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A. 1787.

D E B A T E S.

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part, but that he intended upon what might probably be his answer to ground a parliamentary proceeding. It was, whether it was the design of His Majesty's Ministers, and particularly of the right honourable gentleman, to bring forward any proposition to rescue the Prince of Wales from his present very embarrassed and distressed situation; for though he sincerely thought that his conduct, during his difficulties, had reflected greater honour and glory on his character than the most splendid diadem in Europe had upon the wearer of it, yet it must be very disagreeable to his Royal Highness to be deprived of those comforts and enjoyments, which so properly belonged to his high rank! The Alderman said, he was sure to have him longer left in this situation would be an indelible disgrace, and must alight upon the country, if the situation and income of this exalted personage were any longer to remain so meanly circumscribed.

Mr. Chancellor *Pitt* answered, that as it was not his duty to bring forward a subject of such a nature as that suggested by the honourable gentleman, except at the command of His Majesty---it was not necessary for him to say more in reply to the question, than he had formerly done on a similar occasion---he had not been honoured with such a command.

Mr. Alderman *Newnham* then gave notice, that he should on Friday the 4th day of May, bring forward a motion for the consideration of the House respecting his Royal Highness the Prince of Wales.

The order of the day for the House to resolve itself into a Committee of Ways and Means having been moved and read, the Speaker left the chair, and Mr. Gilbert took his seat at the table.

Mr. Chancellor *Pitt* remarked, that it was with no small degree of pleasure, that he assured the House, that he should lie under the obligation of trespassing for a very great length of time upon their patience, whilst he submitted to their consideration some necessary particulars. It was a matter of much satisfaction to him, and he doubted not but that the House would rejoice to hear, that he had such an account to lay before them of the state of our finances as would shew that the promising picture which he had on former occasions described to them, was by no means flattering or exaggerated. The services of the current year would be discovered to be amply provided for, although it had not yet been found practicable to reduce many of our most expensive departments to the level of what might have been expected, and what a Select Committee in the course of the preceding session had described a proper permanent peace establishment. At the same time, the plan for the diminution of the national debt had been strictly adhered to, and the several quarterly payments

ments of 250,000l. for that purpose had been regularly made good. Mr. Pitt then went through the several articles of supply which had already been voted, and those which remained to be voted, stating first, that there had been voted

For 18,000 seamen	£. 936,000
For the ordinary of the navy	700,000
For the extraordinary	650,000

The whole of the navy service - £. 2,286,000

This was considerably more than the estimate formed by the Committee of finances during the last year, which was 1,800,000l. so that in this establishment there was an excess of 486,000l. beyond what might be expected as the permanent expence of it in future times of peace.

<i>Army, Navy & Ordnance</i>	For the army had been voted	£. 1,411,069
	For the army extraordinaries, as staff, guards, garrisons, &c. &c.	420,000

to 4,445,626

The permanent peace establishment of this service had been estimated by the Committee at 1,600,000

So that in this there was an excess of 231,069

Under this head had also been added a sum of about 50,000l. for victualling the Loyalists in their new settlements in Nova Scotia.

The ordnance had been voted at 328,557l. which was rather short of the estimate made on that branch of the service by the Committee.

The amount of miscellaneous services was about 328,000l. and other particular services of a miscellaneous nature, though not usually classed under that head, as for making roads in Scotland, improvements of a similar nature in Nova Scotia, the British Museum, &c. amounted to about 96,000. There was another head of supply, which, for the last time, it would be necessary to vote this year, and this was to make good the deficiencies in the several appropriated funds. Having stated the nature of those deficiencies, and how they arose out of the old system of appropriations, under which each particular tax or object of revenue being appropriated to the payment of one or more particular annuities, was estimated at a fixed sum adequate to those annuities, and having remarked that if the fund arising from that tax did not amount to the sum at which it was estimated, the deficiency was

Comparison between the sum expended on the Army Navy & Ordnance in the Year 1787 and the sum reported by the Committee as adequate to those Services

was supplied out of the Sinking Fund, which was composed of the redundance of other appropriated funds, and was a counter security for them all. Mr. Pitt added, that such an article of supply would never be brought before that House again, after the bill, now under the consideration of the Lords, for the consolidation of the Customs, should be passed; for by that bill all such appropriations were to be abolished, and the whole mass of the Revenue thrown into one general fund. He mentioned particularly the several branches of the revenue in which those deficiencies had arisen, and the general amount of them, which, including the other articles of supply, amounted to the sum of 6,676,000l. Mr. Pitt next proceeded to state what the ways and means were out of which this sum was to be furnished. Under this head he enumerated the land and malt tax, which he estimated at 2,750,000l. the surplus of the Sinking Fund up to the 5th of April 1787, amounting to 1,226,000l. a payment to be made by the East-India Company, which he stated as something short of 400,000l. A part of the balances due on army accounts and imprest money made another item in the calculation, which he stated at the amount of 240,000l. Of this 60,000l. had been already actually received, and of the remainder a considerable part had been admitted by the Accountants themselves; so that it was more likely to turn out to be a narrow than an exaggerated statement. The whole of the money ascertained to be due and payable on this score was about 380,000l. which, together with the 60,000l. already received, would amount to the sum he had stated 240,000l. Some increase of revenue would necessarily arise from the operation of the consolidation act, which, together with the duty to be paid upon the article of cambrics, which was now to be legalized, but which had hitherto been monopolized by the smuggler, he should set down at 100,000l. There had, he observed, been an uncommon falling off in the receipts of the Customs for the last year, which was a circumstance that could easily be accounted for upon such principles as would clearly show that it was not to be feared that such a defalcation would be permanent; but, on the contrary, it was fair to conclude, that, so far from continuing at the standard of the last year, our revenue of Customs would experience an uncommon spring in the current year, even greater than it could be expected would be lasting. One cause of this falling off was the uncommon badness of the last season in the West Indies, which had materially reduced the importation of our colony produce, in so much, that, in the single article of sugar, there was a deficiency of 350,000l. Added to this, it was to be considered what a general suspension of commercial speculation must have followed from the

Comparison
Com: 1786 - 4,445,626
Exp - £. 3,748,000
Com: 1791 - 4,445,626
Exp - £. 3,217,842

pending state of so many treaties of commerce with foreign nations. Such a circumstance must necessarily have given a temporary check to importation, because, until there was some certainty as to the event and tendency of those negotiations and treaties, all foreign trade must have been exposed to a degree of risk and danger. But those two circumstances no longer continued to operate; for the present season in the West Indies promised to be the most productive of any which we had almost ever known, which would of course occasion an increased importation, and our foreign commerce being no longer obstructed by the unsettled state of our intercourse with other nations, and many new and extensive markets being opened for it, would necessarily return again with that spring and elasticity which always succeed restraint. Mr. Pitt remarked, that large sums had been received into the Exchequer, on account of several appropriated funds; the annuities charged upon which were not payable until the end of the half year, and of course, as all appropriations were to be abolished by the new arrangement, and the several charges upon them to be referred to the general fund in which the whole revenue was to be consolidated, there could, after the consolidation bill should have passed, be no objection to applying those sums to the immediate calls of the State, referring the payment of the annuities, with which they were now charged, to the receipts of the general fund. The whole of these resources taken together amounted to 6,767,000*l.* from which, deducting 6,676,000*l.* the expence of the service of the year, there remained a surplus of 91,000*l.*

There was besides another article, which it was usual to state on each side of the account, both as an article of supply and as an article of ways and means. This was the article of Exchequer bills, of which there were 5,000,000*l.* yet these were in general annually renewed; but it was intended to alter the usual mode of renewing them, with respect to a part of those which the Bank held. The whole amount of those which were in the hands of that Company was 2,000,000*l.* of which it was proposed to make 500,000*l.* on a new plan, such as should be convertible into cash in any week, or on any day of the year; and this was by making them to bear an interest of two one-half *per* pound *per diem*, which was at the rate of between three one-half and three one-fourth *per cent. per annum*. The remaining 1,500,000*l.* in the hands of the Bank, together with such other Exchequer bills as were holden by other Proprietors, to continue on the old footing, and bear an annual interest of three one-half *per cent.*

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He should not dwell much, he said, upon the regulations already adopted for the prevention of smuggling, nor of those which had been applied to the frauds in the article of wine, or in the home distillery, all of which he expected would turn out highly beneficial and salutary; nor would he take into the present account the probable amount of the additional licenses for retailing of spirits, that being a measure more calculated partly for the purpose of compensating and obviating the reduction, which was to take place in the duty on spirits, and partly to restrain a too great consumption of that commodity, than with a view to revenue. On the present occasion, he could not, with propriety, make any motion concerning this last article, the consolidation bill, out of which it rose, being not yet passed, nor could he include the sums of money which he had stated to have been received into the Exchequer on account of appropriated funds; because it would be irregular to violate the appropriation, before a proper substitute had been established and completed. He then moved, "that the sum of 1,220,000*l.* be granted to His Majesty out of the Sinking Fund, towards the supply of the present year."

