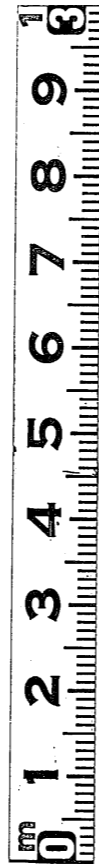


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A. 1788.

D E B A T E S.

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Sir William Chambers would not let him execute his purpose.

The resolution passed.

Mr. Chancellor *Pitt* remarked, that he would take the opportunity of so full a house to give notice, that, on the ensuing Thursday, he would call the attention of the House to a subject of some importance. Many petitions had been sent on the subject of the slave trade; and an honourable friend of his had, early in the session, given notice of his intention to bring forward some proposition respecting it; but, unfortunately, his honourable friend had been prevented, by indisposition, from attending to fulfil his intention, nor was it then at all probable that he would be able to be present in that house previous to the prorogation of Parliament. Indeed, if it were, under the present advanced state of the session, it would not be adviseable that a business of such considerable importance should be gone into; but he nevertheless thought, that the session should not pass over, without some notice having been taken of the subject of the petitions in that House. He, therefore, would, on Thursday, move a resolution, "That the slave trade be inquired into early during the course of the ensuing session."

The order of the day, for going into a Committee to consider farther of the ways and means being read, the House went into a Committee, and various papers were referred to the same.

Mr. Chancellor *Pitt*, now rising, remarked, that in laying before the Committee an account of the state of the revenues, and particularly of the receipt and expediture for the year, he was more than usually anxious to gain their attention, and to shew them how truly the calculations had been made, and in how small a compass of time the influence of the arrangement which was adopted had operated to the essential benefit of the nation. The statement could not fail to give universal satisfaction to every gentleman who heard him. He would not detain the Committee with any previous matter, but simply state the particulars of the account on both sides, observing, however, in the first place, that a very considerable increase had taken place in the expences of this year beyond the estimate that had been made in the year 1786, and which had been thought essential to our national prosperity and honour. These were not likely to occur again, and, in the mean time, it was a matter of no small satisfaction, that notwithstanding these increased demands and temporary calls, such had been the beneficial effects of the late arrangement, and such the prosperous condition of the country, that ample provision had been made for all, without recurring either to a loan or to new taxes.

VOL. XXIII.

4 A

Mr.

Mr. Pitt first stated the several articles of supply which had been voted for the service of the current year, and which consisted of the following heads, viz.

Navy — 18,000 seamen	£. 936,000
Ordinary	700,000
Extraordinary	600,000
Making a total of	
Army — Guards and garrisons, plantations and Gibraltar, half pay to the British and American forces, to the amount of 228,000 l. — Chelsea pensioners 173,000 l. &c. making a total for the army of the present year of	2,236,000
But from which sum 43,000 l. is to be deducted, on account of stoppages from the troops abroad for provisions supplied them from hence.	2,022,023
Ordnance	419,000
Expence of maintaining convicts	34,000
Annual Allowance to American loyalists	74,000
Repayments on Addresses, &c.	46,000
Civil Establishments in America, together with the expence of Somerset-place, African forts, &c.	90,000
Deficiency of grants in the year 1787	63,000
Estimated deficiency of land and malt	300,000
Expence of the armament	311,000
Sum voted to pay his Royal Highness the Prince of Wales' debt, &c.	181,000

4,677,023

Amounting in the whole to £. 5,779,365

That a farther sum has been voted to pay off Exchequer bills, and for deficiencies of several funds, to the 5th of April 1787, which latter will never occur again, in consequence of the consolidation act; but as both these sums (to the amount of 6,078,000 l.) are taken on both sides of the account, he omitted them for the sake of perspicuity.

In this account, it was to be observed, that, in the navy, there was an increase beyond what would be the necessary peace establishment of 446,000 l. In the army there was an increase of 233,000 l. and in the ordnance there was an increase of 61,000 l. These increased demands were occasioned by the circumstance of our putting the distant possessions of the country into a state of more complete defence, by sending out three thousand men more than came within the

*Comparison shews if the sum expended on the Army, Navy & Ordnance in the year 1788 and the sums reported by the Committee as adequate to those Services*

the contemplation of the Committee, when they made the report of what would be the requisite peace establishment of the navy, and by the consequent extraordinary sum for supplying that body with provisions. These were not then to be considered as the permanent necessary expences of the country—and to these there were several sums to be added which could not occur again, or at least could not make a part of our settled yearly expence. Such was the sum for the relief of the loyalists—Such the expence of the late armament, and such the vote for the payment of the debts of his Royal Highness the Prince of Wales. These sums added together, amounted to 1,282,000 l. which was truly extraordinary, and they were consequently to be deducted from the settled regular peace establishment of the country. It had been considered as wise to put every part of the British dominions into such a posture of defence as to ascertain to the country the blessings of peace, and he had the happiness to say, that though they had thus incurred an extraordinary expence of more than 1,200,000 l. the receipts of the country had fully answered it, and that without abating from the plan which the House, in its wisdom, had established for the diminution of the national debt. That the same extraordinary demands would continue in future, was not to be apprehended; though, undoubtedly, it would be some time before they could come to the real establishment which, in time of peace, had been thought sufficient for the country in the report that was made in 1786; but it was a happy circumstance, that the condition and prospect of the country warranted him in saying, that they should be able to provide for the extra expence in the years to come, as they had in this, without going to any new operation of finance.

