SUBSTANCE OF A SPEECH,

MADE IN THE

HOUSE OF PEERS

ON

FRIDAY, MAY 13, 1796.

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ON FRIDAY, MAY 13, 1796,

BY THE

EARL OF LAUDERDALE,

ON THE SUBJECT OF THE

NATIONAL FINANCES.

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THE

SUBSTANCE OF A SPEECH, &c.

MUCH as I am accuſtomed to addreſs your Lordſhips, it is with truth I aſſure you, that in riſing to call your attention to the ſubject I am about to diſcuſs, I feel a degree of awe and anxiety which I have experienced upon no former occaſion. It proceeds in a great meaſure from a ſenſe of the importance of the ſubject; for, whatever difference of opinion may ſubſiſt between the noble Lords in office and me in other reſpects, I am convinced, that neither they nor any man, who has given the moſt tranſient attention to the papers before you, will differ from me in thinking, that a more important ſubject of diſcuſſion never was ſubmitted to your Lordſhips' conſideration. When we reflect on the manner in which the modern ſyſtem of European politics has implicated the finance of every country with the nature and exiſtence of its government, the review of the comparative ſtate of the public income and expenditure forms, perhaps everywhere,

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the moſt important object that can occupy the attention of the politician: but in this country, and in the critical ſituation in which we are involved by his Majeſty's Miniſters, without fear of contradiction I think I may affirm, that a more intereſting ſubject of inveſtigation never was preſented to this houſe, nor to any other public aſſembly.

It is without affectation too I aſſure your Lordſhips, that the feeling of anxiety, generated by a conſideration of the nature of the ſubject, is in no ſmall degree augmented by a ſenſe of my own inability to execute the taſk. Unaccuſtomed till of late to attend to the minute details of finance, and compelled by a ſenſe of duty to advance opinions in direct oppoſition to thoſe who profeſs to have ſpent their lives in the ſtudy of this intricate ſcience, and who have eſtabliſhed their reputation upon the idea of their poſſeſſing a fund of minute and technical knowledge on this topic; I ſhould be confident indeed if I did not feel ſome apprehenſion in ſubmitting my opinions to their criticiſm, and to your Lordſhips' conſideration. There is one ground of apprehenſion, however, incident to thoſe who addreſs a public aſſembly, which I cannot at preſent feel: I mean the apprehenſion that ariſes from obſerving the anxious attention of a crowded audience; for when I contemplate the empty benches in your Lordſhips' houſe *, and compare this circumſtance with the importance of the ſubject on which you are this day ſummoned, I cannot help remarking, that a more diſgraceful neglect of public

* At this time only twenty-four peers were in the houſe.

duty

duty never was exhibited upon any occaſion. I fear it unfortunately proves, that there are many in this houſe who can have paid no attention to the very ſerious and intereſting matter which is contained in the papers on your Lordſhips' table; and demonſtrates with too great a certainty, that there are thoſe amongſt us whoſe habits have deprived them of all anxiety for the fate of their country; for it is with ſhame I reflect, that at the moment when you are here honouring me with your attention to calculations which ſo nearly concern every individual among us, ſo large a portion of the hereditary guardians of the people's welfare are employing their faculties of calculation to eſtimate the exact minute when, uninformed themſelves and uninſtructed by the information of others, they may quit the frivolous purſuits of luxurious indolence to compliment the miniſter with a vote—with one of thoſe confidential votes, a uniform ſucceſſion of which is perhaps the cauſe of the fatal calamities this country has now to lament.

Much indeed have we heard of plots and conſpiracies, of the dangers attending the form and frame of our conſtitution, from pamphlets, public meetings, and correſponding ſocieties: but it is ſuch conduct on the part of your Lordſhips that I conſider as alone pregnant with real danger to the ſtate, and as tending to undermine in the minds of the people of England all reſpect for the houſes of parliament, all veneration for the ancient forms of our conſtitution.

It

It was my wiſh not to have introduced any topic extraneous from the immediate object of our debate: but I could not conſiſtently with my duty be a witneſs to the ſtate in which I ſee your Lordſhips' houſe on this occaſion, without remarking upon the apathy, perhaps the profligacy, of which this attendance exhibits but too evident a proof.

Before I proceed to call your attentions to the papers which were moved for by my noble friend *, a recollection of the mode in which his conduct was commented upon in this houſe, and of the authentic manner in which theſe comments have been ſince handed to the public, makes it neceſſary to ſtate to your Lordſhips the futility of the inſinuation, that the noble Marquis did not in his motion agitate the ſubject you were led to expect, and to explain to you the reaſons why it falls to my lot to diſcuſs before you the expences of the preſent war, and the debts and revenues of this kingdom.

It muſt be in the recollection of your Lordſhips, that the firſt and principal object held out to you by the noble Marquis, when he originally mentioned this ſubject in your houſe, was the departure from that ſyſtem of arrangement and œconomy ſo ſtrongly enforced in the Reports of the Commiſſioners of Accounts. When he arraigned the meaſure, it was natural for him to wiſh to preſent to

* The Marquis of Lanſdowne.

your

your Lordſhips' view, and the public conſideration, the conſequences that enſued from it. It was in this point of view that my noble friend moved for the papers on your table, that you might ſee the fatal effects of the departure from thoſe regulations, and of the contempt of thoſe ſalutary reſtraints which the forms of parliament and the law of the land have placed on the public expenditure. But, when he ſaw the extent of the materials on the table of the houſe, he judged, and judged well, that to compriſe the whole of the ſubject in the diſcuſſion of one day would have been inconſiſtent with that deſire he had of exhibiting to the public, in the cleareſt and moſt diſtinct point of view, topics ſo materially intereſting to the welfare, perhaps to the exiſtence, of the State. The diviſion my noble friend adopted was that which naturally preſented itſelf:—to diſcuſs, in the firſt inſtance, the cauſes of our calamities; and, in the ſecond, to exhibit the effects they have produced. As the more important conſideration, he called your attention to the firſt of theſe ſubjects; I regret, for the ſake of the public, that the partiality of my noble friend has placed the ſecond in my hands. This arrangement however of the buſineſs was the courſe that prudence would have dictated to any man; and it muſt have more forcibly ſuggeſted itſelf to the noble Marquis, who could not but recollect the pains and the attention which he, as well as the late Marquis of Rockingham, beſtowed, at the cloſe of the American war, on the means of preventing ſuch abuſes in future; who muſt have ſeen with aſtoniſhment, the total deviation from that ſolemn pledge which he, in conjunction with the preſent Firſt Lord of the Treaſury, gave to

the

the public in the ſpeech which they put into the mouth of their Sovereign in the year 1782 *.

The topics my noble friend upon that day diſcuſſed before your Lordſhips, though flippantly undervalued in the commencement of the ſpeech given to the public by the noble Baron †, were of the moſt grave and important nature. The neglect of the meaſure recommended by the Commiſſioners of Accounts; the total contempt of the Appropriation Act; the new inſtitution of Barracks; of a Secretary of State's Office; a Tranſport Board, and the additional appointments in every department; the unparalleled amount of extraordinaries in the Army and Navy, are ſubjects of ſuch a nature, that to leſſen their conſequence in the public eſtimation, was an attempt as bold as it will be inefficacious. But the noble Lord, not chooſing to meet my noble

* "I muſt recommend to you an immediate attention to the great objects of the public receipts and expenditure, and above all, to the ſtate of the public debt. Notwithſtanding the great increaſe of it during the war, it is to be hoped ſuch regulations may be ſtill eſtabliſhed, ſuch ſavings made, and future loans ſo conducted, as to promote the means of its gradual redemption by a fixed courſe of payment. I muſt, with particular earneſtneſs, diſtinguiſh for your ſerious conſideration, that part of the debt which conſiſts of Navy, Ordnance, and Victualling Bills: the enormous diſcount upon ſome of theſe bills ſhews this mode of payment to be a moſt ruinous expedient.

"I have ordered the ſeveral eſtimates, made up as correctly as the preſent practice admits, to be laid before you. I hope that ſuch further corrections as may be neceſſary, will be made before the next year. It is my deſire that you ſhould be apprized of every expence before it is incurred, as far as the nature of each ſervice can poſſibly admit. Matters of account can never be made too public."——King's Speech, December 5th, 1782.

† Lord Auckland.

friend

friend upon ſuch an inveſtigation, quarrels with certain expreſſions and opinions, which he feels it "a ſacred duty incumbent on him to "reſiſt, as far as God has given him faculties." Theſe opinions, however, I muſt obſerve, with all due reſpect for the faculties beſtowed on him, it will be difficult for him to contravert. My noble friend ſtated, "that our trade was reduced to a dependance on the very war-"fare which is fundamentally deſtroying it; and that our reſources "were ſo exhauſted, as to force us to the wretched expedient of re-"viving taxes which were a few years ſince repealed:"—propoſitions, which the noble Baron did wiſely to diſmiſs with epithets, rather than to contravert by argument.

It would indeed be difficult to overthrow opinions which muſt pervade the minds of the people, when they reflect that the war expenditure of laſt year * amounts to a ſum almoſt equal to the total

* WAR EXPENCE 1795.

Navy.		Army.		Ordnance.	
Eſtimate £.	6,055,523	Eſtimate - £.	8,610,390	Eſtimate £.	1,436,804
Navy debt incurred 1795, about	7,500,000	Deduct Landgrave's debt	68,850	Exceeding ſea ſervice 1795	102,421
Received for the ſervice of the navy from the vote of credit	171,373		8,541,540	Ditto land ſervice 1795	762,046
		Extraordinaries 1795	5,057,731	Received from vote of credit	40,000
		Received from vote of credit	2,200,000		
Total Navy £.	13,726,896	Total Army £.	15,799,271	Total Ordnance £.	2,341,271

Total Navy, Army, and Ordnance, £. 31,867,438.