Mr. Sheridan begged leave to remind the right honourable gentleman that he had not fulfilled his promise, to give such an account of the finances as should afford perfect and complete satisfaction to the Committee; but he had certainly fulfilled his promise of brevity: for he had been so extremely concise, that though he (Mr. Pitt) who was acquainted with all the grounds and circumstances to which the facts and figures which he had stated referred, could talk with familiarity and ease upon the subject without any farther explanation than that he had thought proper to give it, yet such brevity was rather an awkward circumstance to him and those, who, like him, were to answer and speak after the right honourable gentleman. Mr. Sheridan said that he thought the air of triumph assumed by the right honourable gentleman sat but awkwardly upon him, at a moment when he should have conceived another sort of demeanor would have better become the humiliating and mortifying situation in which he ought perhaps to feel himself when obliged to come forward and state the finances of the kingdom to be in so very different a condition from that in which the Committee had last year been so confidentially assured they would prove to be in 1787. The right honourable gentleman, and those who sat near him, would please to recollect the statement contained in the Report of the Revenue Committee, which Report he held in his hand, and the manner in which it was contradicted when he advised them not to be too sanguine in their expectations, that because the year's receipt ending

ending January 5, 1786, amounted to 15,397,471l. the year ending January 5, 1787, would turn out equally. He had, again and again, argued the fallacy of making out an account in such a way; but what he said upon the subject had been rejected with a sort of unbecoming scorn. What he predicted had however proved true; for now, instead of the flattering prospect which the right honourable gentleman held out of our income equalling our expence, it was evident that the receipt of the last year fell 900,000l. short of the receipt of the year, ending January 5, 1786. On this assertion Mr. Sheridan grounded his reasoning in order to impress the Committee, with the idea that Ministers entertained a much more sanguine opinion of the state of our finances than their real situation warranted. He warned the Committee, therefore, against giving way to a delusion which might lull them into a dangerous inattention to the national circumstances, declaring that it was much more manly in Ministers to state the real situation of the country, to look it in the face, and, if more taxes were really necessary, to lay them on, burdened as the people were already. Mr. Sheridan animadverted upon the budget just opened, and said, admitting that the right honourable gentleman was correct in every one of his statements, still it was evident that there was a deficiency of 900,000 l. compared to the amount of the total of the preceding year's ways and means. He declared his concern to hear the East-India Company mentioned as a source of the right honourable gentleman's expectations, and that to so large an amount as 350,000 l. That circumstance alone was sufficient to fill his mind with great doubt and suspicion of the soundness of all the various expectations which the right honourable gentleman had that day stated to the Committee.

Mr. Grenville.

Mr. Grenville observed that he felt it more than difficult to refrain from silence whilst he heard the honourable gentleman repeating arguments which had already been answered and refuted. For his own part, he should not hesitate positively to declare that there was no fallacy in the Report of the Revenue Committee, nor any delusion either in making up the abstract table of receipt and expenditure, nor in the observations which the Report contained. Mr. Grenville read the following extract:

“ But before they enter on the first part of their Report, they think it necessary to premise, that they have confined their examination to the present state of the Revenue, as it appears either from the amount actually received in the periods contained in the papers referred to them, or from the best estimates which they could form of the produce of such articles as had not been brought to account in those periods,

“ periods, but compose nevertheless a part of the present income of the Public. The large amount of taxes imposed since the commencement of the late war, in addition to the then subsisting Revenue, the difficulties under which the different branches of our commerce laboured during the continuance of that war; and the great and increasing prevalence of smuggling previous to the measures recently adopted for its suppression, appeared to your Committee to render any averages of the amount of the Revenue in former periods in a great degree inapplicable to the present situation of the country; on the other hand, they did not think themselves competent to discuss the various contingencies which may in future operate to the increase or diminution of the public income. A Revenue so complicated in its nature, and depending so much on the various branches of an extensive commerce, must always be liable to temporary fluctuations, even although no circumstances should arise to occasion any permanent alteration in its produce. Your Committee have therefore judged it proper to submit to the judgement of the House this extensive consideration, and to state in this Report the present amount of the public income, as resulting from the papers before them.”

Mr. Grenville begged pardon for having read so long an extract, from a Report of which that House had heard so much; but was there a man of common candour, who, after having heard the paragraph distinctly, could agree with the honourable gentleman, or believe that the Committee either had asserted, or meant to assert, that the receipt of the year, ending January 5, 1787, would at all events equal the receipt of the year ending January 5, 1786? So far from it, that the words of the paragraph spoke expressly of the “ temporary fluctuations to which a revenue so complicated in its nature, and depending so much on the various branches of an extensive commerce, must always be liable.” Mr. Grenville denied, in the most direct terms, that there was any delusion contained in any part of the Report, and said, he had the last session the honour to battle the contents of it with the honourable gentleman, and if the honourable gentleman was not yet satisfied, was ready at any time, if the honourable gentleman thought proper to go into the discussion of it, word by word, and article by article. Mr. Grenville explained the manner in which of necessity the abstract table of receipt had been made out, and declared, that as to deluding that House, he agreed most heartily, that the Minister who should attempt to delude the House on a subject of so much importance, would deserve every possible censure; but at the same time he must maintain, that the con-

verse of the proposition was equally true. Ministers undoubtedly ought not to deceive that House with a fallacious or too sanguine and flattering an account of the national situation; neither ought any man, fond of gloomy ideas, to hold up a desponding picture of our finances, and endeavour to impress the House with a melancholy prospect at a time when there was so much reason to feel satisfied, as, notwithstanding all the struggles this country had so lately undergone, there was at present. Mr. Grenville answered that part of Mr. Sheridan's speech relating to the East-India Company, and said he did not doubt but the honourable gentleman felt the usual anxiety for the credit of the Company, and the same earnest desire to protect its rights that he had on all occasions manifested. Be that gentleman's opinion however what it might, he who had some little knowledge on the subject, could say with confidence that to no one of her resources could this country look up with more assurance of ability and power of support than to our East-Indian possessions. He spoke this from a familiar but elaborate acquaintance with the domestic affairs of the Company, and from the very pleasing situation of affairs in India, as stated in the last accounts that had arrived.

Mr. Fox.

Mr. Fox said, that the whole of the matter in question between his honourable friend and the gentlemen on the other side of the House lay in a very narrow compass. Was 15,397,471 l. the sum given as the receipt of the year, ending January 5, 1786, or was it not? And if it were, as he believed it would hardly be denied, and all the business of appropriating a million of surplus was grounded upon that being the receipt of the year, was not his honourable friend correct in saying, that the receipt of the last year fell 900 l. short of the receipt of the year preceding? He surely was. Mr. Fox took notice of the 300,000 l. which the right honourable gentleman had said he had gotten of army and other savings, and declared, though he was willing to admit that it were so, yet they had a right to a little farther explanation of that matter. But allowing that fact to be as the right honourable gentleman had stated it, this reduced the deficiency to 600,000 l. Mr. Fox argued upon the rashness and folly of catching at one year's receipt, and that a remarkably good one as a ground to judge what the probable receipt in future would be. He said the right honourable gentleman had assigned as a reason for the deficiency in the last year's receipt, that it was a bad season in the West Indies, and had assured the Committee, that this was to be a good one. He a little doubted whether West-India estates were to be valued in that sort of way. Perhaps he might be said to be holding out gloomy and desponding ideas, when he declared

clared he was rather apt to think that the last season was not the worst that might happen in respect to West-Indian produce. Mr. Fox dwelt for some time on the several points that he had touched upon, and after rescuing Mr. Sheridan from the imputation of having argued that because their last year's receipt was 900,000 l. short of the receipt of the year preceding, that therefore every other year's receipt would be equally short, said he would sit down with the words he had begun with: that if it were allowed that the receipt, ending January 5, 1786, was 1,5397,471 l. in that case there was a deficiency of 900,000 l. or allowing for the 300,000 l. stated by the honourable gentleman, 600,000 l. and at such a deficiency in the Customs only he could not but be a little startled.

Mr. Chancellor Pitt answered, that he was ready to accept the right honourable gentleman's explanation of his honourable friend's argument relative to the deficiency in the Customs, and to suppose that he did not mean to have said, that there would be an equal deficiency every year; but he must nevertheless insist upon it, that the honourable gentleman's arguments upon the subject of the Revenue Report were erroneous, and ill founded. His right honourable friend had so clearly proved, by reading the second paragraph of the Report, that the Committee had not meant to infer, that they were of opinion the receipt of the last year was to be equal to that of the year preceding, that it was altogether unnecessary for him to add any thing upon the subject. With regard to the deficiency of the Customs last year, he had already said that two causes co-operated to produce that effect, the one was a remarkably bad season for West-Indian importation, and the other that suspension of commerce which it was very natural should take place pending the negotiation of the several treaties which that country had been known to be agitating. These surely were rational grounds of accounting for the deficiency, and at the same time such as need not lead them to despondency, in considering the state of a Revenue so apparently improving, and so likely to increase considerably with the new spring, which trade would necessarily feel in consequence of the commercial treaty's taking place. The Chancellor of the Exchequer spoke to the argument of Mr. Sheridan concerning the East-India Company, and said, it was rather unlucky that the honourable gentleman should complain of the debt of that Company as likely never to be recovered on the very day on which it had been stated to the House, that the money was to be applied to the service of the present year. Mr. Pitt explained the circumstance of the 300,000 l. which he meant to apply this year, and took notice of what had fallen from

Mr.

Mr. Sheridan on the subject of the taxes, which the honourable gentleman, he said, had called for, as if the word taxes would alone give strength to our Revenue; whereas it was a Statesman's duty not to increase the burdens of the people by multiplying taxes, but to endeavour to find out means of lending vigour to the collection of the taxes already established, and thus render them productive. From the Report of which his honourable friend had read one paragraph, he would read another, a determination to carry which into effect was what he and those who acted with him had relied on as the certain way to ensure the great object which they all must be proud to see accomplished. He read the last paragraph of the Revenue Report as follows: "But, independent of the articles which have here been stated, your Committee trust that they shall not be thought to extend the limits of the duty prescribed to them by the House, in observing, that the present subsisting taxes, if the due collection thereof could be secured by measures adequate to the purpose, would probably afford an ample provision for any deficiencies which may at any time be found, either in these resources, or in the particulars which compose the general income of the Public, and would insure a permanent annual surplus, applicable to the reduction of the national debt, in such manner as the wisdom of Parliament shall direct." The Chancellor of the Exchequer reasoned upon this, and said, for the Committee to see the object so far secured, that without there being a necessity to lay any fresh burdens on the people, the surplus of 250,000 l. a quarter had been regularly paid in, and that there was enough to make good every deficiency, and a prospect of a very considerable increase of revenue in the course of the coming year, was a circumstance which they might without any imputation of over sanguine feelings reasonably rejoice at. He added several other arguments.

Mr. Fox.