Mr. Pitt then stated, that in order to defray these expences, Parliament had already voted,

Land and malt	2,750,000
That he should propose to the Committee to vote a farther sum, to be taken as the growing produce of the consolidated fund, between this and the 5th of April, 1788	1,845,000
Imprest monies, to be paid in the course of the year	200,000
Army savings of the year 1786	200,000
And a farther sum to be repaid by the India Company, on account of troops and victualing the fleet in the East Indies	500,000
Premium on the Lottery	258,000
Stoppages from the troops for provisions	43,000

£. 5,796,000

Com: 86. 3,748,000    4 A. 2. £ 4,677,023  
Excess - 929,023    Com: 91. 4,123,842  
Excess - 553,181

Exchequer bills, and the sum voted for deficiencies, as stated in the supply £. 6,078,000

Mr. Pitt having gone through the whole of the account, and specified the several sums, stated that there was a clear surplus, this year, of 27,000l. over all the expences, without taxes, without loan, and without interrupting for a moment the application of the million to the discharge of debt. The surplus had been applied—the armament had been provided for—the debts of his Royal Highness had been paid; the extraordinary expence of 1,200,000l. had been sustained, and there was a clear surplus of 27,000l. The extraordinary expence would, he feared, endure for two years more—It would take so long before they could be certain of coming to the permanent peace establishment. Perhaps he might state the farther extraordinary expence that the nation was likely to incur for excess of navy, excess of army, excess of ordnance, and indeed for every other article, except one, of a material nature, at a million, or a million and a half; and for this he thought there were ample resources in the revenue, as there had been proved to be for the large excess in the present year.

The other article of extraordinary expence which he meant was the satisfaction to be made to the American loyalists. The Commissioners had now nearly wound up the whole of the claims; and it appeared that there was property lost which the Commissioners had ascertained and agreed to liquidate at 1,860,000l. There might yet remain 2 or 300,000l. to be ascertained. This was to be considered as loss of property.—There were also claims of loss of office, which the House would take into their consideration, and act upon as their generosity might incline them.—But stating the whole at 2,000,000l. or 2,100,000l. the House would see that 500,000l. had been paid them; and there was still 15 or 1600,000l. to be paid: He was authorized to say, that they would be well pleased to have this sum paid them by installments, and that the payment should commence next year. He confessed he approved of this arrangement, as the present year was so loaded with excesses; and avoiding adopting this mode of payment, he meant to propose that the profits of a lottery, to be established annually, until their claims were fully liquidated, should be applied to their relief. A lottery for seven or eight years would fully answer this exigency, provided that the bargain should every year be rendered as profitable as it had for the last year, and for the present. He had made the bargain, on a competition among different bidders, and the profit would be as he had stated it, about 260,000l. a-year. Gentlemen might be astonished at this circumstance, but such was the rage and madness for this

this species of gambling, and such was the bargain that he had made.

The probable state of our revenue, and the certain amount of our expence were matters which came next in order, as, undoubtedly, it would be requisite to prove that we ought to have confidence in our situation. That we should invariably proceed in applying the million to the diminution of our debt, was a proposition which he would not detain the House for a moment in discussing, as it had already so forcibly demonstrated its utility. The million was, therefore, added to the permanent establishment of the country, and, as the House had, in its wisdom, established a longer system of defence than was in contemplation two years ago, he would state the permanent peace establishment of the country, instead of 15,478,000l. as calculated by the Committee, at 15,624,000l. He explained the rise to proceed from the increased plantation estimate, which would cost 100,000l. more than it was taken at, and the Hessian subsidy which was 36,000l. There was to be deducted from this sum a saving of interest of about 16,000l. a-year, which made the excess about 120,000l. only, but he took it at 124,000l. calculating the anticipated establishment at 15,500,000l. The produce of the last year's revenue up to the period ending the 5th of April, including the land and malt, was 15,792,000l. which was 314,000l. more than the Committee said would be necessary for an establishment, and it was 168,000l. more than was necessary, even by the increased establishment, which the House had thought it wise to adopt, and which perhaps political circumstances had rendered requisite.

Arguing, therefore, from the experience of last year, we had the fairest ground for confidence that we should not only enjoy ample funds for the liquidation of every expence, but also for carrying on the great purpose of the late arrangement, the extinction of the capital of our debt. But perhaps it might be argued, that it was not a fair mode of stating our situation, nor a rational ground of confidence, to argue from the evidence of one year only. He begged leave to remind the Committee, that the last year had many unfriendly circumstances in it, particularly the interruption which our commerce naturally received in the late alarm of war: but, even in looking back to the average of the last three years, they found the calculation strongly confirmed, though certainly the surplus was not so favourable. Yet we had other very essential grounds of confidence.—Various branches of revenue were improving, and many more were susceptible of improvement. The farming of the post-hoofe duty brought an accession of 30,000l. to the funds. He must yet, before the close of the session, propose an increase of

of duty on the stills used in the distillery of Scotland, which would necessarily add something to the revenue; and an increase on the duty on houses for selling spirituous liquors would also give something more. There were other objects which perhaps it was now too late to touch on, but which certainly merited the regard of that House. One, in particular, was a very productive source—he meant tobacco. Some regulations to prevent the abuses practised to avoid the duty on tobacco were essentially necessary. He had it in his view to propose something on this subject, but he was not yet fully adequate to the attempt. It required very great care, and very nice discussion; but which, though he was obliged to pass it for the present, he would not overlook nor forget. There were other objects which ought to give them firm and steady confidence.