The war expence 1795 was ſtated by Lord Grenville as not exceeding twenty-ſix or twenty-ſeven millions.—By Lord Auckland, looſely, at a much ſmaller ſum.

value

value of both the imports and exports of this country in the year 1787; and when they recollect, that ſince the commencement of the preſent war, taxes have been laid on commodities on which the duties had been lowered, to the extent of ONE MILLION NINE HUNDRED AND FIFTY-TWO-THOUSAND POUNDS *. Yet in the ſpeech given to the public, with little more than a few exclamations of diſguſt at the opinions of my noble friend, is all that maſs of important matter, detailed to you upon a former occaſion, paſſed over without animadverſion. I confeſs it excites my curioſity, to ſee whether the noble Lord will this day as flippantly condemn, and as ſuperficially inveſtigate, the leſs important conſiderations which it falls to my lot to ſubmit to you.

My Lords, it is only when compared with the ſubject my noble friend brought before you, that, in ſpeaking on the detail of our finances, I can think of uſing the term *leſs important*. For thoſe who have conſidered how fatal to the interior policy of every government derangement in finance has proved; who recollect the

* Taxes that have been laid on various articles during the war, on which the duties had been lowered for the ſake of revenue during the laſt peace.

1794	Additional duty on Spirits - - - - -	£. 243,000
1795	Ditto taken for - - - - - - -	259,000
——	Upon Tea £. 7 10 per cent. - - - -	180,000
——	On Wine - - - - - - - -	500,000
1796	Tobacco - - - - - - - -	170,000
——	Wine - - - - - - - - -	600,000
		£. 1,952,000

conſpicuous

conſpicuous ſhare which it had in producing the fall of the Roman empire; and who have ſeen its recent effects in the origin and progreſs of the French revolution, muſt ſympathize with me in ſaying, that there is no ſubject I can conſider more intereſting, except the cauſes that have fatally produced the gloomy proſpect which the unpleaſant duty of this day will oblige me to diſplay.

We in this houſe are accuſtomed to hear noble Lords in office dilate upon a ſubject, which, on my conſcience I believe, there is no one in this country but themſelves who would think of introducing: I mean *the advantages this nation has acquired in the preſent war, and the ſucceſſes that have attended our arms.* But, I believe, even amongſt them, there is not one who will be diſpoſed to compare our ſucceſſes with thoſe of the French in the war ending with the peace of 1783; yet the derangement of their finances (created in the moment of their greateſt proſperity, exhibiting a deficit ſmaller than what I am afraid truth will compel me to ſtate to your Lordſhips as exiſting in this country) levelled a prouder nobility than that I have the honour to addreſs, and a clergy in power and opulence far ſurpaſſing thoſe I ſee before me. When we look back to thoſe times, we derive alſo, from a recollection of the ſituation of this country, leſſons that ought to be uſeful to us at the preſent moment. Was it the ſucceſs of the French arms that reduced us almoſt to ſue for peace to the enemy? No, my Lords; there is no man who does not remember, that, to the credit and honour of our navy, at no

 period

period of our hiſtory were its ſucceſſes more brilliant and glorious. The fatal and careleſs profuſion in our expenditure, which diſtinguiſhed that period, was in reality the ſole cauſe of the humiliating ſituation of that day. Amongſt the many who then loudly cenſured the extravagance and profuſe expenditure, there was none who with more relentleſs and unforgiving rancour condemned the conduct of thoſe who had occaſioned it, than the preſent Miniſter. From his affected purity, from the ſolemn pledges he had given in the Report of the Committee of the Houſe of Commons on Finance, of which he was a member, and in the ſpeech made by his Majeſty in the year 1782, when he was a Miniſter, we had reaſon to expect ſomething more of caution and œconomy in the conduct of our expenditure. Unfortunately however for this country, the evils then complained of, and principally cenſured, have in this war been carried under his auſpices to an extent unparalleled in the annals of that æra. The money voted by parliament on eſtimate in the laſt three years of the war, has not only far exceeded what was voted in the firſt three years of the war with France, Spain, Holland, and America; but that expenditure, by means of votes of credit and extraordinaries, ſo much cenſured as the cauſe of our difficulties, has been carried to a far greater and more alarming exceſs. In three years ending 1780, the total eſtimated expence of the army, navy, and ordnance amounted to the ſum of TWENTY-SEVEN MILLIONS ONE HUNDRED AND SIXTY THOUSAND POUNDS. In the three years including 1795, the expence voted by eſtimate amounted to THIRTY-FIVE

MILLIONS

MILLIONS FIVE HUNDRED AND FOURTEEN THOUSAND POUNDS *. But the exceſs is proportionably much greater in the money expended without an eſtimate being previouſly ſubmitted to parliament; for we have the mortification to ſee, that the total amount of uneſtimated expence in the three years ending 1780, was NINETEEN MILLIONS ONE HUNDRED AND SEVENTY-FOUR THOUSAND POUNDS; whereas in the three years ending 1795 it has ariſen to the enormous ſum of THIRTY-ONE MILLIONS THREE HUNDRED AND EIGHTY-SIX

* Money voted on Eſtimate in the Years 1778-9-80.		Money on Eſtimate in 1793-4-5.		Money without Eſtimate in 1778-9-80.		Money without Eſtimate in 1793-4-5.	
1778.		1793.		1778.		1793.	
Army	£. 3,432,096	Army	£. 3,630,694	Army	£. 2,200,223	Army	£. 1,647,616
Navy	4,001,895	Navy	3,396,915	Navy	2,172,033	Navy	3,273,375
Ordnance	382,816	Ordnance	729,453	Ordnance	521,936	Ordnance	701,281
	7,816,807		7,757,062		4,894,192		5,622,272
1779.		1794.		1779.		1794.	
Army	4,013,189	Army	5,627,755	Army	3,026,137	Army	5,603,968
Navy	4,589,069	Navy	5,525,531	Navy	3,182,271	Navy	3,590,232
Ordnance	395,439	Ordnance	701,736	Ordnance	501,466	Ordnance	1,291,348
	8,997,697		11,854,822		6,799,874		10,485,548
1780.		1795.		1780.		1795.	
Army	4,384,693	Army	8,410,390	Army	3,418,806	Army	7,257,730
Navy	5,503,284	Navy	6,315,523	Navy	3,514,750	Navy	7,008,940
Ordnance	458,136	Ordnance	1,176,804	Ordnance	547,182	Ordnance	1,012,240
	10,346,113		15,902,717		7,480,738		15,278,910
Total 1778	£. 7,816,807	Total 1793	£. 7,757,062	Total 1778	£. 4,894,192	Total 1793	£. 5,622,272
1779	8,997,697	1794	11,854,822	1779	6,799,874	1794	10,485,548
1780	10,346,113	1795	15,902,717	1780	7,480,738	1795	15,278,910
	£. 27,160,617		£. 35,514,601		£. 19,174,804		£. 31,386,730

THOUSAND

THOUSAND POUNDS, making an excefs of upwards of twelve millions in this latter period, expended in the manner which was ftated as fo alarming, and which is confidered by the beft informed men who have treated upon the fubject, as fo deftructive of all parliamentary controul and conftitutional principles *.

The confequences have been fuch as we might naturally expect. In proportion as the neglect of forms and the relaxation from the

* Extracts from the Report of the Committee of the Houfe of Commons 1782, of which Mr. Pitt was a member:

"Your Committee cannot help obferving, that the enormous amount of extraordinaries in the foregoing account, incurred without the confent of Parliament, is an abufe of the moft alarming nature, enabling Miniften to deceive the nation, by keeping back the great expence of the war, and concealing thereby the extent of its engagements. It has been ftated by Parliament, when the object was inconfiderable to what it was at prefent, as a dangerous invafion of the rights, and little differing from levying money without the confent, of Parliament. The debt is not only incurred, but paid alfo, by the fole authority of the Minifter, and that too out of money appropriated to other fervices, leaving no option to the Houfe when the account comes before them."

Extract from Hatfel's Precedents of Proceedings in the Houfe of Commons, Title *Supply*.

"There was a degree of negligence or extravagance, or both, in thofe who had the conduct of the war department, which rendered all the votes of the Houfe of Commons, or bills for appropriating the fupplies, ridiculous and nugatory. The fums demanded upon the head of Extraordinaries of the Army incurred and not provided for, during this period, fell not very much fhort of the whole fum voted by Parliament upon eftimate for that fervice; nay, in the year 1782 they appear to have actually exceeded them. This was fuch a fhameful proftitution of the money of the public, that, though perhaps the diftance, and magnitude, and nature of the American war might be pleaded as fome alleviation and excufe for the Generals abroad who commanded, or for the Miniften at home, who ought to have controuled thefe commanders, nothing can juftify the Houfe of Commons who permitted this practice to continue uninterrupted through feveral feffions; and whofe more immediate duty it was to have examined into the contracts and other fervices pretended to have been performed, and to have pointed out and punifhed thofe frauds and abufes which were afterwards with no great difficulty detected by the Commiffioners of Public Accounts."

regular

regular parliamentary mode of providing for the public expenditure have increaſed, the enormous expence of the war, in which we have been involved, has augmented: the expences of the American war up to the year 1781 amounted to the ſum of FIFTY-THREE MILLIONS; but we have now to regret, that in the proſecution of the preſent we have already created an addition to our funded debt of NINETY-THREE MILLIONS, and loaded the people of this country, oppreſſed with taxation, with the additional ſum of four millions five hundred thouſand pounds annually *.

Under theſe circumſtances it was with aſtoniſhment I heard detailed to your Lordſhips, with ſurpriſe I have ſeen handed to an oppreſſed people, a conſoling ſtatement of certain public circumſtances in the years 1795-6, when compared with the years 1783-4. On the fairneſs of the ſelection of the year 1783 for ſuch a compariſon I ſhall have much to ſay to your Lordſhips: at preſent I ſhall only remark, that whether fair or unfair, it was admirably ſuited to the convenience of the noble Lord who made the ſtatement. Had he ſelected any of the years during the laſt war, we ſhould have been

* AMOUNT OF THE TAXES WHICH HAVE BEEN LAID UPON THE PEOPLE DURING THE COURSE OF THE PRESENT WAR.