Mr. Fox still declared, that to fix on one year's receipt as a ground of a proceeding to be governed by future years' receipts was rash and childish, and that it was not the way in which experienced or wary Statesmen would have acted. With regard to the 250,000 l. from the increase of Customs, which, the right honourable gentleman had said, he reckoned upon as a part of ways and means, he knew not, nor was it possible for that Committee to know what the increase would prove; but it was fair for him to state that the increase must be 550,000 l. in order to yield the 250,000 l. because it was to be recollected, there was a defalcation in the Revenue to the amount of at least 300,000 l. on account of the reduced duties on brandies and rums, which was to be made good out of the first increase of Customs which might arise.

arise. Mr. Fox added, that if the present Ministry were not startled at so large a deficiency as 700,000 l. in the Customs in one year, they were men not likely to be easily startled at any thing. With regard to the measure of the new fund, he highly approved the situation in which it had been settled, since it not only made it the duty of the Minister, but of the House, to take care that our income should always equal our expenditure.

The resolution was then read and agreed to, and the House was resumed, and afterwards adjourned.

Monday, 23d April.

The order of the day for receiving the Report of the Committee of Ways and Means being read, Mr. Gilbert brought up the Report, which having been read a first time, and the question put, "That this resolution be read a second time,"

Sir Grey Cooper remarked, that he had paid the utmost attention to every word of the speech of the right honourable gentleman, in which, with his usual ability and address, he had laid before the Committee of Ways and Means on Friday last the state of the national expenditure and income for the present current year. The right honourable gentleman stated the supplies voted for the navy, army, and ordnance services, and for the deficiency of the funds; he estimated the amount of the services and demands on the Public which remained to be voted, and he had then assumed and undertaken to shew, that after making provision for all those services, and satisfying all those demands, the ways and means would, over and above all such charges, furnish a million, applicable to the reduction of the national debt, according to the plan established by the act of the last year, and that the basis of the appropriation of this million was on the real income of the country. It was not his wish or intention in any degree to undervalue or depreciate the general faculties or resources of the nation; he had a high opinion of the strength and solidity of those resources; and in the balancing the accounts of the present year, and comparing the necessary expenditure with the actual or probable income, he would not intentionally state any circumstance, any article, or any tittle to the disadvantage of the real situation of the country. Every member of that House, every man in the nation who had any property, any interest, or any stake in it, must receive the truest satisfaction and comfort in contemplating a flourishing state of the finances of his country; and it was a most unpleasant task to undertake to persuade him that his affairs were not in so good a condition

dition as he had been taught to imagine. But as, according to his manner of stating and computing the account of the current year, the result came out materially different from that which was laid before the Committee by the right honourable gentlemen (the Chancellor of the Exchequer) he hoped the House would indulge him, as an old member and a person formerly conversant in these matters, with their attention for a short time, that he might state, and, as well as he was able, explain to them the ground and reasons on which, according to his computation, the expenditure and income of this year differed from the account stated by the right honourable gentleman: this would appear more clearly, if the House would permit him to lay before them two different statements of the supply and ways and means of the year. The first was made up according to that mode which had been adopted and practised by that House ever since there had been an available surplus of the Sinking Fund; the other stated particulars according to the form and method prescribed and recommended by the Select Committee on the finances of the preceding year. By the old parliamentary mode of stating the account, the supply consisted of the services of the navy, army, ordnance, and miscellaneous services, of the deficiency of funds or appropriated taxes, stated in accounts of the surplusses of the Sinking Fund for the preceding year, the deficiency of grants of the preceding year, and an estimate of the deficiency of the land and malt taxes, when there was no overplus of grants stated for the present year. In the Committee of supply the services of the navy, army, and ordnance had been voted, and the deficiency of funds had been voted: there remained to be voted the miscellaneous services for the current year, which the right honourable gentleman estimated at 96,000l. The computation which he ventured to make of that expence, was, that it would exceed 300,000l. He would not trouble the House with the detail from which such computation arose; he would only say, that into his estimate he took the sums voted during the course of the last year for the American sufferers, amounting to 62,000l.; the employment of convicts, the probable expence of carrying Botany-bay plan into execution, together with various other articles of expence which must be incurred to a considerable amount. With respect to the ways and means of the year, there had been voted the land and malt taxes, 2,750,000l. and money in the Exchequer of the surplus of the Sinking Fund on the 5th of April, 1,226,000l. The great and important question was, for what sum the right honourable gentleman (the Chancellor of the Exchequer) might venture, without manifest danger of anticipation, to take

take the growing produce of the surplus of the new fund to the 5th of January 1788. Consider the present state of the Sinking Fund, compared with its state on the 5th of April 1786. Towards the ways and means of the last year there was voted from the Sinking Fund the surplus on the 5th of January 1786, 582,488l. Ditto on the 5th of April 1786, 628,982l. These sums so voted were the real and actual surplusses at those periods before the deficiency of funds for the preceding year had been replaced to the Sinking Fund. For this year they had voted the sum of 1,226,000l. remaining in the Exchequer on the 5th of April 1787, of the surplus of the Sinking Fund for the disposition of Parliament. But perhaps the House was not aware, and many gentlemen might be surprized to learn, that this surplus on the 5th of April was raised out of the sum of 1,435,392l. being carried from the supply of this year to the aid of that quarter before the usual period: this arrangement of finance the right honourable gentleman admitted; and the order of the Treasury for replacing the deficiency at this time was certainly consistent with the directions of the act of Parliament of the last year for that purpose. But it must nevertheless be admitted, that the necessity of carrying this large sum to the Sinking Fund before the 5th of July might be of the most serious and important consequence to the future state of the revenue at the close of the year. The right honourable gentleman took the growing produce of the Sinking Fund last year for 2,600,000l.; but at Michaelmas there was wanting to make good this sum more than 690,000l.; and by comparing what the Sinking Fund of last year received from Lady-day to Michaelmas, namely, 1,285,000l. for the deficiency of funds in the preceding year, with what it paid for deficiencies arising from the 5th of April to the 10th of October 1786, namely, 774,000l. and the real surplus of the duties above the charges did not, within that period, amount to 1,400,000l. and then there was a deficiency in the Christmas quarter. In this year, and at this time of the year, the aid from the supply for the deficiency of funds was anticipated and applied. The quarters at Midsummer and Michaelmas were left to pay all the charges and deficiencies which should fall upon them without receiving any external assistance to enable them to bear the burden. It therefore appeared to *him*, that more than 1,500,000l. could not safely or prudently be taken from the growing produce of the surplus of the new fund to the 5th of January 1788: to this sum must be added the sundry articles of ways and means which the right honourable gentleman had taken, to the amount of 1,492,000l. Here Sir Grey Cooper stated the first account, by which

it appeared, that in the comparing of the supply with the ways and means of the year there was a deficiency of income to the amount of 1,381,179l. With respect to some of those articles there seemed reason to apprehend, that they would not, in the course of the year, bring to the Exchequer the whole of what was computed to be their available produce. He apprehended, that in the sum of 400,000l. taken as the result of the assessment of certain new taxes, there would be a considerable failure and deficiency. The sum of 320,000l. for the subsistence of the army, and for the victualling of ships, might be due to the Public from the East-India Company; but was it certain or probable that this instalment of the debt would be paid before Christmas, or even Lady-day next? The computed increase of revenue from the commercial treaty and the consolidating act was taken at 100,000l.; this seemed a sanguine and over-rated calculation; but be that as it might, there must be set against that estimate the infallible diminution of duties in consequence of the French treaty. The reduction of the duties on Portugal, Spanish, and French wines would defalcate from the revenue of customs and excise at least 200,000l. and the reduction of the duties on imported spirits, in conformity to the French treaty and for prevention of smuggling, would diminish the revenue of excise to the amount of more than 200,000l. He meant that this diminution would fall on the present year; but he admitted that in future the difficulties laid on the smugglers by the reduction might occasion a greater legal importation, and compensate by degrees the present sacrifice of duties to that great object. He would not trespass on the patience of the House farther than to lay before them the statement of the account according to the mode prescribed by the Committee, which certainly was the most simple and most distinct and intelligible method, and placed the income and expenditure in the clearest light.

Here he stated at length the annual account of expenditure and revenue, made up according to the form presented by the Committee of the last year; and by that account the total of the supply for the current year amounted to

The total of ways and means to £. 16,633,483
15,701,928

Deficiency £. 931,555

If there should be any errors proved in the statements, he would most readily correct them, and feel himself happy to be convinced, that the revenue of the kingdom was likely to

to stand in a better posture at the end of the year than that in which it presented itself to his judgement.

Lord *Newhaven* remarked, that the account struck him in a very different way, and in a manner more satisfactory than it appeared to strike the honourable Baronet. His Lordship then went through the various items of the supply and annual expenditure on the one hand, and of the ways and means on the other; and thence made it out, that the ways and means exceeded the supply to the amount of nine hundred thousand pounds.

Mr. *Steele* went over the arguments urged by the Chancellor of the Exchequer on the preceding Friday, applying them one by one to the several items of the ways and means and supply, in the manner as the Chancellor of the Exchequer had done, in order to shew the honourable Baronet on what grounds of calculation it was that his right honourable friend had been enabled to satisfy the Committee, that notwithstanding the deficiency in the Customs last year, for two stated and sufficiently accountable reasons, they had been able to apply 250,000l. each of the four quarters, towards the diminution of the national debt, and were now able to state that there would be a surplus in favour of the Public on balancing the total amount of the ways and means against the total amount of the supply, without imposing any fresh taxes on the People. If gentlemen were not satisfied with that manner and mode of calculation, he wished them to come forward with their own mode of calculation, and to shew in what better manner the accounts could be stated.