The progressive nature of a country in peace, and particularly of such a county as England, was a material object, and this was not left for mere speculation. But, by the fortunate experience of four years we were able to form some estimate. We had been at peace five years. The receipt of the permanent taxes in the year 1787 had been 15,792,000*l.* including the land and malt, or 13,000,000*l.* exclusive. The receipt of the taxes in the year 1783, exclusive of the land and malt, had been 10,184,000*l.* Thus there was an increased revenue of three millions, of which not more than one million and a half accrued from new taxes. The rest proceeded from the actual, clear, and ascertained improvement of the country in all its branches, and which demonstrated the increased opulence of the empire. Every department presented the same progressive improvement. In the trade, the navigation, and the fisheries, the progressive improvement bore an exact proportion to the increased revenue. So that our exports and imports, with the immense loss of the American Colonies, upon which some persons had so greatly depended—with the immense loss for ever of the money that was lavished on the war—with the loss of the people—our exports and imports were now as great as in the most flourishing year before the last war.

In the year 1772 our imports were upwards of \_\_\_\_\_

Our exports upwards of \_\_\_\_\_ £. 14,500,000

16,000,000

In 1773,

The imports were \_\_\_\_\_ 12,000,000

The exports \_\_\_\_\_ 16,000,000

These were the greatest years before the last war.

In 1786,

The imports were \_\_\_\_\_ 15,786,000

The exports \_\_\_\_\_ 16,300,000

In

In 1787,  
The imports were not ascertained,  
But the exports were \_\_\_\_\_ 16,600,000

Perhaps it might be said, that in these comparative statements the balance was against us in the latter years; but the increase of the imports arose from the increase of the home consumption of luxuries—It proceeded from the beneficial import of raw materials used in our manufactures; and it might be considered as a very pleasing circumstance, attending the increased imports, that they chiefly came from a part of our own empire—they came from Ireland.

In like manner our navigation had increased. Our valuable fishery in particular had improved with much rapidity. The Newfoundland fishery, that great nursery of our seamen, was in a most flourishing condition.

	<i>Quintals.</i>
In 1773 and 1774 it produced _____	516,000
In 1786 it produced _____	732,000

In 1773 the tonnage in the Greenland fishery was _____	27,000
In 1786 it was _____	53,000

In 1773 the number of ships was _____	96
In 1786 the number was _____	153
In 1787, with the reduced bounty, the number was _____	248

The number of men employed in this fishery in 1786 was 6,600. He had not heard the precise number in 1787; but from the increase of tonnage, it could not be less than 10,000. The southern whale fishery, a new and very valuable branch of trade, which he only took up at the beginning of the last war, had also equally prospered, and added to the revenues by augmenting the opulence of the country.

In this fishery, in 1785, there were employed 18 ships producing 29,000*l.*

In 1787 there were employed 38 ships producing 107,000*l.*

He mentioned these circumstances to prove that our improved condition came from no forced revenues, but was the fair and actual result of increased commerce. We had thus ascertained a surplus after having appropriated a million to the payment of our debt. We had given great additional strength to our foreign possessions, and, in doing this, we had not overlooked that which was the favourite service at home. No less than seven millions had, in the course of four years, been expended in the improvement of the navy; and he took upon him to say, that it had been applied with as much fidelity as it had been voted with judgment. There were, he would pledge himself to prove, 30 ships

ships of the line, and 35 frigates, built or repaired, more than there were in the first four years after the peace of 1763. In addition to this, we had absolutely and forever extinguished two millions and a half of our debt.

One more circumstance only he begged leave to mention, and *this* not without triumph, although he trusted that he felt no other than the honest pride of an Englishman on the occasion. Our rival in the war, France, who had interfered in the dispute, with our late colonies; who had projected to herself such immense advantages by the war, and who certainly had advantages in it, was now able to prove, that the war gave to her less than she expected, and that we had suffered less than had been anticipated. He had within a few hours seen the acknowledged state of the French finances, as drawn forth and exhibited by the French government. By that account, the avowed annual deficiency of revenue, to answer their necessary expence, after all the retrenchments they had made, was upwards of 2,300,000*l.* sterling. Their receipt was acknowledged to be somewhat above 400,000,000 of livres, or about 20,000,000*l.* sterling. Their expence was confessed to be 527,255,000 livres, or 22,900,000*l.* sterling. In the same statement, there was a plan devised for an annual loan for five or six years to come, which, with a variety of projected retrenchments, was held out as sufficient to wind up the effects of their derangement. He mentioned this, simply to shew the comparative condition of the two countries; and surely it afforded some matter of pride to England, that its rival, who had thus interfered without provocation, had been so thoroughly disappointed in the views which she had in the conflict. He begged pardon for having detained the Committee so long, and concluded with moving the first of a set of resolutions.

Mr. Sheridan.