Budget	1793	£. 287,000
———	1794	911,000
———	1795	1,644,000
——— Dec.	1795	938,000
——— April	1796	740,000
		£. 4,520,000

able

able to have quoted his own authority for the flourishing situation of the finance at that time (notwithstanding the calamitous state to which we know our revenue was soon reduced), and to have contrasted it with the opinions he holds on the state of the finance at present. In the year 1789 the noble Lord taught us to believe, "that the "rise in the excise and customs, evincing the extent of home consump-"tion, implied an increasing produce and a quick circulation; and "that every known criterion as well as every external appearance con-"curred in proving the quantity of money within the country to be "unusually great *." In the year 1783, however, the noble Lord passed a transient moment with us in opposition; and the impression under which his notes of that day were formed, whilst it renders them convenient for his present purpose, will perhaps account for the sort of statement he has produced. For though the noble Lord declares "that it was not his wish, even if he had power to accomplish it, "to lead you or the public into opinions of the situation of the coun-"try more favourable than the truth would justify;" I must assert that a statement more strained in its items, more calculated to deceive by its result, never was exhibited upon any occasion.

He begins by calling your Lordships' attention to a comparison of the price of 3 per cent. consols at these two periods. Perhaps it may occur to you, that as he selected the 2d of May 1796, he might have looked at the price of stocks on the 2d of May 1783, before he proceeded to state the price of 3 per cents January 1784.

* See Lord Auckland's Letter to Lord Carlisle.

Perhaps

Perhaps you may with me think, that in the beginning of this comparative statement he might have at least suggested, that in May 1783 the price of 3 per cents actually was 68. But I am sure you will agree with me in thinking, that in contrasting the price of India stock at these two periods, he exhibits to us consistency, and displays a continuation of the same disposition to fairness, in totally neglecting to state, that in May 1783 the price of India stock was 138; and that the East India Company, authorised by parliament, and enabled by the sums of money called in from the proprietors, have since that period increased their dividend 2½ per cent. So that, if the increase arising from the additional dividend was taken from the present price of the stock, it would leave it on the 2d of May 1796 somewhere about 168; and instead of exhibiting an account of India stock 1784 at 121, and in May 1796 at 209, he must have suggested that the price of India stock was 138, and that, independent of the augmentation of dividend, it could not be fairly stated in May 1796 at more than 168.

The noble Lord next proceeds to state to you the increase of exports and imports that has of late years taken place. I know it is a favourite doctrine to build conclusions on the state of our commerce and revenue upon this ground; but I much doubt the solidity of them. Without commenting on the known and avowed inaccuracy with which these accounts, more particularly that of our exports, are formed, there is much in the present circumstances of the country, and in the reduced trade of our enemy, that leads me to think it a

temporary

temporary and not a permanent augmentation; and there is no person who has considered with accuracy the public accounts before you, who can think that it proves any thing with regard to the probable ſtate of the revenue. The total value of the exports and imports in 1795 exceeds the total value of the exports and imports in 1791 by SEVEN MILLIONS; but inſtead of finding that there has ariſen from this any increaſe of revenue, the taxes exiſting in 1791 have fallen ſhort in the year 1795 to the extent of upwards of EIGHT HUNDRED THOUSAND POUNDS.

With regard to the cotton wool, the importation of which has ſo much increaſed, one would have imagined that, in this inſtance at leaſt, the fact might have ſatisfied the noble Lord: but inſtead of five millions of pounds, which he ſtates to be the annual importation for five years, I think I can ſay from ſome authority, that the importation in 1783 was ſeven millions eight hundred thouſand pounds; and that the average importation of the five preceding years exceeded conſiderably SEVEN MILLIONS OF POUNDS.

On the noble Lord's ſtatement of the exports of Britiſh merchandize to India, I have only to ſay, that if I recollect right, the exports of Britiſh merchandize 1795-6 were computed at ONE MILLION ONE HUNDRED THOUSAND, inſtead of TWO MILLIONS TWO HUNDRED THOUSAND POUNDS. I muſt alſo on the ſubject of the Eaſt India revenues quote the right honourable Gentleman at the head of the Board of Controul, in oppoſition to the noble Lord. By him the net pro-

duce

duce of India revenue was eſtimated in the year 1795 at one million four hundred thouſand pounds; though the noble Lord, with a ſyſtematic perſeverance in that fairneſs with which his comparative ſtatement is formed, eſtimates it at TWO MILLIONS SIX HUNDRED THOUSAND POUNDS. Without entering, however, into any minute details of the affairs of the Eaſt India Company, to which I certainly have paid no great attention, let me only ſuggeſt to the noble Lord, and to the public, that the improvement made in the ſtock, per computation, amounts ſince the year 1783, as appears by the papers before parliament, to the ſum of two millions ſeven hundred and ſixty-five thouſand pounds: the receipt of the company from the proprietors during that period is nearly FIVE MILLIONS *:—a circumſtance which gives no very favourable impreſſion of the great improvement in the affairs of the Eaſt India Company ſince the year 1783.

The next ſubject to which the noble Lord has adverted, is a compariſon of the amount of the permanent taxes on a three years average to the fifth of January 1784, with what he calls the amount

* Stock per computation 1796—Balance in favour of the Company -	£. 6,734,264
Ditto 1783—Ditto - - - - - -	3,968,481
Increaſed balance in favour of the Company - - - - -	£. 2,765,783
Received by the Company in 1788 on an increaſed capital of £. 800,000 at 195 per cent. - - -	£. 1,240,000
Ditto—1789 on ditto £. 1,000,000 at 170 per cent. - - -	1,700,000
Ditto—1793 on ditto £. 1,000,000 at 200 per cent. - - -	2,000,000
	£. 4,940,000
From that take £. 2,765,783 the increaſed balance as above - -	2,765,783
	£. 2,174,217

of

of the ſame taxes after making *all allowances for the intermediate changes and arrangements of the revenue* on a three years average to the fifth of January 1795. The former he ſtates to be nine millions eight hundred and ſeventy-ſix thouſand pounds; the latter, twelve millions three hundred and eighty-one thouſand pounds. I ſhould have conceived that, if in other reſpects this ſpecies of compariſon had been unexceptionable, it might have occurred to the noble Lord that the public could ſee no great cauſe of triumph in the revenue of the country producing ſomething more in the three firſt years of this war, with all the improvements in our manufactures, than it did in a period of three years when we were reduced by a ſix years war, the moſt general in which this country was ever engaged, and before the tide of commercial tranſactions could have reſumed its wonted channels.

But it requires little examination indeed to diſcover, that this article in the noble Lord's comparative view of circumſtances, is framed in the ſpirit which animated him in forming for your Lordſhips' information thoſe on which I have already had occaſion to comment.

The exiſting taxes before the American war, on an average of nine years to Michaelmas 1782 *, produced eight millions one hundred and forty-four thouſand pounds. In the year ending Michaelmas

* See Dr. Price's Poſtſcript to his State of the Public Debt 1783.

1782, the produce of the ſame taxes was ſeven millions eight hundred and ninety-ſeven thouſand pounds; and in one year ending Michaelmas 1783, they produced only ſix millions nine hundred and thirty-three thouſand pounds. Thus, in the commencement of the three years with ſuch impartiality ſelected for this compariſon, we find that the produce of the old taxes had decreaſed two hundred and forty-ſix thouſand pounds below their produce on an average of the nine antecedent years. And towards the concluſion of theſe favourite three years the produce of the ſame taxes fell ſhort one million two hundred and ten thouſand pounds. In one reſpect I think it was inconſiſtent with the noble Lord's circumſpection and prudence to call your attention to the produce of the taxes at this particular period. For when the public recollect, that this great diminution of upwards of one million in the produce of the revenue happened immediately on the concluſion of the laſt peace, perhaps they may anticipate with ſome degree of dread what will be the probable ſituation of our revenue, when the prejudices of our miniſters can be ſo far ſubdued as to engage them to reſtore peace to this exhauſted country. Before I quit this article, I muſt alſo obſerve to your Lordſhips, that the noble Lord ought, for your ſatisfaction and that of the public, to have given ſome explanation in what manner theſe allowances were made for intermediate charges and arrangements in the revenue, which he had in his contemplation when he ſtates the produce of the taxes exiſting in 1784 to amount in three years ending January 1795 to upwards of twelve millions. I am diſpoſed to preſs this the more, becauſe I believe

that if proper allowances are made for the excise on wines in 1786, and the consolidating the customs in 1787, for the increase on home and British spirits, in carrying into effect the treaty with France, farming the post-horse tax, excise on tobacco, diminution on the charges of management at the Bank and South Sea House, together with the effects of the smuggling act, the commutation and manifest act, it will be difficult, or rather impossible, to defend the statement he has made.

