816, and rendering it, even in Peace, a declining instead of a growing Fund.

THAT the Equivalent which, it is alleged, is to be given to the Stockholder for so extensive and permanent a Disappropriation of the Sinking Fund from the Redemption of the Debt; viz. the additional 5 per-Cent. Sinking Fund on the War Loans, cannot be deemed, for the Reasons above stated, even in time of War, to operate as any Compensation or Equivalent whatever, as the Value of his Property is likely to be more injured by the unnecessary and improvident Accumulation of Loans in the Market, than improved by the Addition thereby made to the Sinking Fund of the Year by borrowed Capital. But as the Benefit, (if it really were one) can accrue only during War, and must cease with it, the Stockholder is called upon, for the temporary Enjoyment of this questionable Advantage (possibly only for a few Months), to submit to have the Sinking Fund, which is now expressly pledged by the 5th Section of the 42d of Geo. III. cap. 71, to the uninterrupted Liquidation of his Debt, largely diverted from that Object, even in time of Peace, when no adequate Public Exigency can be adduced to justify the same; and when, from a variety of intervening Causes, (at least there are no grounds upon which Parliament can at this Day safely conclude to the contrary) the Interests of the Stockholder, as well as those of the Public, may be best consulted, by suffering the accumulation of the Sinking Fund to proceed, as hitherto, at Compound Interest, in Reduction of the National Debt, and in conformity to the Provisions of the existing Law.

N^o 10.—An Inquiry respecting the Interest and Value of the Sinking Fund in the year 1807.

THAT the Expence of raising any given Amount of Loan on the present System; viz. by a Single Loan, with a Sinking Fund of One per-Cent., as compared with the Principle of the New Plan, of raising the same Amount by double and concurrent Loans; the one raised upon a Fund of Ten per-Cent. for Interest and Sinking Fund; the other raised upon a Fund of Six per-Cent. for Interest and Sinking Fund; calculating the Payments on Account thereof from the commencement to the final Liquidation of the said Loan, is as follows; the Sinking Fund in both Cases being taken on the Money, instead of the Nominal Capital.

Suppose £. 12,000,000. to be raised.
In the first year, £. 12,000,000, will be paid off, and £. 12,000,000 will be added to the Sinking Fund.
One Year.
A like Charge for 33 Years more; at which Time the Principal is to be entirely redeemed.

Total Payments £. 16,800,000
To

12 FINANCE.—26th February 1807.

To cover the Interest and Sinking Fund of £ 1,200,000. at Six per-Cent. a Fund of £ 72,000. must be provided in each of the Fourteen Years;—the Amount thereof is £ 1,008,000.

The latter Sum, being raised on a One per-Cent. Sinking Fund, may be considered as an Annuity of Forty-three Years:

Payments on account thereof £ 43,344,000

Payments as above £ 16,800,000

Total Payments £ 60,144,000.

PRESENT SYSTEM:

The Interest and Sinking Fund on a Loan of £ 12,000,000. at Six per-Cent. amounts, per Annum, to £ 720,000.

This Charge being raised on a One per-Cent. Sinking Fund, may be considered as an Annuity of Forty-three Years.

Payments to be made on account thereof till its Redemption £ 30,960,000.

Payments on New System, upon a Loan of £ 12,000,000 £ 60,144,000

Ditto on present System £ 30,960,000

Excess of the Charge of Redemption by New System £ 29,184,000.

Appendix.

13 FINANCE.—26th February 1807.

Appendix, N° 1.

TABLE, shewing the SUMS to be raised by way of LOANS, or the Additional Taxes to be imposed, in order to provide for a Loan of Eleven Millions in each Year, taking Credit for the Excesses of the Sinking Fund, amounting to £ 11,122,809.; the Annuities, amounting to £ 683,062.; and the New Taxes, amounting to £ 2,051,000. being the Aggregate Fund on which it is proposed, by The New Plan, to charge the Provision for the Interest and Sinking Fund of the £ 204,200,000. Supplementary Loans.