Mr. *Sheridan* observed, that notwithstanding the formidable dilemma into which the honourable gentleman, who spoke last but one, had put the House, by declaring, that if they disliked the manner in which the minister had stated the articles of his budget, he wished they would come forward with their mode of calculation, and shew how the accounts ought to be made out, he certainly should persist in the exercise of his undoubted right to find fault with the Minister's budget, wherever he saw, or thought he saw cause of blame, and look for amendment to them, without feeling himself at all bound to suggest the means of it. Mr. *Sheridan* proceeded to call the attention of the House to the Report of the revenue Committee of last year, observing that the right honourable gentleman, who had been chairman to that Committee, was not then in the House. [Mr. *Grenville* at that moment shewing himself, Mr. *Sheridan* said, he begged pardon, he saw the right honourable gentleman, and as he was forthcoming, he heartily wished his revenue might be forthcoming likewise.] He still persisted in maintaining that the Report to which he

had alluded was fallaciously made up, and that every one of the predictions which he had, in the course of the last year hazarded, as to the deficiency of the ways and means, were this year, fully verified and confirmed. The honourable Baronet, who sat near him, had proved in a manner perfectly satisfactory to his mind, that there was a very great deficiency in the ways and means as stated by the Minister in the opening of the budget, on Friday, and the noble Lord who had endeavoured to answer the honourable Baronet, certainly had failed in his attempt. Mr. Sheridan went over the articles of the supply, enumerating them severally, and distinguishing such as were voted, from such as remained to be voted, and dwelt for some time on the miscellaneous services. After going through the whole, he proceeded to notice the ways and means which, he said, consisted of six articles. The first he mentioned was, the hundred thousand pounds, to be drawn from the cambric, and the consolidated duties. In making out that article, forty thousand pounds were taken by the right honourable gentleman for the duty on cambrics, which left 60,000 pounds for the consolidation of duties; a sum for which he was altogether at a loss to account, since when the right honourable gentleman stated his plan to the public, he had not taken credit for near so much, but had merely talked of eighteen or twenty thousand pounds. [Mr. Pitt said across the table, eighty thousand.] Mr. Sheridan persisted that the sum mentioned by the right honourable gentleman had been no more than 18,000l. or 20,000l. and that as likely to arise from the alteration of the fractions of sums payable for duties into integrals. But it was evident, sixty thousand pounds thus had been levied upon the public in new taxes, and that in so silent and concealed a way, that he was convinced that House generally had been unapprised of the fact till that moment. This being the case, the right honourable gentleman had no right to boast of a surplus, without his being under the necessity of imposing new taxes. The next article of the ways and means was the first singular article to put into the Minister's Budget that he had ever heard of: It was two hundred and fifty thousand pounds for an expected increase of the customs, on account of a spring of trade. He ridiculed the idea of a spring of trade, and contended, that even if any great increase should take place, it must produce 650,000l. before it could yield the 250,000l. In order to explain this, Mr. Sheridan said the reduction of the duties on spirits and wines would make a deficiency of 400,000l. and he argued that the right honourable gentleman ought, when he let loose so large a portion of revenue, to have provided a substitute to have made good the deficiency. He objected to the 320,000l. expected to be paid by the East India Company for the

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the pay of the regiments of British troops serving in India, declaring his firm belief, that the Company neither would nor could advance the money this present year. Notwithstanding the right honourable gentleman over the way (Mr. Grenville) had on Friday last declared, with so much confidence, that he had every reason to regard the affairs of the India Company as in a most prosperous and flourishing situation, and that he drew that opinion from the last accounts which came home from India, he was of a contrary opinion, and so much so upon the very ground where the right honourable gentleman had rested his opinion, the last accounts received from India, that he would move for those accounts to be laid before the House, and if the right honourable gentleman and his friends shrunk from that motion, the House would judge for itself, which assertion was most deserving of credit, that of the right honourable gentleman or that which he had just made. Upon the whole of the ways and means, there was a real deficiency, and however it might be glossed over, a day would arrive when the right honourable gentleman would wish he had ventured to come boldly forward with some decisive measure applicable to the real situation of the country. With regard to the army savings, and casual sums which might arise from the balances of accountants being paid in, and from the taxes being rendered more productive,—those the right honourable gentleman would find he ought not to reckon upon, if he considered that there were provisions sooner or later to be made on account of the Royal Family, the loyalists, and for other services, which must demand sums far larger than the produce of the sums in question. He ought, therefore, not to persist in an over-sanguine opinion, that his resources were fully adequate to the possible expences of the year, but manfully look the situation of the country in the face, examine it thoroughly, and meet it with an adequately bold and decisive measure, and not resort to little shifting practices of changing the mode of collecting this and that tax, so as to disturb the whole system of revenue collections, to the infinite vexation and perplexity of the subject, who was so teized and harrassed by these perpetual alterations, that they scarcely knew what the taxes were that his money was demanded for, nor what the tax laws were under which he lived. Mr. Sheridan persisted in his former declaration that the Report of the Committee of the last year had been delusive, and said, he had a proposition to offer which was for the institution of a new Committee; not a Committee made up of paymasters of the forces, and the immediate friends and supporters of the Minister, nor of men connected with party, but a fair and impartial Committee, constituted of persons perfectly independent and unconnected politically. Such men were to be found

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in that House; and from a Committee so constituted, the House might expect a just and authentic account of the real state of the finances of the country, upon which they might safely rely and proceed to ground such measures as were absolutely necessary to convince all the world, that they had really gone to the bottom of their affairs, and were determined to put them upon a proper footing. Mr. Sheridan read from the Journals, the string of resolutions relative to the Report of last year's Committee which he had moved on the fourth of May last, all of which had been negatived, one only excepted. He reasoned upon these resolutions, and contended, that they had, every one of them, been verified by what had since happened. After offering to pledge his credit with the House, that the total of the supply, for the two next years, would amount to thirty-two millions, Mr. Sheridan concluded with moving, that the resolutions of the 4th of May last might be read.

They were read accordingly as follows:

- “ That the expected annual amount of the national income stated in the Report of the Select Committee appointed to inquire into the public income and expenditure, appears in no respect to have been calculated upon the average receipts of any number of years, but is estimated upon the produce of one year only, and fixed at the amount of the same, with the addition of the probable increase upon the new taxes.
- “ That it appears, that the amount of the annual expenditure as opposed to the amount of the public income so calculated, is not a statement of the present existing expenditure, or of that which must exist for some years to come, but is formed upon the probable reductions which it is alledged will have taken place towards the end of the year 1791, in the prospect of a permanent peace.
- “ That the different branches of revenue, in the period upon which the future is calculated, appear to have been singularly productive, particularly in the customs, and greatly to have exceeded the amount of the present year with which alone it is contrasted.
- “ That it does not appear that any means were taken, nor information called for, nor any examination entered into by the said Committee, in order to ascertain whether such increase of revenue had arisen from causes which were likely to have a permanent operation, or otherwise.
- “ That such an investigation is indispensably necessary before this House can, with confidence, calculate by the produce

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“ duce of one year, the supposed future amount of the public income.

“ That the uncertainty of estimating, by such a criterion, the expected future produce of the revenue is still more evident, upon a comparison of the quarter ending the 5th of April last, with the same quarter in the preceding year, upon which the future income is calculated, by which comparison it appears, that the amount of the latter quarter is inferior by the sum of 188,215*l.* 13*s* 4*d.* in the branch of the customs to the former.

“ That in the said Report there are certain articles of receipt erroneously stated, as proper to be added to the future annual income, and other articles of expence, erroneously omitted, to be added to the expenditure.

“ That the total expected amount of the future annual receipt is stated in the said Report to be 15,397,471*l.*

“ That the sums voted, and to be voted, for the service of the year 1786, including the interest and charges of the public debt, considerably exceeds that sum.

“ That the means by which the deficiency is to be made good, arise from aids and debts, which belong to the present year only.

“ That there is no surplus income applicable to the reduction of the public debt now existing.

“ That a surplus income in the ensuing quarters can arise only by the renewal of a loan for an extraordinary million, borrowed upon Exchequer bills in the last, and charged upon the supply of the present year, and which loan it would be unnecessary to make, but for the purpose of procuring the said surplus.

“ That any extraordinary increase of Exchequer bills, contrary to a former practice in the time of peace, is an inexpedient anticipation of that assistance which the Government might receive in the case of any circumstance rendering it necessary to strengthen the state of our national preparation.

“ That the saving to the public upon the interest of money borrowed in this way, is rendered improbable or precarious, by the necessity which will arise for the more speedy issuing such bills, in order that the object for which the loan is made, may be punctually and effectually answered; nor even should such savings accrue, will it compensate for the disadvantages above stated.

“ That admitting that, by the foregoing means, the expected surplus will arise upon the three quarters next ensuing, and that henceforward one million annually is to be applied to the reduction of the debt, it appears that there will then be an interval of nearly four years before the com-

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“ mencement of that permanent peace establishment which is to furnish, in the reduction of services, 900,000l. of the expected million surplus.

“ That in this period it appears from the vouchers annexed to the said Report; and other papers before this House, that a sum, amounting to 4,010,000l. besides two millions due to the Bank, making together the sum of 6,010,000l. will be deficient and wanting, over and above the stated annual income.”

Mr. Dundas Mr. Dundas declared, that the honourable gentleman had put him into an awkward situation, and he would tell the House what he meant. The honourable gentleman had talked of calling for the last accounts from India. Now, there was nothing which he so much desired, as to state to that House the real situation of the East-India Company's affairs; but he was prevented from so doing by the existence of the Secret Committee, who were employed in preparing articles of impeachment against Mr. Hastings, and by being a member of which, he presumed the honourable gentleman had been enabled to get the information relative to India, at which he had hinted in the course of his speech. Mr. Dundas farther explained himself, stating that he had been exceedingly anxious to lay before that House, at a proper period, the account of the Company's affairs; that he thought that that precise period had come, when the Bengal and Swallow packets arrived; and he accordingly prepared to fulfil his purpose, and had at that moment, the resolutions which he meant to move ready written; but in order to ground them satisfactorily to the House, it was necessary to preface them, with laying before the House the accounts from which the inferences they stated were drawn. In order to do this, he had sent to the auditor of the Company to put the accounts last received from India into a proper shape to be laid before Parliament, and learnt that it would take up ten days or a fortnight so to prepare them, but that the auditor could not be spared to do it, without putting a stop to the progress of the Secret Committee. As the business of the Committee was extremely pressing, he had been reduced to the necessity of giving way to it, and obliged, however reluctantly, to postpone his intention till the next session, when he would, on the first possible day, bring forward the subject, lay the proper accounts before the House, and move his resolutions, meaning that they should remain on the journals as matters to be referred to, on any subsequent occasion, in order that the House might have fixed and certain facts to ground their arguments upon in future, whenever the state of the Company's affairs should be brought under discussion. Mr. Dundas declared the not being able to open what he might term his Indian budget that year,

year, was a matter of serious mortification to him; but thus much he would say, that whenever he should do so, it would be a proud day, and a day of triumph for this country. Flattering as he thought the state of our affairs at home, and confident as he was of the care which would be taken of them by the present Administration, the prospect which they presented was darkness opposed to light itself, when compared with the prospect presented by the state of affairs in India. In less than ten years, he declared, the Company would not have a debt of a single rupee in India, and he mentioned other particulars of a most favourable aspect, in that quarter of the globe. He therefore having such a satisfactory detail to state to the House, could not but feel extremely awkward to find himself incapable of answering the honourable gentleman's challenge, because he was embarrassed by that Committee, the members of which certainly had it in their power to resort to the last accounts from India, and to hint at the contents of any single paper, without having compared it with other papers, and then drawing from the whole what was the true result.