Mr. *Sheridan* remarked, that however invidious it might seem to start objections to so flattering a statement of the revenue and increasing resources of the country, as had been just given by the right hon. gentleman, it was necessary to dispel the delusion under which this country had been acting for some time, and to detect the fallacies by which it was still attempted to impose on the public, and continue that delusion. The right hon. gentleman had entertained the House with an account of the sad state of the French finances, and he, for one, wished so well to that part of the right hon. gentleman's argument, that he hoped the French finances would always be found in as bad or even a worse situation, whenever the right hon. gentleman should have occasion to draw such a comparison as he had now done. But, how had they been reduced to that miserable state in which they were represented to be? By doing that which we had done,

done, and were persisting to do. The French had not faced their situation, and by endeavouring to impose on themselves, and to make it appear better than it really was, they had rendered it infinitely worse than it might have been.

Not, however, to dwell upon the situation of our rival, or to triumph because it was worse than our own, the real question before the Committee was to consider, whether our receipt was equal to our expenditure. The annual expenditure for the peace establishment, as now stated by the right hon. gentleman, was to be in future 15,624,000*l.* This might, therefore, be considered as ground to argue from, since, however much it might exceed that sum, it could not reasonably be expected to fall short of it. In order to make up an income equal to this expenditure, by taking the receipts not on an average of several years but one year only, and making up the accounts from April 1787 to April 1788, instead of from January to January, a revenue was produced on paper of 15,792,000*l.* Mr. *Sheridan* contended against the accuracy of this statement, and said the report of the Committee appointed to enquire into the state of the finances in 1786, would put the matter in a clearer light. The annual expenditure was there stated to be 15,390,000*l.* and the annual revenue as there stated, with 100,000*l.* additional taxes, fell very far short of that sum, if fairly calculated. If the right hon. gentleman, instead of the receipt of the last year, which was acknowledged to have been more productive than any former year had been, from accidental causes that could not be expected to operate for another year, had taken, as he ought to have done, the average of 1786 and 1787, the produce of all the taxes would have appeared to be no more than 12,389,000*l.* making with the addition of the land and malt taxes, 15,250,000*l.* which would have fallen short of the expenditure, as now stated 374,000*l.* This was as near the truth as could reasonably be presumed, from the circumstances of the country and of the revenue, since the peace; and this was the situation which the Committee was bound in duty to meet and to provide for, instead of endeavouring to impose on themselves and the Public, and delaying to apply the remedy till it might be too late.

Another circumstance he felt himself obliged to controvert was, the means by which the right honourable gentleman made up his estimates of the expenditure. While he added to the estimates of the army, he allowed no addition to the estimate of the navy. Was it really his opinion, that the expence of the navy in 1790, would not exceed 1,800,000*l.*? For the ordnance indeed he allowed 10,000*l.*

but took no notice of the expence of fortifications, which, in the West Indies alone, he had formerly stated would amount to between two and three hundred thousand pounds, and taking fortifications, as it was most reasonable to do, at the largest estimate (for, they seldom fell short in point of expence, whatever they might do in point of utility) there would be wanted 300,000l for the West Indies alone, and on the whole from 700,000 to 800,000l. He objected, also, to the estimate for miscellaneous services, which he contended must exceed 74,224l. the sum to which it was made out.

He came next to consider the shifts to which (he observed) the right honourable gentleman had resorted, in order to defray the extraordinary expences of the year. Five hundred thousand pounds were to come from the East India Company. They were to pay 300,000l. last year, and he had then objected to the right honourable gentleman's taking credit for a sum which the Company had not acknowledged to be due. No part of that sum had been paid into the Exchequer, and because the payment had been, and was still disputed by the Company, credit was again taken for a much larger, which he firmly believed would no more be paid than the former. The Company had denied that they owed any such sum to Government; they had drawn up a case for the consideration of counsel, and if the facts were as they were there stated to be, he had no scruple in saying, that the claim of Government was not well founded.

The right hon. gentleman had amused the Committee with fine stories of the increase of our trade and shipping, and the flourishing state of our fisheries; but instead of entering into any discussion of what he had advanced on that subject, the truth of which he wished as much to rely upon as any man, he begged leave to call the attention of the Committee to the commutation act, which (he contended) had failed in every circumstance, for which those who supported it stood pledged to the Public. Instead of the supply of tea which the Company were bound to import, by that act, to answer the increased demand, to have a year's stock on hand, and to keep the prices as low as by the commutation they ought to be, they had not imported a quantity equal in any one respect to those purposes. This he did not charge on the Company as blameable; their finances had not enabled them to do it; and would Government call upon them to pay 500,000l. in order to enable them to do that which they had not been able to do before? There was no way of doing this, but by enabling them to increase their capital as the value of it decreased, as had been done in the famous South Sea scheme.