Years.	Ways and Means applicable, by New Plan, in each Year.	Additional Taxes to be imposed after the 9th Year (if War continues) in aid of the Surplus Excesses.	Total Ways and Means applicable in each Year.	Difference between Ways and Means, and the Charge to be added to the Loan of the Year.	Advances for Interest and Sinking Fund on Loans, in Col. 5, to be made out of Consolidated Fund, and afterwards replaced by Loans.
1807	15,000	15,000	718,333	47,888	
8	370,000	370,000	1,081,660	119,999	
9	—	—	1,814,999	249,989	
10	293,000	293,000	2,255,332	39,335	
11	293,000	293,000	2,665,665	57,046	
12	293,000	293,000	3,135,998	78,112	
13	293,000	293,000	3,576,331	101,834	
14	293,000	293,000	4,016,664	1,286,111	
15	293,000	293,000	4,456,997	1,583,944	
		Surplus of the EXCESSES of Sinking Fund, after setting apart £ 733,583. in each Year, for Interest, and Sinking Fund of Loan of the Year.	23,751,985	6,039,249	
A. 16	731,218	500,000	1,231,218	3,225,779	1,798,295
17	506,659	500,000	1,006,659	2,219,120	1,946,236
18	444,659	500,000	944,659	1,274,461	2,031,194
B. 19	475,760	500,000	975,760	298,701	2,051,107
20	627,352	500,000	1,127,352	—	1,222,456
21	265,548	500,000	765,548	—	456,908
22	226,149	—	226,149	—	230,759
23	178,175	—	178,175	—	52,584
24	132,599	—	C. 132,599	—	9,789,539
25	89,303	—	89,303	7,018,061	
26	48,171	—	48,171	—	

REMARKS:

A. In this £ 731,218. is contained the 7th Portion of £ 293,000. New Taxes, which it is proposed by the New Plan, to lay on.

B. In this Year £ 297,547. Annuities fall in.

C. After providing for the £ 52,584. there will remain an Excess of Ways and Means undisposed of, amounting to £ 217,480.

Total Loans required in first Nine Years £ 29,791,234
D°. in last Eleven Years 16,807,600

Total Loans required £ 46,598,834
in the Twenty Years, to equalize the Ways and Means with the Charge of a Loan of Eleven Millions in each Year.

D

Appendix, N° 2.

TABLE, shewing the Comparative Amount of LOANS required in each Year, by the respective Plans; viz. that proposed by the CHANCELLOR OF THE EXCHEQUER, as compared with those stated in Lord CASTLEREAGH'S Resolutions, 8. and 9.; the former being intended as a Modification; the latter, as a Substitute for that of the Chancellor of the Exchequer.

Years.	LOANS in each Year, by The Chancellor of the Exchequer's New Plan.	Ditto, by Lord Castlereagh's Resolution, 8.	Ditto, by Lord Castlereagh's Resolution, 9.
1807	12,200,000	11,766,221	11,000,000
1808	13,400,000	12,201,663	11,000,000
1809	14,600,000	13,055,979	11,000,000
1810	16,000,000	13,546,667	11,000,000
1811	17,600,000	14,266,711	11,000,000
1812	19,200,000	14,916,110	11,000,000
1813	20,800,000	15,594,865	11,000,000
1814	22,400,000	16,302,775	11,000,000
1815	24,000,000	17,040,941	11,000,000
1816	25,600,000	16,024,074	11,000,000
1817	27,200,000	15,165,356	11,000,000
1818	28,800,000	14,305,656	11,000,000
1819	30,400,000	13,349,808	11,000,000
1820	32,000,000	12,222,456	11,000,000
1821	32,000,000	11,456,908	11,000,000
1822	32,000,000	11,230,759	11,000,000
1823	32,000,000	11,052,584	11,000,000
1824	32,000,000	11,000,000	11,000,000
1825	32,000,000	11,000,000	11,000,000
1826	32,000,000	11,000,000	11,000,000
TOTALS	496,200,000	266,598,834	220,000,000

APPENDIX N° 2.

TABLE, shewing the Comparative Amount of LOANS required in each Year, by the respective Plans; viz. that proposed by the CHANCELLOR OF THE EXCHEQUER, as compared with those stated in Lord CASTLEREAGH'S Resolutions, 8. and 9.; the former being intended as a Modification; the latter, as a Substitute for that of the Chancellor of the Exchequer.