Mr. Dundas explained to the House the nature and ground of the demand of 320,000l. on the East-India Company; and said, that by the clause of the act of the 21st of the present King, the Company were to pay two lacks of rupees for the subsistence of every regiment of British troops serving in India, consisting of a certain number of battalions, and the payment was to be made at the time in India. The Company having been unable to make the payment in India, the Treasury had advanced the money, and thence the debt arose. Nor was that all of the Company's debt. Their debt, on account of the army alone, was 500,000l. and for victualling, &c. nearly a million was due in the whole. The Court of Directors had refused payment here, contending that the payment, according to the act, ought to be made in India; but they forgot that it ought to have been there in the first instance, and that the Treasury having advanced the money, gave them a right to demand payment in London, instead of going circuitously to work, sending to India for a bill or bills on Leadenhall-street, and then ultimately going to Leadenhall-street for payment.

Mr. Chancellor Pitt said, that if the honourable gentleman (Mr. Sheridan) had any thing to say, by way of explanation, or with a view to clear up any point in which he might suppose himself to have been misrepresented, he had certainly a fair right to be heard a second time; but, even, if he wished to enter again into argument on the subject, if he was desirous of introducing new matter, or of amplifying and dilating on that which he had already offered, he should

be extremely willing to dispense with the rules of the House, in favour of the honourable gentleman, particularly if what he had farther to say, was as little calculated as his former argument, to effect what must certainly be his only object—a refutation of the favourable statement, which on Friday last he had made of the resources and finances of the country. The honourable gentleman had in answer to him on that day, complained of the necessity he was under of being extremely brief on the subject then before the House, for the want of sufficient materials to furnish out a speech of proper length; but this defect he had now remedied, by looking for, and introducing topics entirely foreign from, and unconnected with the question. To what the honourable gentleman had said of the situation of the East-India Company's affairs, and to the miserable picture which he had drawn of the revenues in Bengal, he should for the present give no answer, it being a discussion in no way affecting that on which the House was then engaged. But he was not surpris'd to see his right honourable friend give way to the temptation which he must naturally feel on a subject in which he was so immediately and officially concerned, to defeat and contradict at the instant, so dangerous and so unfounded a misstatement as that made by the honourable gentleman. The House would soon be enabled to judge of the real situation of the East-India Company's finances, both at home and abroad, when all the papers and documents relative to that subject could be prepared for their inspection, and which, but for the circumstances stated by his right honourable friend, would have long since have been ready, and the honourable gentleman's misrepresentations have proved thereby anticipated, and no opportunity given him of misleading the House and the Public by partial statements, and quotations from detached and single papers or correspondences, of which he had so amply availed himself. As to the circumstances which gave rise to this discussion of the Company's affairs, the sum of 400,000*l.* to be paid by them, and which he had stated to the House as an *item* of ways and means on Friday last; on that he wish'd the honourable gentleman would continue silent, until he should, by proper intimation on the point, be competent to understand it. The information was not as yet before the House, but before it came to be discuss'd, there should be sufficient documents on the table to enable gentlemen to judge, whether, under the act of 1781, and coupling with it the present situation of the Company, there was any shadow of right in them to dispute the justice of the demand, or any reason why this was an improper time for enforcing it. In fact, so little pretence was there for such refusal of the right, that a much larger sum would still remain due,
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even after this was paid; for the whole amounted to above a million; 500,000*l.* on account of the army, and something more than that sum for the navy. How inconsistent, he observ'd, was it to see the honourable gentleman become so zealous an advocate to protect the Company from the payment of a just and fair debt, who had formerly, with equal zeal, assist'd in pushing forward a measure calculated to deprive them of every property which they possess'd, as a body corporate—and what an extraordinary alteration of sentiment must have follow'd the changes which had since that period taken place—when he, who in one situation, would despoil those of that which they possess'd by charter, would, in another, endeavour to skreen them from the payment of that to which the Public were entitl'd by law.

The honourable gentleman had denied that he had ever heard from him, of any greater annual sum being expected from the consolidation bill, except about from 18 to 22,000*l.* besides the amount of the duty on cambric. He would not take upon himself to say whether it might not be the fact that the honourable gentleman never had heard of any thing more, but if he had not, it must have been in consequence of his not being present when he had laid the plan of consolidation first before the House. He would remind the honourable gentleman of what he had then stated; he had certainly stated a sum equal to that mention'd by the honourable gentleman, but he had stated it only as the expected amount of what would probably arise from that part of the plan which went to the advancing fractions to integrals. But he had also stated a tax upon timber and on drugs. Nay, he had reason'd upon the former of those two last-mention'd articles, and had explain'd to the House other motives, besides barely those of revenue, for making them subject to the tax in the particular form which was intend'd—and he remember'd that part of the plan was debated, as he had thought, by the honourable gentleman himself, but certainly by some of those who usually act'd with him; he suppos'd, however, that the honourable gentleman had found something better to occupy his thoughts, by his having so entirely forgotten it.

The honourable gentleman had recurr'd to the Report of the Committee of last year, and had renew'd his old objections against it, and that almost exactly in the same state and manner in which he had before attack'd it; he had even argu'd against it upon the authority and credit of his own former arguments, and by way of compressing them into the compass of a single speech, had quoted his own resolutions which he had last propos'd to the House, but all of which, upon some observations made in answer to him by

his right honourable friend (Mr. Grenville) had been rejected without a division. The honourable gentleman had gone upon the idea, that because one million of Exchequer bills had been issued, it was therefore to be held, that we were only borrowing a million on one hand to pay a million on the other—and that our ability to pay arose from our credit to borrow, and not from any actually existing surplus. This was the greatest fallacy ever attempted to be imposed upon that House; for the fact was, that the million for which the Exchequer bills were issued, was a debt contracted in the year 1785, on account of the extra charges of the war, and not any part of the charge of 1786—and the only charge which could arise was, not whether there was in fact a surplus of one million received into the Exchequer over and above the expences of the year, but whether such a surplus actually existing, it was more adviseable to apply it in discharge of the debt of 1785, or of part of the three or four per cents: this latter was thought the more adviseable, because the interest on those funds, at their then price, was greater than that which the Exchequer bills were then to bear.

The honourable gentleman had dwelt much upon the sum of 250,000l. as stated by him on Friday last, to be the probable amount by which the customs of the current year might be expected to yield an advantage applicable to the expenditure of the year. But he had not stated that sum as the exact amount of what he expected. He had assumed, and that on two specific grounds, which he had fully stated to the House, that an increase to some degree must naturally take place, but had not attempted to ascertain the extent of that increase. It might, and there was scarcely room for a doubt, but it would be considerably greater than the sum which he had mentioned; for, independent of the two obvious causes, which, in the year 1786, had operated to the prejudice of the revenue—namely, the suspension of commerce, while the commercial treaties were depending, and the uncommon badness of the season in the West-Indies—independant of those two causes no longer existing, there were others which had taken place, in themselves sufficient to warrant his expectations of a more favourable year for the future—these causes were the new markets which had been opened to the country. But the honourable gentleman had contended that a set off ought to be made against the revenue of the whole amount of the reduction which was to take place on the duty on wines—and he seemed to argue upon this doctrine, as if the idea of increasing the revenue, by diminishing the duties, had now for the first time been heard of. He remembered, indeed, when on a former oc-

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caſion, a noble relation of his [Earl Stanhope] now a member of the other House, had reasoned on that principle—that it was received by gentlemen on the other side of the House as monstrous and absurd, and that when, on a former occasion, he had himself reduced the duty on foreign spirits, from nine shillings to five, it was opposed by the same gentlemen on an assumption that every diminution of duty, must be attended with an actual loss of revenue. But the authority of those gentlemen was entirely destroyed by their own country practice; for when he had once proposed, on the article of home-made spirits, to restore a part of the duty which he had formerly reduced, it was then argued by them, that by so doing the consumption might be checked, and the revenue suffer in consequence. Nay, they had themselves, when in office, recognized the principle; for they had adopted and applied it to the article of East-India muslins, which, from the greatness of the duty, had been thrown into the hands of the smuggler, but which, with a view to increase the revenue they had reduced to a much lower duty. To prove that a considerable increase of the legal importation would take place, in consequence of the reduced duty, he stated the profits of the smuggler as so trifling, that they would tend almost wholly to discourage and put an end to illicit trade, and shewed, from the accounts of the Custom House and Excise Office, between the period in which the latter regulations for suppressing of frauds in the wine trade, and that in which the negotiations became so generally known, as to cause a general stagnation of trade; that the legal importation, even under the old duties, had increased in a proportion adequate to counterbalance and compensate for the reduction which was to take place in that article. His reason for stating the sum of 250,000l. as likely to be the amount of the increase in the customs was, that, however low and moderate that computation proved, it was sufficient, added to the other articles of ways and means, which were certain to answer the whole of the supplies of the present year; but should it be still greater, as there was every reasonable ground to expect it would, it would be so much more clear disposable surplus in the Exchequer for the services of the next year. What was most extraordinary, the honourable gentleman had accused him of a wilful deception on the House, in his statement of the revenues, and of the use he had made in that statement of the sinking fund, when, in fact, he was the first Minister who had ever suggested a plan by which that fund was to be completely abolished, and, in consequence of which, no Minister could in future avail himself of that resort to technicals in stating the condition of our finances which had so often and so successfully been