The next consoling circumstance which we are called to contemplate is the navy debt in December 1783, and on the second of May 1796. The first is stated by the noble Lord to be fifteeen millions five hundred thousand pounds; the last, two millions three hundred thousand pounds. How this sum is obtained, or can be fairly stated as the existing navy debt, I confess myself at a loss to discover. The sum left unprovided for on December 31st, 1795, is equal to the existing navy debt in December 1792, which I think I recollect was somewhere about two millions seven hundred thousand pounds. The bills registered on the course of the navy, between the 31st of December 1795 and the 31st of March 1796, as appears from the papers on your Lordships' table, amount to the sum of two millions eight hundred thousand pounds *. But if the noble Lord, instead of

* Navy Debt left unprovided 31st of December 1795 - - -	£.2,745,991
Navy Bills registered before the 31st of March 1796 - - -	2,822,389
Total	£.5,568,380

selecting

ſelecting the ſecond of May 1796, had made the compariſon between the navy debt outſtanding December 1783 and December 1795, it would have preſented to your Lordſhips' eye, and that of the public, a very different account. You would have ſeen that, if at the former period it was fifteen millions five hundred thouſand pounds, it amounted at the latter to thirteen millions eight hundred thouſand pounds; and if he had choſen by anticipation to have given your Lordſhips a view of what may be the probable ſtate of the navy debt in December 1796, if it increaſes in the ſame proportion in which it appears to have increaſed by the papers before you during the firſt three months of the preſent year *, it will then, together with what was left unprovided for at the end of laſt year, amount to the ſum of thirteen millions nine hundred thouſand pounds. † Indeed the noble Lord muſt himſelf know, that in ſelecting the 2d May 1796, he has choſen almoſt the day of the year the moſt favourable for this ſtrange comparative account of the navy debt which he has exhibited.

* Navy Office, 22d April, 1796.

An account of Navy, Victualling, and Tranſport Bills regiſtered ſince 31ſt December, 1795.

Navy Bills	£. 1,017,230	12	8
Victualling Bills	1,049,395	11	6
Tranſport Bills	755,763	10	4
Total	£. 2,822,389	14	6

Examined R. P.

A. S. Hammond, Wm. Rule, Geo. Marſh, Geo. Rogers, W. Palmer, W. Bellingham.

† N. B. 31. Nov. The Amount of Navy Bills was

In

In the comparison the noble Lord has made of the Bank advances to the public, afraid left in any one instance the year 1783 should have the advantage, however inconsiderable, of the year 1796, he has provided himself with a *private* account of the amount of advances May 2d 1796; for if he had confined himself to the various documents before parliament on this subject, he would have been obliged to have stated to you that the advances made by the Bank amounted on the 12th of September 1795 to the sum of *eleven millions eight hundred thousand pounds*; on the 9th December 1795 to the sum of TWELVE MILLIONS TWO HUNDRED THOUSAND POUNDS; and on the 31st of December to the sum of ELEVEN MILLIONS SIX HUNDRED THOUSAND POUNDS: in every instance exceeding the amount of the advance in 1783. In stating the advances of the Bank in the year 1783, the noble Lord has not explained whether he included the navy bills at that time in possession of the Bank. If he did, your Lordships will easily see that, to make the comparison with any degree of fairness, there must be a further sum added to the balances in 1795 equal to the amount of the value of navy bills at that time in the possession of the Bank.

My Lords, the next article in this account exceeds every thing on which I have hitherto had occasion to remark: it is to me as unintelligible as it is impossible for me to comprehend how any man can presume to come forward with such a statement to your Lordships or the public. The unfunded debt is represented as amounting in January 1784 to

to *twenty-seven millions*—May 2d 1796 it is stated as nothing. What then has become of the balance of ELEVEN MILLIONS due to the Bank, which the noble Lord has antecedently stated to you? Has he totally forgotten, or can he expect that you will forget, that after all his strained ingenuity in frittering down the existing navy debt, he has confessed that the sum due May 2d 1796 is TWO MILLIONS THREE HUNDRED THOUSAND POUNDS? But let me once more entreat your Lordships' attention to a plain statement of what would have been the shape of this account, if the noble Lord had selected for his comparison the same month in 1796 he had chosen in 1784. In January 1796 the articles of navy debt, bank advances, arrears due to the army, and the deficiency of the consolidated fund, as appears from the accounts on your table, alone amount to TWENTY-SEVEN MILLIONS FIVE HUNDRED THOUSAND POUNDS *; exceeding by FIVE HUNDRED THOUSAND POUNDS the total of the outstanding unfunded debt in January 1784; which your Lordships will permit me to remind you was after the conclusion of a six years war of notorious and reprobated extravagance.

The sinking fund is the next object to which your attention is called. In 1783 you are told there was no sinking fund; in 1796

* Bank Advance,	December 1795	£. 12,275,386
Navy Debt,	December 1795	13,000,000
Arrears due to the Army,	January 1, 1796	1,065,576
Deficiency of the Consolidated Fund		1,200,000
	Total	£. 27,540,962

you

you are informed it amounted to TWO MILLIONS FIVE HUNDRED THOUSAND POUNDS. If at either period a ſinking fund is talked of to hold out any idea of ſurplus, it can only tend to deceive. In 1783 there was a thing called a ſinking fund, and in 1796 there is a thing called a ſinking fund; but in reality, inſtead of poſſeſſing any ſurplus in the former year, there was a loan of TWELVE MILLIONS; in the latter, two loans amounting to TWENTY-FIVE MILLIONS FIVE HUNDRED THOUSAND POUNDS. And allow me in paſſing to remark to your Lordſhips, that notwithſtanding the vaunting ſtatement which has been made to the public of the low rate of intereſt at which money was this year borrowed; as far I can judge from a curſory view of the budget in 1783, the public was loaded with a ſmaller permanent intereſt for the twelve millions borrowed by Lord John Cavendiſh, than for the firſt loan negotiated this year—though in this latter period taxes were alſo impoſed for the purpoſe of providing a ſinking fund, of one ſhilling and ſixpence for every hundred pounds borrowed.

I now come to the concluding and undoubtedly the moſt important article in this compariſon. The noble Lord ſtates "the amount of re-
" venue (including the land and malt) below the computed expendi-
" ture on a peace eſtabliſhment of fifteen millions in 1783 at two mil-
" lions. And the amount of revenue (including the land and malt)
" above the computed expenditure on a ſimilar peace eſtabliſhment,
" with the addition of increaſed charges for the debt incurred by the
" preſent

1795, THREE MILLIONS FOUR HUNDRED THOUSAND POUNDS. This ſtatement derives its importance not ſo much from the compariſon it exhibits, as from the fact it advances, that if we were fortunate enough now to experience the bleſſings of peace, there would be an actual ſurplus of THREE MILLIONS FOUR HUNDRED THOUSAND POUNDS. Before however I proceed to exhibit the fallacy which this holds forth, I muſt detain your Lordſhips by remarking on the form of the propoſition and on the nature of the premiſes. I am diſpoſed to cenſure the form of the propoſition, becauſe it holds out to you, for the firſt time ſince the ſinking fund has been eſtabliſhed, that its produce is to be deemed a ſurplus diſpoſable like any other ſurplus at the will of parliament; inſtead of conſidering it, as it hitherto has been, and, I truſt, for the welfare and the credit of this country, ever will be treated, as forming as much a part of our neceſſary expenditure as the Navy, Army, or Ordnance. With the premiſes upon which this propoſition proceeds I cannot agree; for I can conceive nothing more calculated to delude, than to ſtate to this country that there exiſts a poſſibility of our peace expenditure amounting to ſo ſmall a ſum as fifteen millions. The noble Lord muſt know that the Committee of the Houſe of Commons, in the year 1786, reported that the peace eſtabliſhment, including the ſinking fund, would be FIFTEEN MILLIONS FOUR HUNDRED AND SEVENTY-EIGHT THOUSAND POUNDS; and the Committee ſaw no proſpect of the affairs of the country being in ſuch a ſituation as to get upon this peace eſtabliſhment till the

year

year 1791, that is, the eighth year after the conclusion of the late war. But when the year 1791 arrived, the noble Lord knows that another Committee of the House of Commons declared they did not conceive a possibility of forming a peace establishment that should cost less than about SIXTEEN MILLIONS annually; and that instead of foretelling the period, as the former Committee had done, when the country could confine its expenditure within so narrow bounds, they did not even pretend to foresee the time when our expences could be so far diminished. When the noble Lord states fifteen millions to you as your probable peace establishment, he knows also, or he ought to know, that the average annual amount of our expence from the year 1786 to the year 1791, as stated in the Report of the House of Commons, was SIXTEEN MILLIONS EIGHT HUNDRED AND SIXTEEN THOUSAND NINE HUNDRED AND EIGHTY-FIVE POUNDS; and that in reality I might state it at a much larger sum without fear of contradiction *. Yet in the face of all these facts, without

* NATIONAL EXPENDITURE.

Civil List, Interest of National Debt, and Million for purchase of

		£.	s.	d.	£.	s.	d.
Stock, 5th Jan. 1786, to 5th Jan. 1787	Interest	9,277,407	16	1½			
	Civil list, &c.	966,983	4	3¾			
	¾ of million	750,000					
					10,994,391	0	5⅙
Ditto, 5th Jan. 1787, to 5th Jan. 1788	Interest	9,276,661	5	11½			
	Civil list, &c.	990,088	0	4½			
	Million	1,000,000	0	0			
					11,266,749	6	4
Ditto, 5th Jan. 1788, to 5th Jan. 1789	Interest	9,276,221	16	2½			
	Civil list, &c.	1,001,759	0	2¾			
	Million	1,000,000	0	0			
					11,277,980	16	5¼
Carried forward					33,539,121	3	2½

Brought

any wish, as he states *, to lead you into opinions more favourable than the truth will justify, the noble Lord holds out the prospect of your entering on an immediate peace establishment of fifteen millions, at a time too when he must see with certainty that the increased half pay of the army and navy, the expences incident to barracks, the various new profuse arrangements in all

						£.	s.	d.
Brought forward			-	-	-	33,539,121	3	2½
Ditto, 5th Jan. 1789, to 5th Jan. 1790	Interest		9,283,108	0	3¾			
	Civil list, &c.		1,009,573	11	8			
	Million		1,000,000	0	0			
						11,292,681	11	11¾
Ditto, 5th Jan. 1790, to 5th Jan. 1791	Interest		9,289,625	7	2½			
	Civil list, &c.		1,007,385	16	6½			
	Million		1,000,000	0	0			
						11,297,011	3	8¼
Interest on Tontine and Long Annuities		-	-	-	-	42,862	0	0
						55,171,675	18	11
Interest on £. 5,500,000 Exchequer Bills,	1786	-	223,455	2	11			
	1787	-	145,786	8	4			
	1788	-	181,419	6	7½			
	1789	-	186,714	14	2½			
	1790	-	176,768	13	7			
						914,144	5	8
						57,085,820	4	7
Navy, Army, Ordnance, and miscellaneous Services from 1st Jan. to 31st Dec.	1786	-	5,522,176	17	11			
	1787	-	4,683,420	15	7¾			
	1788	-	5,389,756	13	2¾			
	1789	-	5,302,441	3	10¾			
	1790	-	5,340,383	3	9½			
						26,238,178	14	5¾
						83,323,998	19	0¾
Deficiency of grants in 1785 made good in	1786	-	127,138	3	2½			
Ditto voted into sinking fund -	1786	-	1,285,064	18	3½			
Ditto, ditto - - -	1787	-	1,435,392	15	4½			
Ditto, consolidated fund -	1788	-	578,732	14	7½			
						3,426,328	11	6
Ditto, mint -	1786 and 1787	-	-	-	-	17,000	12	6
						£. 86,767,328	3	0¾

Average expenditure for five years £. 17,353,465.