With regard to the commutation act, he asserted again, that

that the compact with the public had been broken in every respect. In the first place it was to destroy smuggling, which had been argued as the principal advantage that was to be obtained from it, and yet it was notorious that it had not done *this*. The Company was to supply not only England, but all Europe with tea. One hundred and eighty thousand pounds had been sent to the continent to buy up the whole stock there; and by the last accounts from China, the foreign shipping there was four times greater than it had been at any former period. We now sent to China 1,500,000l. annually, instead of 305,000l. or 400,000l. which we used to send before; and notwithstanding this great increase of the balance against us, from the high price of tea, and the quantity that would soon be imported on the continent, there was reason to believe that smuggling would again prevail as much as ever. This breach of compact with the Public, he affirmed to be a strong charge against those in whose hands the superintendance and management of the Company was placed, and whose duty it was to see that the engagement with the Public should be fulfilled. He objected, also, to the method in which the commutation duty was paid; and that it passed unnecessarily through various offices, instead of being paid immediately into the Exchequer. He concluded with observing, that in the present real state of the finances, and the evident inefficiency of the commutation act, for the purposes for which it was passed, he saw no reason why a duty of two or three hundred thousand pounds should not be raised on the article of tea.

Mr. Pitt rising, requested that he might be, again, favoured with the indulgence of the Committee, while he took notice of the very singular manner in which the hon. gentleman who spoke last had argued the question. The hon. gentleman began his speech with saying, that he would confine himself to the simple question, whether the revenues of this country were adequate to its expenditure; he had however thought proper to desert the ground he took, in order that he might attack the commutation act, passed four years ago. If the honourable gentleman really felt on that subject what he professed to feel, let him move for the repeal of the act, and he was ready to meet him—but he would not on a day which had been set aside for bringing forward the ways and means of the nation, enter into the discussion of any question which was not immediately connected with the subject. The honourable gentleman could not, however, forget that he had claimed some merit for having had a share in the idea of the commutation act; and that the arguments which were then brought against it, had been completely refuted, as experience had since confirmed.

Mr. Chancellor Pitt.

He contended that he was justified in taking the year, ending the 5th of April last, as a tolerably good criterion of judging of the probable resources of this country. The preceding year had been marked with peculiar circumstances, which had already been explained; but from the natural spring of commerce, and other causes, the encrease of the revenue had been uniformly progressive ever since the peace, with the exception only of the year, ending the 5th of January, 1787. With regard to the permanent peace establishment, perhaps circumstances which could not be foreseen, might encrease it. It was impossible to provide for every contingency: but there was no good reason to apprehend, that the sum for which it had been taken would not be adequate to the expences, particularly as there was every probability that, in two years, our navy would be in such a state as to require no farther increase. The fortifications were not to be considered as a permanent expence at any rate, because if they should not be finished for a year or two after the time proposed, the sum issued on that account would not substantially affect the arrangement. As to what the honourable gentleman had said relative to the debt due to the public by the East India Company, it deserved to be treated with as little ceremony as had accompanied the observation. If to claim a just debt, at a time when the circumstances of the nation demanded it, could be called a *shift*, it was a *shift* of which he was not ashamed; and, in his opinion, it was infinitely to be preferred to the *shift* of borrowing money, or imposing new taxes. The debt which the Company owed considerably exceeded that for which he had taken credit; but if the claim was not found to be just in its fullest extent, the money would be paid, subject to be refunded or not, according to the event of the decision on that question. Upon the whole he lamented, that the honourable gentleman had taken that opportunity of quarrelling with him, and that he had not been able to find a more plausible pretence for his opposition to the subject under the deliberation of the Committee, than by his dreams and reveries on the commutation act.

Mr. Sheridan declared, that so far from having sought an opportunity of quarrelling with the right honourable gentleman, he had suppressed much of what he felt on the delusion, which had that day been practised on the subject of the finances and the resources of the nation. The right honourable gentleman (he admitted) had, at last, explained the nature of the claim on the East India Company. If it was not found to be just, the money was to be refunded; this circumstance, however, had been considered of so little importance, that the right honourable gentleman had not thought it

it worth mentioning in his first statement—if this was not a *shift*, he did not know what term to bestow on it. The commutation act (he conceived) was at least as intimately connected with the ways and means of the year as the whale fishery, or any other of the amusing tales with which the right honourable gentleman had entertained the Committee, calculated, no doubt, to call their attention from his figures to the more pleasing excursions of his imagination. He was now more than ever convinced that the right honourable gentleman himself, had not so good an opinion of that commutation act as formerly, from his readiness to give him a share in it. He persisted in his opinion, that the enforcing the claim on the East India Company, for a disputed debt of 500,000*l.* was highly unjustifiable, at a time when for want of money, they were unable to fulfil their contract with the Public. In every point of view, in which he had considered the subject, and it had occupied much of his mind, he was more and more convinced of the fallacy of the right honourable gentleman's reasoning. He denied that 74,000*l.* could possibly defray the expence of the miscellaneous services; and he was persuaded that the great extent of the works carrying on, both at home and abroad, under the name of fortifications, must create a very great increase of expence on the ordnance estimates of future years. The whole expence of the nation could not be taken at less than sixteen millions annually, a sum which considerably exceeded the present amount of the whole revenue. He was, therefore, for adopting a more effectual mode of relief, than the delusive schemes which the Right honourable gentleman held out to the public from year to year—for no other purpose but to put off the evil day. Let us then (concluded Mr. Sheridan) be manly enough to look our affairs in the face; let us provide the only true remedy by extending our resources, so as really to meet our expenditure. Such a proceeding was becoming the dignity of the empire, and was much more likely to render us formidable to our enemies, than by subdividing the Landgrave of Hesse, or overturning the Dutch constitution.