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been used, for the protection of insolvent funds and fallacious statements of revenues. As to the sum of 1,226,000l. remaining in the sinking fund, which had given the honourable gentleman so much offence, he did not know what to say in exculpation of himself, except that such a sum being actually in the Exchequer, he must either apply it to the service of the current year, or else let it remain idle and useless. The honourable gentleman had, with great solemnity, staked his reputation as a financier on the justice of the doctrine he had laid down; that if we continued to keep up an uniform establishment, which was not to decrease, and only enjoyed our present revenue, which was not to increase—in such a case we should certainly fall short in our resources: This was a fact, which however the honourable gentleman might think it worthy of so much laboured argument, no one could think of disputing with him—but there was a certainty that the expence of our establishments must decrease, and a great probability that our revenue would improve. At all events it was a fixt and invariable principle, and which that House had pledged itself to the Public to pursue, to issue a million annually for the discharge of the public debt, and that, if from any unforeseen increase in our establishments on the defalcation of revenue, the resources of the nation should in any year fall short, it would be the duty of Ministers to supply such deficiency by a loan, and to provide a proper fund for the payment of the interest of it. Such a necessity had not yet occurred, and there was every reasonable degree of expectation that it would not occur. After going into minute statements and investigations of several parts of the revenue, and making several computations, as well from certain averages, as from corresponding quarterly receipts, in other years, in order to obviate the objections advanced against his general statement, and to prove that his expectations of an increase in the revenue, adequate to the ends for which he had stated them, were well founded, he concluded his speech with some allusions to Mr. Sheridan's system of finance, and to the new character in which he appeared—as the advocate of the East India Company.

Mr. Sheridan.

Mr. *Sheridan* said, he would confine himself merely to explanation. He then made a reply to the several reasonings of the Chancellor of the Exchequer, and of Mr. Dundas. He charged the Chancellor of the Exchequer with having misrepresented his arguments, and said, he wondered, after what had now come out, that the right honourable gentleman was not ashamed of resorting to such old and hacknied means of opposing fair arguments, as talking of violated charters, and his right honourable friend's India bill. Could the right honourable gentleman deny, that the Court of Directors

rectors, the East India Proprietors, and even the Company's servants in India, now publicly declared, what had been admitted by his right honourable friend at the time, and what had also been said by him when the other bill was in agitation, that his bill was a bold, a manly and an avowed resumption of power which had been abused, and that the right honourable gentleman's bill filched authority, and did that in a covert, sneaking underhand way, which the other bill did undisguisedly. Mr. Sheridan justified his former argument respecting Mr. Pitt's assertion that about 18 or 20,000l. would be the amount of the advantage resulting to the Public from the consolidation of the duties, and appealed to the House whether an idea had been entertained by them, when they passed the bill, that they were taxing the people to the amount of between sixty and eighty thousand pounds a year. He answered what had been said to Lord John Cavendish's taking off the high duties on muslins, and said, that the right honourable gentleman had been forced to confess it to be a good measure, as its extremely beneficial consequences undoubtedly could witness. He had not complained of the right honourable gentleman's following that example, but of his having laid down a principle, and afterwards not acted up to his own principle, a fact evinced by him in respect to the loss of revenue, by the reduced duties on spirits and wine. Mr. Sheridan also took notice of what had fallen from Mr. Dundas, and said, he had addressed himself to a right honourable gentleman (Mr. Grenville) and not to him, when he talked of moving for the last accounts from India, but that right honourable gentleman had chosen to avoid a reply. If his right honourable friend, (Mr. Fox's) bill had passed, there would have been no necessity for a right honourable and learned gentleman (Mr. Dundas) to come to the House with his Indian budget, which he waited, as he had declared, to have properly shaped. They all understood what *shaping* East-India accounts was, but that shaping would, as he had just declared, have been unnecessary, had his right honourable friend's bill passed, as one of its operations was to have obliged the accounts of the Company to be from time to time laid before the House. Mr. Sheridan again recurred to his proposition of a new, a fair, and an impartial Committee to examine and report the real state of the revenue and its expenditure.

Mr. *W. Grenville* appealed to his two right honourable friends, whether he had not been impatient to rise, when he had given way to them, conceiving that they had a better right to be first heard. It was not, therefore, as the honourable gentleman had been pleased to say, from any wish to avoid a reply, that he had till that moment continued silent

Mr. W. Grenville.

silent. He observed, that he was ready then, and should be ready at any other time, as he had declared on Friday last, to meet the honourable gentleman on the subject of the Report of the preceding year, or on the subject of the East-India Company's affairs; and indeed he had so often refuted the honourable gentleman's arguments on the subject of the Report of the Revenue Committee, that he was not a little surpris'd that the honourable gentleman should so frequently repeat them, and bring them forward. His two right honourable friends, Mr. Grenville observed, had so fully replied to the honourable gentleman's first speech, that they had anticipated almost all which he meant to have said. There remained, therefore, little more than for him to state, that he should oppose the proposition for a new Committee, because it was grounded on an assertion that the last Committee had made a fallacious report, an assertion, the truth of which he never would admit. Mr. Grenville talked of the great impropriety of the Secret Committee taking advantage of the power of calling for papers, with which they were necessarily invested, and forgetting the discretion due from them, partially proclaiming facts relative to the present state of affairs in India, which by no means stood connected with the immediate object of their appointment.

Mr. Burke. Mr. Burke observed, that he felt it his duty to exculpate the Secret Committee from the charge made upon them by a right honourable gentleman (Mr. Grenville) and added, that so far from his honourable friend (Mr. Sheridan) below him being liable to it, he did assure the right honourable gentleman, that the Committee had not been assisted by his honourable friend more than once, and then he had given them his company only for half an hour. Mr. Burke denied that the charge was at all relevant; and with regard to himself, who was the person perhaps most assiduously intent on the subject which led him to the India House, he said, he was profoundly ignorant concerning the state of affairs in India, and so wholly occupied was he with his object, that he had not the least thought of attending to secondary considerations; nay, so little curiosity had he, that although he was at the India House when it was resolv'd to refuse payment of the demand of 320,000l. for the money advanced to the British regiments for subsistence, while serving in India, he had not inquired what the Court was about, nor heard of it till either Saturday night or Sunday morning. Mr. Burke laughed at the statement of 320,000l. as the debt of the East-India Company, payable this year, and said, it was evident, that instead of an aid to that amount to be depended upon for payment within the year, the Minister had gotten in exchange, a *lawsuit with a good title*. He declared, that the

Secret

Secret Committee had exerted themselves industriously, and that they would be ready to deliver the articles of impeachment on the morrow, and that he meant to bring forward the charge on the subject of the misdemeanors in Oude in the course of the ensuing Thursday; but if he could understand that any gentleman doubted of the criminality of the facts contained in that charge, he should in that case wish to postpone it to Monday, as he was somewhat unprepared on the subject, having of late had his time occupied by other important matters.

Mr. W. Grenville admitted that the right honourable gentleman had fully cleared himself and the Committee from the charge of having made an indiscreet use of their powers; instead, therefore, of the honourable gentleman's (Mr. Sheridan) being liable to the suspicion that he had suggested of his speaking from too good information on the subject of the state of the Company's affairs in India, it was evident he had spoken from no information at all.

Mr. Sheridan desired the right honourable gentleman, when he thought proper to argue upon the degree of information from which he (Mr. Sheridan) had spoken, to rest his arguments on what he admitted to be the information in his possession, and not on what any other person stated it to be. He alone could be a judge of the information in his mind, and the sources from whence that information was derived. The quarter from whence he had learnt what he hinted at, was an indisputable authority, and such as he should not be ashamed to state to the House.

Mr. Baring said, that he was not present at the Court of Directors last Thursday, but he had left his sentiments in writing: that the demand of 320,000 l. had been made suddenly on the Company, at ten days notice; that it was obvious what step was their duty as Directors to take: that they consulted their law officers, to enable themselves to send a proper answer to the letter: that they had their doubts as to the propriety and legality, or rather the equity of the demand. A doubt, Mr. Baring said, was entertained by them, whether it was not understood when the act in question passed, that the Company were liable to the payment of the two lacks only, while their territorial revenue afforded a surplus over their expenditure equal to the payment, and, of course, when their territorial revenue was exhausted by the demands of war, and other exigencies, whether they were not wholly exempt from any claim of the sort. Another matter of doubt was, as to the exchange of the rupee. They understood the exchange to be after a rate considerably lower than the rate of exchange stated in the claim of Government. A third difficulty was, that as the Company was

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under

under acceptance of bills to be paid in 1788 and 1789, to the amount of millions, it behoved them to look into the state of their affairs with care, before they gave an answer, as they were bound to see whether, if they paid the 320,000 l. demanded, they should be in cash to answer the bills which they had accepted when they became due; and, after all, the act specified that the money was to be paid in India.

Lord Mulgrave.

Lord *Mulgrave* expressed his astonishment that so old a Director, and so experienced a man in accounts, as the honourable gentleman, should talk of being taken by surprize, and complain of being called upon to pay the 320,000 l. at only ten days notice, when there was the act of Parliament to inform the Directors of the debt, and the grounds on which it could not fail to be demanded. The accounts of the charge, with all the particulars, had been shewn and communicated to a Director; and, would the honourable gentleman deny that the Court of Directors knew that the money had been advanced by the Treasury; whereas it ought to have been paid by the Company in India? The Company's debt was very considerably more than 320,000 l.; but, as there was money wanted to supply deficiencies in ways and means, in making up a budget, it was natural to resort to the Company's indisputable debt, and it was thought advisable for the present to claim no more than the 320,000 l.; and, was it to be stated, that before it was paid the Company must see the Treasury accounts to examine the particulars?