* See printed Speech, page 18.

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the departments, the eſtabliſhment of a third Secretary of State, inſtituted for the purpoſe of accommodating one noble Lord, and telegraphs erected with a permanent eſtabliſhment for the amuſement of another noble Lord, muſt occaſion an additional expenditure of at leaſt FIVE HUNDRED THOUSAND POUNDS annually.

Having ſtated to your Lordſhips my objection to the premiſes, on which is founded the aſſertion, that there will exiſt in the event of an immediate peace a ſurplus of THREE MILLIONS FOUR HUNDRED THOUSAND POUNDS; I muſt now beg to call your attention to the explanation given of the concluſion which has been drawn. I lament indeed, when a noble Lord * on a former day ſtated to this houſe the grounds he had for not agreeing in thinking that there could poſſibly exiſt ſuch a ſurplus, that the unfortunate abſence of the noble Baron † deprived me of an opportunity of hearing his explanation. I have however to rejoice that I heard the explanation of the Secretary of State ‡, authorized by him to deliver it, as well as that of another noble Lord, whoſe character for knowledge on theſe points made it more particularly intereſting §.

To the noble Secretary of State I will recapitulate the explanation he then gave on the ſubject of the ſurplus ſtated by the noble Lord: —Inſtead of eſtimating the future produce of the taxes by the actual receipt of this year, he choſe to take an average of the three years ending the 5th of January 1796: to this, which amounts to THIRTEEN MILLIONS FIVE HUNDRED AND FORTY-TWO THOUSAND

* Lord Moira. † Lord Auckland. ‡ Lord Grenville. § Lord Hawkesbury.

THREE HUNDRED AND THREE POUNDS*, he added ONE HUNDRED AND TWENTY-EIGHT THOUSAND POUNDS, the produce of the old tax on bills and receipts included in the papers on your table during all the three years, in the receipt of the new duties; and TWENTY-THREE THOUSAND THREE HUNDRED AND THIRTY-THREE POUNDS, the third of ſeventy thouſand pounds, the amount of the old paper duty, included in the ſtatement before you in the new taxes of laſt year; and FORTY THOUSAND, the third of one hundred and twenty thouſand pounds paid laſt year as bounties to ſeamen, which, though undoubtedly received at the Cuſtom-Houſe, does not appear in the groſs receipt on your table. This, together with THIRTY-TWO THOUSAND POUNDS, the ſhare of the fifty-third week, he ſtated as amounting to THIRTEEN MILLIONS SEVEN HUNDRED AND SIXTY-FOUR OR FIVE THOUSAND POUNDS: to this the noble Lord added TWO MILLIONS FIVE HUNDRED AND FIFTY-EIGHT THOUSAND POUNDS, the produce of the land and malt tax, as eſtimated by the Committee of the Houſe of Commons; he alſo took into his account TWO HUNDRED AND FIFTY THOUSAND, the eſtimated

* Receipt of permanent Taxes for three Years, to January 1796.

1794	£. 13,813,290	Average of three years - - -	£. 13,542,303
1795	13,674,892		
1796	13,138,727		
To this add duties on bills and receipts included in new taxes during all these three years - - - - - - - - - - - - -			128,000
A third of old paper duties, and of bounties paid to ſeamen out of the cuſtoms during the laſt year - - - - - - - - - - - -			63,000
Share of a 53d week - - - - - - - - - - - -			32,000
Land and malt, as eſtimated by the committee - - - - - - -			2,558,000
Eſtimated produce of a lottery - - - - - - - - - -			250,000
Sum expected from the Eaſt-India Company - - - - - - -			500,000
			£. 17,072,900

produce

produce of an annual lottery, and FIVE HUNDRED THOUSAND, annually expected from the Eaſt-India Company: which makes in all the ſum of SEVENTEEN MILLIONS AND SEVENTY-TWO THOUSAND POUNDS; preſenting to your Lordſhips an exceſs of upwards of TWO MILLIONS above the ſuppoſed peace eſtabliſhment, and forming, with the intereſt of NINETEEN MILLIONS, the ſum already purchaſed by the ſinking fund, together with the new ſinking fund eſtabliſhed during the war, the boaſted ſurplus of THREE MILLIONS FOUR HUNDRED THOUSAND POUNDS. Now, my Lords, I muſt beg your indulgence in offering a few obſervations on the propriety of the noble Lord's adopting an average of the three laſt years, for the purpoſe of computing the probable receipt of the enſuing year. Averages, in forming all calculations, ought alone to be reſorted to when, from caſual fluctuations, the revenue to be aſcertained is ſometimes diminiſhing and ſometimes increaſing; but when from a permanent cauſe you ſee an uniform and gradual diminution, no inference from an average produce of paſt years can lead to a juſt concluſion concerning the receipt of the future. Yet the papers on your table not only prove that the revenue has fallen off from year to year, but even from quarter to quarter; as the total amount of the revenue for the laſt year, made up to the 5th of January, exceeds by nearly a hundred thouſand pounds the produce of the year ending the 5th of April. Rejecting therefore this appeal to averages, I muſt ſubmit to your Lordſhips, that when we perceive this gradual and conſtant diminution, the more accurate mode of eſtimating the produce of a future year would be to ſuppoſe, that as the ſame cauſe exiſts, a diminution may probably take place in the next year proportionable to

to that which took place in the laſt. Calculated on this principle, the total receipt of the old taxes will only amount to TWELVE MILLIONS SIX HUNDRED AND TWENTY-THREE THOUSAND FIVE HUNDRED AND EIGHTY-THREE POUNDS; to which if you add the ſhare of the 53d week, the various ſums ariſing from old duties included in the new taxes in the ſtatement now on the table, and the bounties paid to ſeamen out of the cuſtoms, the probable produce of the revenue, including the land and malt, as eſtimated by the committee, will be FIFTEEN MILLIONS FIVE HUNDRED AND THIRTY-ONE THOUSAND FIVE HUNDRED AND EIGHTY-THREE POUNDS *; and this, my Lords, is the total of what I think I can fairly ſtate to the public, independent of the new taxes, as applicable to the future peace expenditure. For I cannot lay aſide all regard to the morals of the lower claſs of people in this metropolis ſo much as to look forward to a permanent annual lottery; and I cannot forget what paſt experience has taught me, ſo far as to build with any degree of certainty on the receipt of that five hundred thouſand pounds from the Eaſt India Company, which has never been received but once, and which the Miniſter at the head of the Board of Controul

* Total receipt of the taxes, if the diminution in conſequence of the war is as great during the preſent year as it was during the laſt - - - -	£. 12,623,583
To which may be added a ſhare of the 53d week - - - - - -	32,000
Included in the new taxes what was formerly produced by taxes on bills and receipts - - - - - - - - - - - -	128,000
Old duties on paper, included in the new taxes - - - - -	70,000
Bounties paid to ſeamen out of the cuſtoms - - - - -	120,000
Land and malt as eſtimated by the committee - - - -	2,558,000
Total probable receipt of revenue, excluſive of the taxes laid on during the war	£. 15,531,583

annually

annually tells you it would be imprudent in the higheſt degree to demand.

In offering to your Lordſhips my conjectures concerning our future expences, I muſt remind you that I have already ſtated my reaſons for thinking it abſurd to ſpeak of fifteen millions as our probable expenditure if the bleſſings of peace were reſtored to us, and the grounds on which I conceive that the loweſt eſtimate I can with juſtice make of our laſt peace eſtabliſhment is not what the committees fancied it would be, but what it actually proved to be on an average of five years, SIXTEEN MILLIONS EIGHT HUNDRED and SIXTEEN THOUSAND POUNDS *. In eſtimating however our future expenditure, we muſt add the ſum of TWO HUNDRED THOUSAND POUNDS annually voted for the ſinking fund, and a ſum of at leaſt FIVE HUNDRED THOUSAND POUNDS additional peace eſtabliſhment, which the increaſed half-pay of the army, and all the various new eſtabliſhments I have enumerated, muſt render abſolutely neceſſary. Your Lordſhips will then perceive, upon the ſuppoſition that the new taxes produce a ſufficiency to defray the expence for which they were impoſed, the annual peace expenditure being SEVENTEEN

* Total expence incurred in 5 years under the heads of Intereſt, Charges of the National Debt—Intereſt of Exchequer Bills—Civil Liſt—Charges on the Aggregate and Conſolidated Funds—Navy—Army—Ordnance—Militia—Miſcellaneous Services—Appropriated Duties and Annual Payment to the Sinking Fund.