Mr. Fox begged leave to remind the right honourable gentleman of the arguments which he had, in the last session, advanced on the same subject. He recollected perfectly, that when the ways and means were then agitated, the right honourable gentleman then declared, that it was not upon any account fair to estimate our permanent resources from the produce of any one year. The year ending the 5th of January, 1787, he stated to have been peculiarly unproductive, from the failure of crops in the West Indies, from the decrease of our imports, till the event of the commercial treaty with

with France, and from other causes which he then enumerated. Whilst he made this calculation he remembered that the right honourable gentleman at the same time, candidly acknowledged, that the next year would probably be as much more productive, as the former had been deficient, and that therefore it ought *not* to be taken as the criterion, by which the permanent amount of the revenue ought to be calculated. The right honourable gentleman had, however, that day, totally omitted any observation of that kind, though the justice of the remark must be obvious to every man, who had paid the smallest attention to the subject. He certainly thought it was extremely fair to take the medium of the two years, as the principle of calculation; but, this the right honourable gentleman had not done; on the contrary, he had taken the year, ending the 5th of April last, because it was found to be more productive, and, consequently, more adapted to his purpose, than to take it, as he had the former year, ending the fifth of January. For his own part, he had no scruple to say, whatever odium might attend the assertion, and however unpopular it might be to hold out an unpleasing picture of our situation, that our revenues and resources had been placed in a point of view as much too sanguine, as our expences had been estimated too low. This was, precisely, the delusion that had reduced the finances of France to the low state to which they now were; but such was the happy constitution of this country, that it could not be long deceived. It might be deceived in pence, but it could not in millions. With respect to the commutation act, he certainly thought that it was very intimately connected with the ways and means of the year, and had, therefore, been very properly noticed by his honourable friend. When that question was debated, he remembered having strenuously urged, as a strong argument against it, the difficulty that would attend a repeal of it, if it should be found inadequate to the purposes for which the act had been framed. The right honourable gentleman now says, if you don't approve of that act, why don't you move for the repeal of it? For his own part, though he was not prepared to move for its repeal, he had no hesitation in declaring, that it had totally failed in one of its great purposes, which was the annihilation of the smuggling of spirits. For the fact was, that since that act passed, the quantity of brandy, &c. which had been smuggled into this country, was immense. He repeated that the minister had held out a delusive view of our resources, and that he had calculated the expenditure at a lower rate than either experience or reason could justify.

Mr. Chancellor Pitt.

Mr. Pitt explained the arguments which he had used last year on this subject. He had objected, certainly to that year,

year, because it had been attended with circumstances peculiarly unpropitious to the revenue, the failure of the East India crops, and the decrease of our imports, pending the commercial treaty with France. This year the crops were not extraordinary, and therefore it was not unfair to take it as a reasonable medium of judging of the production of future years.

Mr. Fox admitted the argument, so far as it merely related to our West India produce; but, (he added that) could not, with the same justice, be extended to the increase of a commerce which had actually taken a sudden spring, from the suspension of the former year. It was not, therefore, fair to estimate future years from the present; and this the right honourable gentleman himself had acknowledged when it was argued during the course of the preceding year.

Sir Grey Cooper remarking that he should reserve himself for the report, added, that the floating navy debt had increased 180,000l.

The Chancellor of the Exchequer admitted the increase to be what the honourable baronet had stated, but said, as it paid no interest, it did not affect the country.

Mr. Fox denied the position, contending that whether debt paid interest nominally or not, it paid interest; and the worst kind of interest, was that not paid publicly as interest; because a tradesman could not afford to sell his goods without knowing when they were to be paid for, without overcharging accordingly.

The Chancellor of the Exchequer answered, that part of the navy debt consisted of arrears to the seamen, and as the navy bills were not suffered to be outstanding sufficiently long to incur the discount, no part came upon the public.

Mr. Hussy pointed out that a part of the revenue of the present year was not likely to be permanent, stating among other things the 500,000l. from the India Company. Mr. Hussy commended the increase of the money voted for the support of the navy, and wished that this service was still more attended to. He said, he could not blame the right honourable gentleman for not proposing more taxes.

The Chancellor of the Exchequer explained how he made 1,200,000l. additional expenditure, part of which was for the loyalists and Prince of Wales's debts, neither of which would occur again.

Sir William Cunyngbame said, if he had understood the right honourable gentleman correctly, he declared he meant to lay no new taxes; yet that part of the country from whence he came, the right honourable gentleman had intimated an intention of drawing 40,000l. from, by an additional licence duty on the distillery. That surely was a new tax.

The



Mr. Chancellor Pitt. The Chancellor of the Exchequer replied that he proposed, for the good of the country, to increase the duty on licenses to distillers in Scotland to the amount of 40,000l. not that the British revenue stood in need of that sum.

Sir William Cunyng-hame. Sir William Cunyng-hame expressed his wishes that the right honourable gentleman would let the good of the country of Scotland alone. They would be as well content to remain as they were. The last alteration he had made in the distillery duty, had caused a bankruptcy in the country to the amount of 500,000l.

Mr. Devaynes. Mr. Devaynes denied, that the Directors of the East India Company admitted the justice of the claim of Government for victualling the navy any more than that for the army.