Mr. Baring.

Mr. *Baring* answered, that it was the Company's own accounts to which he meant to allude, as necessary to be seen, and no other. With regard to the particulars of the claim having been communicated, undoubtedly the Chairman had produced such a paper; but when it was desired to be copied for the purpose of remaining as a matter of authentic reference, an hesitation had been made.

Mr. Chancellor Pitt.

Mr. *Chancellor Pitt* said, that the paper for which he designed to move, as soon as the Report was agreed to, would sufficiently evince the particulars of the claim.

Mr. Grey.

Mr. *Grey* asked, whether the right honourable and learned gentleman meant to lay the letter of Lord Cornwallis before the House when he opened his Indian budget.

Mr. Dundas

Mr. *Dundas* declared that he had no hesitation to say then that he never would consent to lay the whole of that letter before the House, as it contained suggestions of political plans, which might or might not be adopted; and surely, before they were decided upon, one way or the other, it would be in the highest degree unwise to let them go forth to the world. When the day should come, that he could state the situation of affairs according to the last accounts, the reasonings of Lord Cornwallis upon the state of affairs in India

India would be proper to accompany that statement, and therefore he had no manner of objection to adhere to the expression of "the accounts being shaped, fit for the House, and to repeat, that when they were so shaped, he would bring them forward.

Mr. *Smith*, formerly Chairman of the Court, observed that there were various reasons which made it necessary for the Court of Directors to demur with regard to payment. Among others, the claim was for 320,000 l. whereas in their auditors of accounts books 400,000 l. stood as the amount of the subsistence. This naturally called for examination; but he had no doubt that as soon as the matter was clearly made out, the Company would cheerfully pay the money, or any other demand which the Public might fairly have upon them.

The resolution was read a second time and agreed to, after which the House adjourned.

Tuesday, 24th April.

The following state of the Sinking Fund was laid before the House, and the totals stand thus:

	£.	s.	d.
Total charge on the 5th of January 1787,	1,518,187	7	7 $\frac{1}{4}$
Surplus on the 5th day of January 1787,	258,174	18	10 $\frac{3}{4}$
	<hr/>		
	1,776,362	6	6
	<hr/>		
Total charge on the 5th day of April 1787,	1,351,680	18	3 $\frac{3}{4}$
Surplus on the 5th day of April 1787,	1,661,395	10	6
	<hr/>		
	£. 3,013,076	8	9 $\frac{1}{4}$

Mr. *Dundas* expressed his determination, in consequence of what had passed the preceding night, that no exertion which could contribute to bringing the state of the affairs of India before the House, in the present session, should be wanting, and, with exertion, he hoped to be able to accomplish it; but, in order to make the requisite preparations, it was necessary for him to move for a variety of papers.

Mr. *Dundas* observed that Earl Cornwallis' letter consisted of thirty-nine paragraphs preceding the concluding section, for copies of which he meant to move; but as the last section, which was fraught with suggestions of plans and schemes, proper, in the noble writer's opinion, to be adopted by Government with regard to the future management of

affairs in India, would call for mature consideration before they were determined on, either one way or the other, those who had seen that letter must, he conceived, be aware that the section was improper to be made public. As, however, his wish was by no means to blink any part of the subject, but to give the fullest information, if any gentleman thought it requisite to call for the whole of the letter, he should not object to it, as he had rather submit to some inconvenience than have it imagined that any thing was kept back or refused, which would throw a material light upon the subject.

Mr. Sheridan.

Mr. Sheridan complimented the right honourable and learned gentleman on the candid manner in which he had expressed himself, but said, he should close with his latter proposal, as the section of Earl Cornwallis' letter in question, though it certainly contained some things which had better not be made public, was also replete with arguments and observations upon the facts stated in the preceding thirty-nine paragraphs, extremely material to their explanation.

Mr. Francis

The motions were all agreed to. Mr. Francis rose with a newspaper in his hand, and said, that he neither meant to make a motion nor a complaint, but he hoped that he should not violate the order of the House, when he stated that there had that day appeared a most unfair and unwarrantable attack upon him, signed John Scott; and that he presumed the signature was, that of a member of that House [Major Scott nodded]. By the honourable gentleman's gesture he saw that it was; he had therefore to say farther, that as it was an attack upon him grounded upon a newspaper's account of what he had said in his discharge of his parliamentary duty, and in the execution of a particular office imposed upon him in that House, he meant to have recourse to the laws of his country for a remedy, and indeed he had already retained counsel for that purpose; but as a real signature was annexed to the letter, he should not proceed against the printer*.

Major

* To PHILIP FRANCIS, Esq.

S I R,

YOU have been pleased to complain, (if I may depend upon Mr. Woodfall) that you have been repeatedly attacked in prints and pamphlets, and often by the same person under different signatures. Such a complaint comes not with much grace from Mr. Francis, who, soon after his return from England, began to attack Mr. Hastings anonymously. You have written at least four anonymous pamphlets since 1781. You have, however, made the complaints, and I will take care that you shall have no cause in future to glance at me; for whenever I may

may

Major Scott said, that although the honourable gentleman (Mr. Francis) had made no motion, yet he hoped the House would permit him to say a few words in reply. The honourable gentleman had thought proper to inform the House that he had commenced a suit at law against him. What had the House to do with that? When first the honourable gentleman

may find it necessary to mention your name, I shall have recourse to the same public mode of addressing you as I use in this letter.

You have often declared that you retain no resentment against Mr. Hastings.—It would be indecent and presumptuous in me to offer a remark upon any thing that you have either said or done as a member of Parliament; but when you descend from your senatorial dignity, when you commence pamphleteer, I have just as great a right to examine the justice of your remarks, as I have to expose the inconsistencies of your friend Mr. Burke.

You published your first Parliamentary Speech in the month of July, 1784; and in that pamphlet you say, "I should be sorry to be suspected capable of entertaining a spark of personal animosity against Mr. Hastings. We are both of us men of tempers too warm to be capable of retaining resentments. Our contest is at an end, and the hostilities it produced expired with it. Assuredly I feel no enmity against him, and I readily acquit him of harbouring any against me." These, Sir, were your sentiments, eloquently delivered in the House, deliberately written in your closet, and industriously published to the world. How far you was sincere, I shall now proceed to examine.

Mr. Burke speaks of you as one of the first pamphlet writers of the age; and as he is a gentleman of long practice as a pamphleteer, he must be deemed a competent judge of forcible and gummy compositions. I pass by the first of your performances, because it was written previous to the solemn declaration which I have quoted; but your "Observations on Mr. Hastings's Narrative," and on "his Letter relative to Presents," were written last year; they were publicly sold, and even sent gratis to Peers of the realm. Your "Observations on the Defence of Mr. Hastings" was published this year. Will any man of honour and common sense who reads them, affirm, that the person who wrote them was not actuated by a degree of personal animosity hardly to be paralleled? Was it necessary, Sir, for the sake of public justice, which you avow to be your object, that you should endeavour to involve Mr. Hastings with the first personages in the kingdom, and with all the various parties into which the kingdom is divided? I affirm, that you studiously attempted to do Mr. Hastings the greatest injury that you could do him, when you declared unreservedly, that the author of a celebrated pamphlet was educated "in the school of Mr. Hastings." Had you joined in the present prosecution upon the great public grounds, by which you assert you are actuated, you could not have descended to the practice of such arts; but having so descended, having published four anonymous pamphlets, it is wonderful indeed that you, of all men living, should venture to complain to the public of being anonymously attacked in prints and pamphlets.

I shall

gentleman began his speech, he conceived that he was going to prefer a complaint of a breach of privilege, and that complaint he was ready to meet. What was the complaint of the honourable gentleman? That he had been calumniated for doing his duty as a member of Parliament. Was that the case? He denied it. The honourable gentleman had written

I shall examine a second contradiction in your opinions of 1784 and 1787.

In your speech of 1784, after declaring that Mr. Hastings's judgement does not travel quite so fast as his imagination, you add, "Undoubtedly he is a person of uncommon abilities. No man knows them better than I do. No man has tried them more than I have done." You proceed, it is true, to state instances in which Mr. Hastings has been duped by Indian Princes who, "though far inferior to him in talents, have an advantage over him in other qualifications." Let it suffice to say now, that you were mistaken in all the facts which you adduced to prove your assertion. Moodijee Boosla did not form the confederacy against us in 1779. He gave the most unequivocal marks of his friendship for the English; and so far was Mr. Hastings right, and Mr. Francis mistaken, that the peace with Tippoo, which Mr. Hastings in December 1783 foretold would soon take place was actually concluded near four months prior to the day in which you pronounced with confidence that it was not "even in prospect."

But although you doubted Mr. Hastings's judgement upon some occasions in 1784, still you allowed him to be "a person of uncommon abilities." On Thursday last, if I may believe Mr. Woodfall, (for it would be improper to trust to my own recollection) you gave him neither judgement, nor abilities, nor talents of any kind; and you expressed, in very strong terms, the degree of surprize you felt, on your arrival in Calcutta in 1774, to find Mr. Hastings so deficient in abilities and judgement. Pray, Sir, am I to believe Mr. Francis in 1784, or Mr. Francis in 1787?