Years.	LOANS in each Year, by The Chancellor of the Exchequer's New Plan.	Ditto, by Lord Castlereagh's Resolution, 8.	Ditto, by Lord Castlereagh's Resolution, 9.
1807	12,200,000	11,766,221	11,000,000
1808	13,400,000	12,201,663	11,000,000
1809	14,600,000	13,055,979	11,000,000
1810	16,000,000	13,546,667	11,000,000
1811	17,600,000	14,266,711	11,000,000
1812	19,200,000	14,916,110	11,000,000
1813	20,800,000	15,594,865	11,000,000
1814	22,400,000	16,302,775	11,000,000
1815	24,000,000	17,040,941	11,000,000
1816	25,600,000	16,024,074	11,000,000
1817	27,200,000	15,165,356	11,000,000
1818	28,800,000	14,305,656	11,000,000
1819	30,400,000	13,349,808	11,000,000
1820	32,000,000	12,222,456	11,000,000
1821	32,000,000	11,456,908	11,000,000
1822	32,000,000	11,230,759	11,000,000
1823	32,000,000	11,052,584	11,000,000
1824	32,000,000	11,000,000	11,000,000
1825	32,000,000	11,000,000	11,000,000
1826	32,000,000	11,000,000	11,000,000
TOTALS	496,200,000	266,598,834	220,000,000

Table 1.

Explanatory of Lord Castlereagh's proposed Resolutions.

	1.	2.	3.
	COMBINED DEBTS; viz. War Debt, Supplementary Debt, and Present Debt; which would exist at the Commencement of each Year, according to The New Plan of Finance.	Amount of the D E B T which would exist at the Commencement of each Year, supposing ELEVEN MILLIONS borrowed each Year for the next Four Years, and then the Debt to become stationary.	EXCESS of Column N° 1 over N° 2 in each Year, shewing The Excess of Debt by the New Plan over that stated in Lord Castlereagh's Resolution, N° 9.
1807	N.	N.	
1808	364,993,722	363,793,722	1,200,000
1809	369,458,679	366,278,680	3,179,999
1810	374,053,553	368,154,553	5,899,000
1811	378,904,839	369,390,888	9,513,952
1812	384,065,357	369,955,705	14,109,652
1813	389,377,237	369,955,705	19,421,532
1814	394,741,379	369,955,705	24,785,674
1815	400,053,730	369,955,705	30,098,025
1816	405,205,033	369,955,705	35,249,328
1817	410,080,570	369,955,705	40,025,865
1818	414,559,885	369,955,705	44,604,180
1819	419,263,167	369,955,705	49,307,462
1820	424,201,615	369,955,705	54,245,912
1821	429,386,987	369,955,705	59,431,282
1822	433,231,629	369,955,705	63,275,924
1823	437,268,505	369,955,705	67,312,800
1824	441,507,226	369,955,705	71,551,521
1825	445,957,885	369,955,705	76,002,180
1826	450,631,078	369,955,705	80,674,373
	455,537,932	369,955,705	85,582,227

Note.—The Letters N above refer to the Tables in the printed Papers.

Table 2.

Explanatory of Lord Castlereagh's proposed Resolutions.

AMOUNT of WAR TAXES, which will be incorporated with The CONSOLIDATED SINKING FUND, and become PERMANENT TAXES, in any given Year upon Return of Peace, under the NEW SYSTEM, should the Excesses of the Sinking Fund of the War Debt, above its Interest, be applied either to the liberation of the Property Tax, or towards making a Provision for the Peace Establishment.

	NEW PLAN.	OLD SYSTEM. R.
1807	1,140,000	Nil.
1808	2,217,000	
1809	3,227,850	
1810	4,359,243	
1811	5,597,206	
1812	6,737,067	
1813	7,773,921	
1814	8,702,618	
1815	9,517,749	
1816	9,042,086	
1817	9,076,954	
1818	9,108,235	
1819	9,141,078	
1820	9,180,896	
1821	9,149,372	
1822	9,182,939	
1823	9,284,852	
1824	9,521,860	
1825	9,894,050	
1826	10,279,270	

Table 3.
Explanatory of Lord Castlereagh's proposed Resolutions.