Mr. Henry Thornton. Mr. Henry Thornton, on the contrary declared that the Directors had agreed to pay the 500,000l. to Government by an unusual majority of 15 to 3.

Mr. Nath. Smith. Mr. Nathaniel Smith stated to the House the particulars of the unadmitted claims of Government, and said that it was agreed to pay the 500,000l. subject to be refunded, if it should not turn out to be due.

Mr. Devaynes. Mr. Devaynes intimated, that if it were possible in that House to produce the receipt prepared for Government to sign for the 500,000l. it would appear to be such as no man of feeling could subscribe.

Mr. Chancellor Pitt. The Chancellor of the Exchequer thereupon produced a copy of the minute of the Court of Directors, which he owned was a most extraordinary paper, as the restrictions it contained were highly curious. Mr. Pitt read the paper, and made a variety of comments upon it. He also stated the part of the act of 1781, under which the Government made their claims. As to the counter-claims of the Company, by way of set-off, he said the claim of the Manilla money (about 140,000l.) might be allowed, but there was not the smallest pretence for their claiming the discharge of the sum expended by them for the French prisoners from the British Government. They had, during the peace, preceding the last war, sent ambassadors to the French government to solicit the payment of that claim from them; but with all the eloquence of their ambassadors, they were not able to prevail.

Mr. Devaynes. Mr. Devaynes affirmed that the Company's Solicitor had special directions to take care, that he used no words in drawing the minute, that could be construed to amount to a recognition of the claims of Government.

Mr. Fox. Mr. Fox pointed out the difference between the situation of the claims of Government, as stated by the Company, and as stated by the right honourable gentleman. The latter had talked of them as indisputable, and only spoken of the doubt how far the Company had a right to a set-off; whereas the

the honourable gentleman who spoke last had so far denied the existence of the claims, as to assert that the Directors gave their Solicitor special orders to take care not even to appear to have recognized the claims of government.

Mr. Dundas argued the wisdom of government's getting the 500,000l. into their possession, and said nothing could prove the means of regaining any part of it, but the Company establishing the justice of their claims respecting the Manilla Islands, and of their claim respecting the French prisoners provisions.

Mr. Fox stated the case to be in direct contradiction to the argument of Mr. Dundas.

Mr. Baring gave an account of the foundation of the claims made by government under the act of 1781, but stated, that if the claims could be made out, the act expressly directed that the money should be paid in India.

The Chancellor of the Exchequer answered that it was true that the money was to have been paid in India, but it ought to have been paid there, part of it in 1782, part in 1783, part in 1784, part in 1785, part in 1786, and part in 1787. Surely, therefore, that point having been neglected on the part of the Company, government had a right to be paid what was its due in England. He was ready to argue the case at any time, and to enable the Committee to discuss it, with full knowledge of the subject; and as soon as the House was resumed, he would move to lay the copy of the minutes of the Directors, and other relative papers upon the table, that gentlemen might have the whole fairly before them. At the same time he was free to admit that the Company had a right to the full advantage of every argument which they could urge in dispute of the claims of government.

The resolution at length passed, and the House resumed, when the Chancellor of the Exchequer moved his papers.

The following Papers were put upon the Table of the House for the Perusal of the Members.

An Account of the Net Produce of the Duties of Customs, Excise, Stamps, and Incidents, between the 5th of April, 1787, and the 5th of April, 1788.

	£-	s	d.
Customs	3,817,628	15	0
Excise	6,368,189	3	8
Stamps	1,211,878	10	8

I N C I D E N T S.

Salt, 5th April, 1759  
Additional ditto, 10 May, 1780  
Ditto, 22d June, 1782  
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700 per

	£.	s.	d.
700 per week letter money, 1st June, 1711			
2320 ditto, 1714			
Seizures, 25th October, 1760	4,132	7	9
Proffers, ditto	666	13	8
Fines of leafes, ditto	6,756	6	4
Letter money, ditto	101,000	0	0
Alum mines, ditto	960	0	0
Composition duty, ditto	4	16	8
Alienation duty, ditto	2,433	15	4
Fines and forfeitures, ditto	1,400	0	0
Rent of a light house	156	13	4
Rent of Savoy lands, ditto			
6d. per lib. on pensions, 24th June, 1721	41,100	0	0
1s. deduction on salaries, &c. 5th April, 1758	16,757	12	3½
Houses and windows, 10th Oct. 1766	408,470	0	6
Houses, 5th April, 1778	139,542	16	8¼
Hawkers and pedlars, 23d June 1710	1,454	7	10½
Hackney-coaches, 1st Aug. 1711	11,219	15	4
Ditto, 1784	10,169	0	0
Hawkers and pedlars, 23d July, 1785	1,088	18	11½
First fruits of the clergy	5,164	2	10
Salt, 1st Aug. 1785			
Tenths of the clergy	9,893	16	4
Men servants, 1772 (arrears)			
Two-wheel carriages, 1785	29,092	9	0
Four-wheel ditto	131,037	16	5½
Carts, ditto	10,853	19	1½
Men servants, ditto	95,431	6	10½
Female, ditto	29,986	3	1½
Horses, ditto	114,459	19	4½
Shops, ditto	59,313	15	2¼
Waggons, ditto	17,334	2	0½
Houses, an. 1727	82	0	9½
Consol letter money, an. 1787	156,000	0	0
Do. Salt, do.	361,995	12	8
<b>Total of incidents</b>	<b>1,765,561</b>	<b>3</b>	<b>6¾</b>
<b>Total of customs, excise stamps and incidents</b>	<b>13,163,257</b>	<b>12</b>	<b>11½</b>

Exchequer, the 28th day of April, 1788.