For the Year	1786,	—	£. 16,720,543	Average £. 16,816,985.
	1787,	—	16,620,783	
	1788,	—	16,800,796	
	1789,	—	17,030,204	
	1790,	—	16,912,597	

MILLIONS

MILLIONS FIVE HUNDRED THOUSAND POUNDS, and the annual receipt only FIFTEEN MILLIONS FIVE HUNDRED THOUSAND POUNDS, there will be a deficiency of TWO MILLIONS. But I am convinced that many of your Lordſhips muſt have examined the papers on your table too carefully not to diſcover, that there is in reality a large deficiency in the produce of the new taxes. When laid on, they were eſtimated to produce TWO MILLIONS EIGHT HUNDRED AND FORTY-TWO THOUSAND POUNDS; and on a curſory examination you may imagine, from the papers before you, that they have actually produced rather more than that ſum. I am certain however, that with a view to aſcertain the fair annual produce of the new taxes, you will agree with me in thinking that we muſt take from the ſum ſtated in the account, THREE HUNDRED AND FIFTY THOUSAND POUNDS, the duties received on the ſtock of wine in the hands of the trader; a HUNDRED AND TWENTY-EIGHT THOUSAND POUNDS, the produce of the old taxes on bills and receipts, now included in the new duties; and SEVENTY THOUSAND POUNDS, the produce of the old paper duties, which are in the ſame ſituation. Your Lordſhips will then ſee that there is a deficiency in the new taxes exceeding FIVE HUNDRED THOUSAND POUNDS; which added to the TWO MILLIONS makes in all a probable deficiency of TWO MILLIONS FIVE HUNDRED THOUSAND POUNDS. This muſt be provided for, could we ſuppoſe that we have already borrowed a ſufficiency, if peace ſhould be reſtored in the courſe of a few months, to diſcharge the neceſſary expence in winding up the concerns of the war; but I am afraid there is no reaſon to indulge ſuch a hope.

I am convinced that your Lordſhips muſt on the contrary think that I mention a ſum far inferior to what will in reality be required, when I ſtate the probability of TEN MILLIONS more being found neceſſary: I am ſure there is no man who examines the papers on your table, and ſees that you have ſpent in the firſt quarter of this year for the ſervice of the army the ſum of EIGHT MILLIONS TWO HUNDRED THOUSAND POUNDS, and that you have contracted navy debt to the extent of TWO MILLIONS EIGHT HUNDRED THOUSAND POUNDS, who will heſitate in pronouncing that a much larger ſum than TEN MILLIONS will be required*. This however, if borrowed at the ſame intereſt with the loans of this year, will

* *To the Right Honourable the Lords Commiſſioners of His Majeſty's Treaſury.*

An ACCOUNT of all Sums of Money granted by Parliament ſince the 29th of October 1795, and expended before the 5th of April 1796, with a Statement of the Services to which the ſame were applied.

The Sums granted by Parliament, within the above Period, were as follows, viz.

	£. s. d.
By virtue of an Act for granting an Aid to His Majeſty by a Land Tax, for the Service of the Year 1796	2,000,000 0 0
By D° ——— for granting the Duties on Malt, &c. for the Service of the Year 1796 - -	750,000 0 0
By D° ——— for raiſing the Sum of 18,000,000l. for the Service of the Year 1796 - -	18,000,000 0 0
By D° ——— for raiſing a certain Sum of Money by Loans or Exchequer Bills, for the Service of the Year 1796	2,000,000 0 0
By D° ——— for raiſing a further Sum of Money by Loans or Exchequer Bills, for the Service of the Year 1796	1,500,000 0 0
By D° ——— for raiſing the Sum of 2,500,000l. for the Uſes and Purpoſes therein mentioned -	2,500,000 0 0
	26,750,000 0 0

Out of which has been iſſued the Sum of 12,171,182l. 11s. 7½d. for the following Services, viz.

	Out of Exchequer Bills charged on the Land Tax A° 1796.	Out of Exchequer Bills charged on the Malt Tax A° 1796.	Out of Contributions to Annuities A° 1796.	Out of Exchequer Bills for raiſing 2,500,000l. for the Uſes and Purpoſes herein mentioned.	Total.
	£. s. d.	£. s. d.	£. s. d.	£. s. d.	£. s. d.
To the Governor and Company of the Bank of England on Account of the Paymaſter General of His Majeſty's Forces,	1,218,623 16 7	750,000 0 0	5,896,439 19 9½	341,900 0 0	8,206,963 16 4½
To Ditto, on Account of the Paymaſter General of His Majeſty's Navy, -	721,376 3 5	0 0 0	3,064,742 11 10	0 0 0	3,786,118 15 3
To William Smith, Eſq. Treaſurer of his Majeſty's Ordnance, - -	60,000 0 0	0 0 0	460,000 0 0	0 0 0	520,000 0 0
	2,000,000 0 0	750,000 0 0	9,421,182 11 7½	341,900 0 0	12,513,082 11 7½

Exchequer, the 16th Day of April, 1796.

JAMES FISHER.

MONEY

create a further deficiency of upwards of SIX HUNDRED THOUSAND POUNDS: making in all a deficiency to the alarming extent of THREE MILLIONS ONE HUNDRED AND NINETEEN THOUSAND POUNDS. Large as this ſum may appear, I wiſh I could even ſtop here; but

MONEY STATED TO PARLIAMENT AS NECESSARY FOR THE ARMY 1796.

BUDGET, DECEMBER 7th 1795.

Eſtimate — — —	£.6,104,000	
French Corps — — —	300,000	
Sardinian Subſidy — — —	200,000	
Extraordinaries — — —	2,646,000	
Eſtimated Extraordinaries — — —	350,000	
		£.9,600,000

BUDGET, APRIL 18th 1796.

To ſupply the Deficiency of eſtimated Extraordinaries in the laſt Budget —	£. 535,000	
A further Sum for Army Extraordinaries — — —	1,221,000	
Ditto to be raiſed within the Year — — —	800,000	
		2,556,000
		£.12,156,000
From this take the Sum applicable to the Payment of Extraordinaries for 1795 —		3,531,000
Remains the Sum intended to defray eſtimated and extraordinary Expences for 1796		8,625,000
Of this expended before the 5th of April 1796, as appears from the Accounts, after deducting the Sum applicable to the Extraordinaries of the Year 1795 — —		4,675,963
Remains for the Service of Nine Months — —		£.3,949,037
But as the Expenditure of the Firſt Three Months has been £.4,675,963, we may expect that the Expence of the remaining Nine Months will be — — —	14,027,889	
To diſcharge this there is the Sum as above — — —	3,949,037	
Remains the probable Deficiency — —	£.10,078,852	

MONEY STATED TO PARLIAMENT AS NECESSARY FOR THE NAVY 1796.

Budget December 7th 1795 — —	£.7,072,000	
Ditto April 18th 1796, £.4,000,000 Navy Bills provided for —	4,000,000	
		11,072,000
Expended before 5th April 1796 — — —	3,786,118	
Navy Tranſport Bills, &c. regiſtered before 31ſt March 1796 — —	2,822,389	
		6,608,507
For the Service of the remaining Nine Months —		4,463,493
But as the Expenditure of the Firſt Three Months has been £.6,608,507, we may expect that the Expence of the remaining Nine Months will be —	£.19,825,521	
To diſcharge this, there is the ſum as above — —	4,463,493	
Remains the probable Deficiency	£.15,362,028	

PROBABLE DEFICIENCY IN THE PROVISION STATED TO PARLIAMENT

For the Service of the Army 1796 — — —	£.10,078,852
Ditto Navy — — — —	15,362,028
	£.25,440,880
Suppoſing however the whole Vote of Credit to be applied to the Service of the Navy and Army, that may tend to diminiſh this Sum — — — —	2,500,000
There will then remain — — —	£.22,940,880

when

when I know that the expence of the war laſt year exceeded the ſum of THIRTY-ONE MILLIONS, and that it is impoſſible, in a country where every ſpecies of property is ſo largely taxed, that money can be expended without contributing to the revenue, I muſt call your attention to the probable effect on the revenue of withdrawing the war expenditure. I know this idea has been attempted to be ridiculed; but till ſome of your Lordſhips will deign to ſhow the poſſibility of the ſmalleſt expenditure taking place in this country without augmenting the revenue, I muſt continue to believe that a very large ſum, even of the preſent diminiſhed receipt, ariſes from the expences occaſioned by the war, and that a formidable diminution muſt take place when it is withdrawn. Is this all theory and ſpeculation? Or are there not practical proofs of the truth of what I aſſert? I can hardly ſuppoſe the noble Lord ſelected the year 1783, to compare againſt the year 1796, rather than the year 1781-2, or any of the antecedent years of warfare, without examination. He I doubt not had diſcovered that the taxes fell, on withdrawing the expenditure of the American war, far above a million annually; yet the war expenditure never then much exceeded TWENTY MILLIONS; at preſent it conſiderably exceeds THIRTY MILLIONS: the permanent taxes were then little more than TEN MILLIONS; at preſent they are much above fifteen. Should the revenue now diminiſh in proportion to the exceſs of the expenditure and the exceſs of the permanent taxes, as there is but too much reaſon to apprehend it will, this would create a further deficiency of upwards of TWO MILLIONS FIVE HUNDRED THOUSAND POUNDS. But if it only amounted to the ſum of FIFTEEN HUNDRED THOUSAND POUNDS; that, together

ther with the ſums I have already ſtated, will create a deficiency of no leſs than FOUR MILLIONS SIX HUNDRED THOUSAND POUNDS: an alarming proſpect of the ſituation of the country, but ſuch as I cannot help thinking is authoriſed by reaſon and ſupported by proof, and ſuch as I am not afraid to ſubmit to your Lordſhips and to the public. If unfortunately the preſent calamitous conteſt be protracted for another year, it muſt make a melancholy addition to this ſtatement: we ſhall then be under the neceſſity of providing for a ſum equal to the war expenditure of the preceding year, which muſt occaſion a farther addition to the burthens of the people of this country of nearly TWO MILLIONS*.