Were you and I to go into detail, the controversy would be endless: but there is one common-sense way of coming to a decision even with ingenious men on every point, however intricate it may be; for instance, we may puzzle ourselves for hours as to receipts, balances, and remissions of the revenue for twenty years past; but let the actual nett receipts of a district be put before us, and we shall agree at once as to the most profitable mode of collecting revenues, though we may differ in opinion as much as ever as to that which is the best mode. The man whom you have *anonymously attacked* has, at least, had the merit of preserving an empire in a season of uncommon difficulty and danger. The men *with whom you act* were employed for seven years in accusing each other of dismembering the British empire, and involving the nation in difficulties and debts, from which even the resources of the country Mr. Hastings preserved can never free it: yet of such consequence is an Indian empire, that on Friday last a gentleman high in office, who has given a fresh spring to public credit, by his account of our finances, described our possessions in India as in a state of peace, security, and prosperity, as the most flourishing and important part of our foreign dominions, as the part from whence Great Britain had derived

written pamphlets; the honourable gentleman had published speeches; and from the moment they were published, and to be purchased, at eighteen pence each, he contended that it was perfectly free for him or any other person to comment upon them with as much freedom as they chose. What was the case in the present instance? He had been accused of calumniating the honourable gentleman in prints and pamphlets; and as he was determined the honourable gentleman should never in future have cause to make the same complaint, he had actually published the most offensive thing he had ever written relative to the honourable gentleman in the Public Advertiser, in order to give the honourable gentleman an opportunity of taking what steps he pleased, and he (Mr. Francis) had informed the House, that he meant to commence a suit against him in a court of law. In a court of law then he would meet him; but except there was a complaint of a breach of privilege, it was a business which could not possibly come before the House. The Major again declared

derived immense resources in times past, and might expect to derive still great resources hereafter.

I do not recollect that I have taken the liberty to mention your name in an anonymous publication, at least in a particular manner, more than once, and then it was in fact drawn from me by an ingenious statement of your own; and I shall now beg leave to repeat the substance of what I then wrote. In one of your pamphlets you gave us three ingenious calculations: they struck me so forcibly, that I attempted a fourth myself. I published it as you did your pamphlet, anonymously. It was unworthy your notice; for it was too plainly marked for you to doubt from what "school" it came. I assure you, however, that Mr. Hastings was not privy to the publication of that letter; nor will he, or any other person, be privy to this that I am now writing, until it appears in the papers.

It was my opinion (an opinion which I still retain) that the clause in Mr. Pitt's bill, which compelled gentlemen returning from India to declare the amount of their fortunes, was a good clause, upon this ground, that it tended to obviate the mistakes and prejudices which existed as to the enormous amount of fortunes acquired in India. The clause, however, was universally reprobated abroad, not because gentlemen were apprehensive of the consequences of a discovery, but for different reasons; they were truly conscious that they merited the approbation, not the censure of their countrymen, and they would not subscribe to the disgrace of being separated from the mass of their fellow subjects.

There are men, however, in certain situations from whom such a disclosure might come with great propriety, and Mr. Francis is one of this number. You have in a manner called upon Mr. Hastings to account to the world for the smallness of his fortune, and it would afford satisfaction to me amongst others to know how yours comes to be so large.

I have

declared that he disclaimed the most distant idea of attacking the honourable gentleman out of doors as a member of Parliament; but, as a writer of pamphlets, he had an undoubted title to answer the honourable gentleman, in a newspaper or pamphlet, as often as he thought proper.

Sir

I have no means of discovering what you possessed prior to your appointment in the Company's service; but as you applied to the Court of Directors for the loan of two thousand pounds previous to your embarkation, which sum they generously lent to you, I may fairly presume that you neither possessed a landed estate, nor money in the funds, at that period.

As a member of the Supreme Council you could neither trade, nor receive presents; and I presume you did what every English gentleman does who has money; you annually took up your proportion of the Company's remittance. You received, as a servant of the Company, in six years and a half, — — — 65,000 l.

<i>Per Contra.</i>			
Repaid the Directors	—	—	2000
Expence of living, house rent, town and country, servants wages, &c. &c. for six years, at 5000l. a year	—	—	30,000
Contingencies	—	—	10,000
Passage out and home	—	—	2,000
Expences in England for seven years	—	—	8,000
			52,000

In my calculation, I have not followed your example. You allow Mr. Hastings eight thousand current rupees a month, and then wonder that he can spend so much. You have a town and a country house to pay for, which must have cost you 14000l. a year, and I have stated your whole expences but at 5000l. a year. If you lived upon that sum, you were a very admirable economist. The other charges are certainly not exaggerated. This would leave you thirteen thousand pounds; and it rests with you to prove how that thirteen was increased to sixty thousand pounds, which I was told by a friend of yours, who is dead, (and it is the fashion now to quote evidence of this kind) was the acknowledged amount of your fortune.

Suppose for a moment I were to argue as you have argued—You say, that when Mr. Croftes got his bullock contract, it was to provide for some concealed interest. When an old servant of the Company early in 1775 was deprived of the first office in Calcutta, in point of emolument, and when that office was given to a young writer, who lived chiefly in your family, what was the general opinion in Calcutta upon so flagrant an act of injustice? Was it not that this jobb was done to provide for some concealed interest? Yet the suspicion, as it affected you, may have been as unjust as I know your insinuation was respecting Mr. Hastings. I should be glad, however, you would explain to the public what pretensions Mr. Livius, a writer, had to the post of military storekeeper, the first office in Bengal.

When Mr. Bristow was appointed Resident at Oude, through your influence, in November, 1774, the appointment might have been made upon the purest principles; but whether the suspicion was well founded

or

Sir *Gilbert Elliot* rose to give notice that on the ensuing Tuesday he meant to bring forward the subject of the impeachment of Sir *Elijah Impey*.

Mr. *Dundas* observed, that although he did not mean to object against the motion, he must entreat the honourable Baronet to recollect the period of the session, and that the Parliament was not likely to continue fitting much longer. As far therefore as his recollection served him with regard to the subject to which the honourable Baronet had alluded, it would be absolutely impossible for him to complete his purpose in the present session. He submitted it therefore to his good sense and candour, whether it would not be more ad-

or not, the fact is certain, that it was very generally believed you had an interest in Mr. Bristow's appointment.

When Mr. Mackenzie, in the month of April, 1780, after having held the opium contract for three years, obtained it for another year, in direct disobedience to the orders of the Court of Directors, at a moment when you had a majority in the Supreme Council, which you excused very soon after, it might possibly have happened that you gave that gentleman the contract, because, according to your own principles, you deemed it bad policy to engage upon too low terms with any contractor. But how shall we reconcile it to common sense, or consistency, that you have condemned Mr. Hastings for giving the same contracts precisely upon the same terms to Mr. Sullivan? You know that your near relation, Mr. Tilghman, received eight thousand pounds from Mr. Sullivan for his share of the contract. Give the world one proof of your patriotism, and restore to the East-India Company the eight thousand pounds which you now seem to think was improperly obtained. Mr. Mackenzie was your intimate friend; Mr. Tilghman was your relation; they have both benefited by a contract, which you now condemn Mr. Hastings for having granted.

I am ready to allow that there is a certain degree of impertinence in stating a gentleman's expences, or in speculating upon the probable amount of his fortune; but you, Sir, have set me the example, and you stand in a particular predicament. You first began this species of anonymous scrutiny—I replied to it anonymously. You now complain of anonymous attacks in prints and pamphlets. I do assure you, Sir, I will never in future give you cause to make the same complaint against me.

I have the honour to be,

S I R,

Your most obedient, humble servant,

Cavendish Square, April 22, 1787.

JOHN SCOTT.

P. S. That you may have been employed as a Clerk in the Secretary of State's Office, or in the War Office, many years ago, are facts of no moment, nor have they ever been disputed. These offices, it appears, did not afford you more than a subsistence, since you applied for pecuniary assistance to the Company when you were first appointed in their service.

viseable for him to postpone the whole proceeding to the next session.

Mr. Burke. Mr. Burke said, that no man was more in earnest than he was in the intended impeachment of Sir Elijah Impey, because a greater and more flagitious criminal did not exist than he conceived him to be, and the honour and character of the country, as well as of that House, were called upon to prove his guilt and make him an example. Sir Elijah had been sent out by that House to restrain oppression, and he had become an oppressor; he had been sent out to execute an office which depended upon evidence, and he had cut up evidence by the roots; he had been sent out to stem the torrent of corruption, and he had himself become a corrupter. Sir Elijah, therefore, in his opinion, deserved exemplary punishment: but when he adverted to the considerations stated by the honourable and learned gentleman, and when he likewise considered that he had himself been the means of enfeebling his honourable friend's cause, by stripping him of that assistance which the honourable Baronet was entitled to expect, and engrossing the abilities of so many gentlemen, by engaging them to take a share in the conduct of the proceedings against Mr. Hastings, he could not but join his sentiments to those of the right honourable and learned gentleman, and give the honourable Baronet that advice in public which he had before given him in private, to postpone the business till the next session, as he really thought there was enough of the same serious sort of proceeding already upon the hands of the House.

Sir Gilbert Elliot. Sir Gilbert Elliot answered, that he meant to repeat his notice for Tuesday next, unless he understood it to be the general wish of the House that he should not persist in bringing forward the motion of impeachment of Sir Elijah Impey this session. If the right honourable gentlemen connected with the right honourable and learned gentleman, who had recommended the postponement of the motion, declared they were not prepared to discuss it, and therefore desired that it might be deferred, he should think it his duty to comply with their request; but in that case he hoped that gentlemen, during the leisure of the summer, would turn the matter in their minds, and apply themselves to the subject, so as to be able to come prepared for its agitation early in the next session of Parliament. If no such wish was expressed by those to whom he alluded, he should persist in his intention of bringing the motion forward upon the Tuesday, being, as far as regarded himself, as fully prepared to enter upon its discussion then, as he could possibly be at any future period; but if, on the other hand, it was the general wish to postpone it, he hoped, in

Supplies

For the Service of the Year 1787.

Navy	2,239,200
For clearing & improving harbours near Plymouth	1,000
Army	1,831,481 4 21
Ordnance	375,376 17 3
Miscellaneous Services	6,382,149 2 6 1/2
Deficiencies	2,121,514 7 1/2
Total	12,950,721 11 1/4

Ways and Means

By Land Tax	2,000,000
By Duty on Malt	750,000
By Surplus of the Sinking fund to 5 April 1787	1,226,072 2 11 1/2
By a Lottery	750,875
By Exchequer Bills	5,500,000
By Surplus of consolidated fund	2,400,000
By Imprest & other Monies in Excheq.	74,102 9 10
By Money remaining in Excheq. granted for land taxes 1785	180,000
Total	12,887,049 12 9 1/2
Deficiency of Ways & Means	63,671 18 2 1/2
Total	12,950,721 11 1/4

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