JOHN HUGHSON.  
Of

Of the Stamps, there is the following Account of the Particulars.

	£.	s.	d.
Consolidated duties	612,526	12	8
Insurance duty	97,499	18	1
Burials, &c.	4,081	15	7
Bills of exchange	81,265	14	4
Receipts	42,993	8	2
Hats	25,253	9	11
Plate	22,873	16	8
Horse dealers licences, and race horses	4,193	9	10
Post horse duty	179,557	12	9
Medicine	11,372	0	2
Game	44,959	16	3
Attornies licences, &c.	26,104	18	0
Pawnbrokers	4,232	7	10
Gloves	12,482	12	3
Perfumery	12,232	1	11
Judges in Scotland	1,631	4	1
Apprentices duty	7,363	5	2
<b>Total</b>	<b>1,201,029</b>	<b>10</b>	<b>8</b>

J. LLOYD, pro Comptr.

Stamp Office,  
April 19th, 1788.  
The House adjourned.

*The person who has been intrusted with the arrangement of these debates, flatters himself that the honourable member whose speech should have been inserted in the recital of the parliamentary occurrences of an earlier day, will accept, as an apology for the omission, the assurance that when, once only, his remarks did not, to their fullest extent, find their way into the Register, the neglect was, by no means, intentional; nor, in the least arising from a diminution of the pleasure which will be always felt in faithfully and copiously conveying to the public the opinions of their representatives.*

On the 13th of March, Sir John Miller delivered the following sentiments concerning the Shop-Tax. He said that he had not, before this day, troubled the House with any opinion of his respecting the Shop-Tax, nor should he now take up much of their time, for that indeed neither time nor talents were in any degree requisite to convince every unprejudiced auditor, that it was most clearly a partial and an oppressive tax. He said he had voted once, and but once, for this tax, partly from being deceived, and thereby misconceiving what he now found to be the true principle,

principle; effect and operation; and partly from a consideration of national embarrassment, which required, at that season, a strained revenue, however it could be raised, to encounter the public exigencies. The Minister's difficulties had been very great; he had faced them with exertion and fortitude, and he had at this moment the happiness to see them completely subdued. Sir John called emphatically upon the independent gentlemen then present, who, like him, had been heretofore deluded by specious statements: or by regards to public necessity, to come forward with him manfully upon the present occasion, and by retracting, to atone for their former error and unintentional oppression. From whatever point of view he looked at this tax, he declared he could discover in it nothing that was not highly exceptionable. If it was a personal tax attaching only upon a particular description of the community, (and that that was its true bearing he had not a doubt in his mind) there was not a colour of argument that could uphold it; no, not for an instant. If it was admitted (as we had been told) that it could be levied upon the consumer, even in that case, it fails in one of the most essential qualities of a good tax, for a good tax is that, "that takes and keeps out of the pockets of the people as little as possible above what it returns into the public treasury." In a former Administration, when a penny a bottle Duty was laid on Port wine, how did the retail traders meet this tax? Why, by raising the price of their wine in many places six-pence, in most places three-pence per bottle. Was not this a mischievous imposition upon the consumer, taking from him from two to five hundred per cent. more than found its way into the public treasury? If the present tax had admitted of being levied upon the consumer in the manner above stated in the Wine Tax, they would not at this day (after three years experience of it) have had all the retail shopkeepers of Great Britain petitioning the House for its repeal. Very few, if any, shopkeepers can, and none that he knew of had yet attempted, by advancing the price of his commodities, to indemnify himself against the tax, he was sure he never had paid the tax in the price of the articles he had purchased. Would any gentleman in that House, would any gentleman on the Treasury Bench below him assert, that he had paid the Shop Tax in the price of the articles he has purchased: let him but demonstrate that to him, and he would vote with him that night. What bookseller, for instance, could raise the price of his shop-goods, without drawing down ruin and bankruptcy upon himself and his family? Would he not, in that case, be immediately underfold by those of larger capitals; of longer established and more

Supplies for the Service of the Year 1788.

Navy	2,364,607	5	11
For cleaning harbours near Plymouth	2,000	---	---
Army	2,038,852	11	8
Ordinance	484,507	---	9
Miscellaneous Service	7,776,445	15	2 1/4
	<u>12,666,412</u>	<u>13</u>	<u>6 1/4</u>

Ways & Means.

By Land Tax	2,000,000	---	---
By duty on Malt	750,000	---	---
By Surplus of the consolidated fund 5 April 1788.	589,162	15	2 1/2
By future produce of consol. fund	2,545,000	---	---
By Exchequer Bills	5,500,000	---	---
By Cash in the Excheq. Remains of the Grants 1788.	200,000	---	---
By Lottery	750,000	---	---
	<u>12,234,762</u>	<u>15</u>	<u>2 1/2</u>
Deficiency of Ways and Means.	331,649	18	3 1/4
	<u>12,666,412</u>	<u>13</u>	<u>6 1/4</u>

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