	1 Total Annual Amount of WAR TAXES which will be pledged in any given Year during Twenty Years, for the War Loans, under the New System, Table 2.	2 Total Amount of FUNDS which will have been provided for the Interest and Sinking Fund of the Supplementary Loans in any given Year, for Twenty Years, Table C.	3 Aggregate Amount of Columns 1 & 2, showing The Total Amount of Funds raised or pledged for War Taxes and Supplementary Loans in any given Year, for Twenty Years.	4 Amount of FUNDS which will have been provided in any given Year, for Twenty Years, on account of Loans under Old System.	5 EXCESS of Charge for Loans under the New System, above the Charge which would have been incurred under the Old System, in any Year of War, for Twenty Years, to 1826.
1807	1,200,000	13,333	1,213,333	733,333	480,000
1808	2,400,000	106,666	2,506,666	1,446,666	1,060,000
1809	3,600,000	279,999	3,879,999	2,199,999	1,680,000
1810	5,000,000	413,332	5,413,332	2,933,332	2,480,000
1811	6,600,000	520,008	7,120,008	3,666,665	3,453,343
1812	8,200,000	733,341	8,933,341	4,399,998	4,533,343
1813	9,800,000	1,503,341	10,853,341	5,133,331	5,720,010
1814	11,400,000	1,480,007	12,880,007	5,866,664	7,013,343
1815	13,000,000	2,013,340	15,013,340	6,599,997	8,413,343
1816	14,600,000	2,653,740	17,253,740	7,333,330	9,920,410
1817	16,200,000	3,409,406	19,600,406	8,066,663	11,533,743
1818	17,800,000	4,253,739	22,053,739	8,799,996	13,253,743
1819	19,400,000	5,213,735	24,613,735	9,533,329	15,080,407
1820	21,000,000	6,280,405	27,280,405	10,266,662	17,013,743
1821	21,000,000	7,613,738	28,613,738	10,999,995	17,613,743
1822	21,000,000	8,947,071	29,947,071	11,733,328	18,203,743
1823	21,000,000	10,280,414	31,280,414	12,466,661	18,813,752
1824	21,000,000	11,480,414	32,480,414	13,199,994	19,280,424
1825	21,000,000	12,547,050	32,547,080	13,933,327	19,613,753
1826	21,000,000	13,613,746	34,613,746	14,666,660	19,947,086

Table 4.

Explanatory of Lord Castlereagh's proposed Resolutions.

	1	2	3	4	5
	Amount of WAR TAXES, which will be applied in each Year of War, for 20 years, under The New System for War Loans.	Amount of CHARGE to be provided for in Taxes, in each Year, under The New System for Supplementary Loans, under The New System.	Amount of Columns 1 & 2, shewing the Total Amount of FUNDS to be applied or provided for War Loans and Supplementary Loans.	CHARGE to be provided for in each Year, for a Loan of Eleven Millions raised in each Year, according to The present System.	EXCESS of Expence by New Plan, in each Year.
1807	1,200,000	13,333	1,213,333	733,333	480,000
1808	1,200,000	93,333	1,293,333	733,333	560,000
1809	1,200,000	173,333	1,373,333	733,333	640,000
1810	1,400,000	133,333	1,733,333	733,333	1,000,000
1811	1,600,000	106,666	1,706,666	733,333	973,333
1812	1,600,000	213,333	1,813,333	733,333	1,080,000
1813	1,600,000	320,000	1,920,000	733,333	1,087,000
1814	1,600,000	426,000	2,026,000	733,333	1,292,667
1815	1,600,000	533,000	2,133,000	733,333	1,399,667
1816	1,600,000	640,000	2,240,000	733,333	1,506,667
1817	1,600,000	746,666	2,346,666	733,333	1,613,333
1818	1,600,000	853,333	2,453,333	733,333	1,720,000
1819	1,600,000	960,000	2,560,000	733,333	1,826,667
1820	1,600,000	1,066,666	2,666,666	733,333	1,932,667
1821	1,200,000	1,333,333	2,533,333	733,333	1,800,000
1822	1,200,000	1,333,333	2,533,333	733,333	1,800,000
1823	1,200,000	1,333,333	2,533,333	733,333	1,800,000
1824	1,400,000	1,200,000	2,600,000	733,333	1,866,667
1825	1,600,000	1,066,666	2,666,666	733,333	1,933,333
1826	1,600,000	1,066,666	2,666,666	733,333	1,933,333
	29,200,000	13,613,327	42,812,320	14,666,660	28,145,660

0441