* Average annual expenditure during the laſt peace from the year 1786 to the year 1791 - - - - -			£. 16,816,985
Sum annually voted for the ſinking fund for which there is no proviſion - - - - -			200,000
Additional peace eſtabliſhment at leaſt - . -			500,000
			£. 17,516,985
Total probable amount of revenue excluſive of the taxes laid on during the war - - - -			15,531,585
Deficiency on the ſuppoſition that the new taxes actually produced what they were taken for - - - -			£. 1,985,400
Taxes for the year 1793-4-5 given for the ſum of		£. 2,842,000	
Produced, as appears from the papers, in one year ending April 5, 1796 -	2,828,367		
To which add a quarter's receipt on ſtamp duties, ſhip policies, &c. which have been only collected for 3 quarters of a year -	28,397		
Carry forward - -	£. 2,856,764	£. 2,842,000	£. 1,985,400

Brought

Though I have felt it my duty, my Lords, to make this ſtatement to your Lordſhips, which I am afraid neither you nor the public can reaſonably pronounce exaggerated; yet, in the reſolutions I ſhall have the honour to ſubmit to this houſe, I do not mean to propoſe to you any thing that can be deemed of an hypo-

Brought forward -		£. 2,856,764	£. 2,842,000	£. 1,985,400
From this take duties received on account of ſtock of wines on hand 1795 - -	£. 350,000			
Allowed to the old taxes out of the receipt of new - - -	128,000			
Ditto on paper duties	70,000			
		548,000		
			2,308,764	
			£. 533,236	

Deficiency of the new taxes 1793-4-5 - - - -	533,236
Intereſt on a loan of ten millions, if borrowed on the ſame terms with the loans of the year - - - -	617,500
If the taxes fall, on withdrawing the preſent war expenditure, a ſum exceeding their failure on withdrawing the American war expenditure, proportionable to the exceſs of expenditure, and alſo to the exceſs of the permanent taxes, their failure would amount nearly to two millions eight hundred thouſand pounds: but this is ſtated only as likely to be - - -	1,500,000
Total ſum for which it is to be apprehended taxes muſt be found, ſhould an immediate peace be made - - -	£. 4,636,136
If another year war, taxes muſt be found to provide for the intereſt of thirty-one millions, being a ſum nearly equal to the war expenditure of laſt year, which if borrowed at the ſame intereſt with the loan of this year will be about - - - -	1,900,000
Probable ſum for which taxes muſt be found, ſhould there exiſt another year's war as expenſive as the laſt - - -	£. 6,536,136

thetical

thetical or ſpeculative nature, however juſt I may conſider the grounds for ſuch ſpeculation. Moſt of the reſolutions only recite facts upon which there can be no difference of opinion. The noble Lords and I cannot differ about the amount of the debt contracted during the preſent war. Concerning the extent of the ſum voted excluſive of the civil liſt, or the amount of the permanent taxes which the preſent war has rendered it neceſſary to levy, there can be no diſpute.—I am perſuaded that all muſt agree in ſuppoſing a loan of TEN MILLIONS will be neceſſary, over and above what is already provided for winding up the enormous expences of the war. I believe your Lordſhips, on an examination of the accounts upon your table, will find reaſon to apprehend that a much larger ſum will be neceſſary. Your Lordſhips and the public know, that you are in the annual habit of paſſing a bill for two hundred thouſand pounds to the ſinking fund, for which there is no proviſion; and I ſcarcely expect, after the details which have been ſubmitted to you, that there is any perſon who will diſpute the neceſſity we ſhall be under of an increaſed peace expenditure to the extent of FIVE HUNDRED THOUSAND. The average annual expenditure of five years, as ſtated in the reſolutions, cannot be contradicted: it is taken from the report of the Committee of the Houſe of Commons in 1791.

But if theſe facts are clear and indiſputable, the inferences drawn in the reſolutions are ſuch as I am convinced your Lordſhips cannot

with

with propriety reject; for in calculating the probable amount of the revenue you will perceive that I have eſtimated the produce of the taxes in the moſt favourable mode that could poſſibly be adopted; that I have even gone the length of ſuppoſing, notwithſtanding the immenſe diminution in our productive capital which the expences of the war muſt have created, that the taxes may produce upon the return of peace a ſum equal to their average produce for four years to 1793; and that I admit that the new taxes of this year will produce the ſum at which they have been eſtimated. Yet even in this moſt favourable mode of conſidering the ſubject, the concluſion is ſtill inevitable, that there will be a deficiency of ONE MILLION NINE HUNDRED AND FORTY-THREE THOUSAND FIVE HUNDRED AND SEVENTY POUNDS*.

* RECEIPT.		EXPENDITURE.	
Produce of the taxes ending 5 April 1796, deducting the occaſional payment for wine, and adding a quarter's receipt on the taxes collected only during three quarters	£. 15,603,285	Eſtabliſhment during the laſt peace on an average of five years ending 5 January 1791	£. 16,816,984
Improvement ſuppoſed to take place on the return of peace, if the old taxes produce as much as they did on an average of four years antecedent to the war - - -	757,480	Sum annually voted to the ſinking fund - - -	200,000
Eſtimated produce of the taxes of the preſent ſeſſion -	1,678,000	Intereſt on a loan of £. 10,000,000	600,000
Land and malt as eſtimated by the committee - -	2,558,000	Additional peace eſtabliſhment	500,000
	£. 20,596,765	Intereſt payable on the money borrowed during the war	4,423,351
			£. 22,540,335

I have

I have ſtated in the reſolutions the expected produce from the lottery, and the five hundred thouſand pounds which it is ſuppoſed we ſhall receive from the Eaſt India Company: but as I cannot myſelf build my concluſions either upon ſuch miſchievous or fanciful ſources of revenue, I leave it for thoſe of your Lordſhips who have ſo far loſt all regard for the morals of the people as to think of a permanent Lottery, or who, in defiance of paſt experience, are ſtill ſo ſanguine as to fancy that 500,000l. will be received from the Eaſt-India Company, to draw the inference which the receipt of thoſe ſums would juſtify. Let me however remark, that even on the ſuppoſition that the taxes would produce a ſum equal to the average of their produce during the laſt four years of peace; that the new taxes ſhould produce to the extent of the ſum for which they were given; that the Eaſt-India Company ſhould pay the five hundred thouſand pounds that is expected; and that the Lottery ſhould be adopted as a permanent ſource of revenue; there will be a deficiency of upwards of ONE MILLION, inſtead of a ſurplus of THREE MILLIONS FOUR HUNDRED THOUSAND POUNDS which has been talked of to the public.

My Lords, I am perfectly ſenſible, that in diſcuſſing the ſtate of our revenue before your Lordſhips I ſubject myſelf to much calumny. I know there are thoſe who will aſſert that ſuch ſtatements can only ſerve as an encouragement to our enemies, who will conſider it as likely to promote in them an inclination to continue this unfortunate war, or to inſiſt upon unreaſonable conditions of peace.

To prevent the calumnies of the malicious is impoſſible; but I ſhould be ſorry indeed not to feel ſatisfied in my own mind that the ſource of every inſinuation of this deſcription muſt be evident. Can we really ſuppoſe, if the ſituation of our revenue was even more deſperate than the circumſtances of the caſe have authoriſed me to ſtate to your Lordſhips, that our enemies would from thence conclude our exertions were likely to be diminiſhed in war? No, my Lords, the French of all nations are the laſt who can think that derangement of finance can impede exertion againſt external enemies: they muſt have benefited little indeed by the experience of their own ſituation for the laſt three years, if they can flatter themſelves that derangement or even the ruin of ſucceſſive ſyſtems of finance can check the exertions of a country againſt its enemies. Whilſt I have therefore the happineſs to think that by ſuch inveſtigations I can do no injury, I have the ſatisfaction to feel, that by laying open the ſituation of the finances of the country I have the proſpect of doing much good. For if in this age we have learnt that derangement of finance conſtitutes no impediment to the exertions a nation may diſplay againſt its enemies, we have had awful experience of the fatal effects attending it on the interior government of a country. It is to the Public, who are in poſſeſſion of this knowledge, I wiſh, through the ſtatement I have made, to appeal; for, from the Miniſter I expect nothing. He indeed has had the direction of the revenue at a time when he might have done more honour to himſelf, and entailed more important benefits on his country, than any man

 ever

ever had an opportunity of doing. But who can reflect upon the management of the finances of this nation without regretting the infallible evidence of incapacity it exhibits—without feeling for the ill-placed puſillanimity that prevented ſome of thoſe taxes which the war has rendered neceſſary from being brought forward at the commencement of the laſt peace—a meaſure that would have inſured to the country all the benefits it muſt have derived from adopting thoſe improved plans for liquidating the national debt ſubmitted to the Government by the late Dr. Price. But the timidity that prevented the impoſition of taxes for the beneficial purpoſes of extinguiſhing the debt, has totally vaniſhed when the miſchievous expences of warfare are to be provided for. Annual additions have been made to that ſinking fund which it was thought formerly impracticable to augment; leaving us but too juſt reaſon to conclude, that however the public may look forward to it as affording the only probable proſpect of future relief to the people of this country from the oppreſſive taxes to which they are ſubjected, the government of the country regard it as an engine by which they may with the greater facility augment our debt, and conſequently increaſe our burthens. That it has this effect is certain. No man can look at the price of our funds, at the ſums of money which have been borrowed, and the intereſt which has been paid for it, without being convinced of the operation of the ſinking fund in this point of view. In wiſe, in cautious hands, who could be encouraged to involve the country in none but expences of abſolute neceſſity, and thoſe conducted with

 frugality,

frugality, this might be conſidered as one of the moſt advantageous circumſtances of this financial ſyſtem; but it affords a melancholy object of contemplation to perceive, that the favourite point of view in which our miniſters regard it, is the facility it gives the carrying on with unprecedented profuſion a conteſt, which, as it derived its origin from their prejudices, owes its continuation to their pride and obſtinacy. In the hands of a raſh and unthinking artiſt, the perfection of the machinery only enables him to do the greater degree of miſchief; and it is that your Lordſhips and that the Public may be convinced of the extent of the miſchief already done, that I recommend to your moſt ſerious conſideration the following

RESOLUTIONS:

I. That it appears to this Houſe, that the amount of the funded debt incurred during the preſent war is 93,846,000l.

II. That it appears to this Houſe, that the ſum voted for the ſervice of the preſent year (excluſive of the civil liſt and intereſt of the national debt) amounts to 33,262,360l.

III. That it appears to this Houſe, that the amount of permanent taxes impoſed during the preſent war is 4,423,351l.

IV. That it appears to this Houſe, that a ſum of ten millions muſt, on the concluſion of the war, be raiſed, for the diſcharge of arrears and other incumbrances, the intereſt of which, including the proviſion to be made by the 32d of Geo. III. c. 55, will amount to 600,000l.

V. That

V. That it appears to this Houſe, that the ſum of 200,000l. is annually voted by Parliament to be added to the fund for the reduction of the national debt.

VI. That the probable increaſe of the peace eſtabliſhment, at the concluſion of the preſent war, will amount to 500,000l.

VII. That the annual peace expenditure, calculated on an average of five years, ending 5th January 1791, and including the ſum annually applied to the reduction of the national debt, amounted to the ſum of 16,816,984l.

VIII. That it appears to this Houſe, that the abovementioned ſums of 16,816,984l.—500,000l.—200,000l.—600,000l.—and 4,423,351l. making together the ſum of 22,540,335l. muſt be provided for, as the loweſt future peace expenditure which can be eſtimated, even ſuppoſing the war to conclude with the preſent year.

IX. That it appears to this Houſe, that the total produce of the taxes for the year ending the 5th of April 1796, deducting an occaſional payment for the ſtock of wine on hand, amounted to 15,603,285l.

X. That it appears to this Houſe, that the eſtimated produce of the new taxes impoſed in the preſent ſeſſion is 1,678,000l.

XI. That it appears to this Houſe, that the land and malt taxes are calculated by a Committee of the Houſe of Commons to produce the ſum of 2,558,000l.

XII. That it appears to this Houſe, that, calculating the amount of the taxes exiſting previous to the war to produce the ſame on the

return

LORD AUCKLAND's Comparative View of certain Public Circumſtances,

IN THE RESPECTIVE PERIODS OF 1783-4, AND 1795-6.

PRICE of the 3 per Cent. Conſols. January 27, 1784 - - - -	£. 55
Ditto May 2, 1796 * - - -	66
Price of India Stock, Jan. 27, 1784 - -	£. 121
Ditto May 2, 1796 † - - -	209
Total Value of Imports in 1783 - -	£. 13,325,000
Ditto in 1795, including Prize Goods to the Amount of £. 907,000. - - -	22,175,000

* 3 per Cents are now 64.

OBSERVATIONS ON Lord Auckland's Comparative View.

PRICE of 3 per Cent. Conſols. May 1783 -	£. 68
Ditto May 1796 - - -	66

Three per Cents. in the Year 1733, were at no Time ſo low as £. 55.

India Stock, May 1783 - - -	£. 1 8
Ditto May 2, 1796, if a Deduction is made for the additional 2¼ Dividend given by Parliament ſince 1783 - - -	163

It is much to be doubted, how far theſe comparative Accounts of Exports and Imports prove the increaſed Proſperity of the Country. There are many Circumſtances, in our preſent Situation, which tend to ſwell the Account of Exports and Imports, without increaſing the Revenue, as will appear from the following. Though it is an aſtoniſhing Circumſtance that the Importation of Cotton ſhould have diminiſhed at a Time when we poſſeſs ſo many of the French Colonies, yet it is believed that the Importation of Cotton was, in 1789 - - - *lbs.* 32,564,000
1790 - - 31,447,000

* India Stock 195.

return of peace, as they did on an average of four years immediately preceding the war, an improvement in the preſent revenue may be expected to the amount of 757,480l.

XIII. That it appears to this Houſe, that the abovementioned ſums of 15,603,285l.—1,678,000l.—2,558,000l.—and 757,480l. making together the ſum of 20,596,765l. afford the only reſources at preſent exiſting, which can be ſtated as applicable to the future peace expenditure, and that the ſum of 1, 943,570l. (being the difference between the future peace expenditure, eſtimated as above at 22,540,335l. and the future peace income, eſtimated as above at 20,596,765l.) will remain to be provided for.

XIV. That it appears to this Houſe, that the ſum of 500,000l. is annually due from the Eaſt-India Company to the public, provided that a certain ſurplus profit ariſes to the ſaid Company, after diſcharging the whole of their regular payments; but that no payment on the above account has been received by the public, ſince the 1ſt of April 1794.

XV. That it appears to this Houſe, that a Lottery may be eſtimated to produce a ſum of about 250,000l.

LORD

LORD AUCKLAND's
Comparative View of certain Public Circumſtances,
IN THE RESPECTIVE PERIODS OF 1783-4, AND 1795-6.

PRICE of the 3 per Cent. Conſols. January 27, 1784 - - - -	£. 55
Ditto May 2, 1796 * - - -	66
Price of India Stock, Jan. 27, 1784 - -	£. 121
Ditto May 2, 1796 † - - -	209
Total Value of Imports in 1783 - -	£. 13,325,000
Ditto in 1795, including Prize Goods to the Amount of £. 907,000. - - -	22,175,000
Total Value of Exports in 1783 - -	£. 14,741,000
Ditto in 1795 - - - -	27,270,000
Value of Britiſh Manufactures exported in 1783 -	£. 10,409,000
Ditto in 1795 - - - -	16,526,000
Foreign Produce exported in 1783 - -	£. 4,332,000
Ditto 1795 - - - -	10,743,000
Cotton Wool imported on the Average of five Years, to 1783 inclusive - - -	*lbs.* 5,000,000
Ditto 1795 - - - -	30,000,000

* 3 per Cents are now 64.

† India Stock 195.

OBSERVATIONS
ON
Lord Auckland's Comparative View.

PRICE of 3 per Cent. Conſols. May 1783 -	£. 68
Ditto May 1796 - - -	66

Three per Cents. in the Year 1783, were at no Time ſo low as £. 55.

India Stock, May 1783 - - -	£. 1[illegible]8
Ditto May 2, 1796, if a Deduction is made for the additional 2¼ Dividend given by Parliament ſince 1783 - - -	163

It is much to be doubted, how far theſe comparative Accounts of Exports and Imports prove the increaſed Proſperity of the Country. There are many Circumſtances, in our preſent Situation, which tend to ſwell the Account of Exports and Imports, without increaſing the Revenue, as will appear from the following Account:—

Total Value of Imports in 1791 - -	£. 19,669,782
Ditto Exports - -	22,731,995
Total Imports and Exports in 1791 -	£. 42,401,777
Total Value of Imports in 1794 - -	£. 22,288,894
Ditto Exports in 1795 - -	27,270,553
	£. 49,559,447
Total Imports and Exports, 1794-5 - -	£. 49,559,447
Ditto, 1791 - -	42,401,777
Increaſe of Imports and Exports 1794-5	£. 7,157,670
Total Produce of Taxes in 1791, deducting thoſe taken off in 1792 - -	£. 13,912,000
Produce of ſame Duties in 1795 - -	13,058,527
	£. 853,473

Thus it appears that the Produce of the ſame Taxes in 1795 was leſs than in 1791 by £. 853,473; although the Imports and Exports had increaſed £. 7,157,670.

In the Year 1783 the Improvements in Machinery that have contributed to the rapid and aſtoniſhing Increaſe of that Manufacture were recently introduced, which points it out as a very unfair Period to ſelect for ſuch a Compariſon. In that Year, however, ſo far as I can obtain any Information, the Importation of Cotton was - - 7,800,000

The Importation for 5 Years antecedent to that Period, I have alſo Reaſon to believe, was,

In 1778 - -	7,400,000
1779 - -	4,800,000
1780 - -	7,600,000
1781 - -	5,200,000
1782 - -	11,800,000
	36,800,000
Average Annual Produce - - -	*lbs.* 7,360,000

Though it is an aſtoniſhing Circumſtance that the Importation of Cotton ſhould have diminiſhed at a Time when we poſſeſs ſo many of the French Colonies, yet it is believed that the Importation of Cotton was, in 1789 - - - *lbs.* 32,564,000

1790 - -	31,447,000

Value of British Merchandize exported to the East Indies in 1783 - - -	£. 621,921
Ditto in 1795 - - - -	2,229,444

Net Revenue of the different Settlements of the East India Company, above the Charges, 1783 -	0 0
Ditto in 1795 - - -	£.2,600,000

Amount of the East India Company's Sales in 1783	£. 3,363,800
Ditto in 1795 - - -	6,191,894

	Vessels.		Tons.
British Ships entered inwards in 1783 -	7,690	—	812,960
Ditto 1795 - - -	10,174	—	1,262,568

	Vessels.		Tons.
British Ships cleared outwards in 1783	7,729	—	870,270
Ditto in 1795 - -	10,133	—	1,164,910

	Vessels.		Tons.		Men.
Total Number of Ships belonging to the British Empire in 1789	14,310	—	1,395,074	—	108,962
Ditto 1795 -	16,802	—	1,589,162	—	119,194

Amount of permanent Taxes on a 3 Years' Average, to Jan. 5, 1784 - - -	£.9,876,000
Amount of the same Taxes, after making all Allowances for the intermediate Changes and Arrangements of the Revenue, on a 3 Years' Average, to Jan. 5, 1795 - - -	12,381,000

In the East India Budget of last Year, Goods and Stores exported between March 1, 1794, and March 1, 1795, are stated at - -	£.1,206,802
Estimated Amount of ditto, between March 1795, and March 1796 - - -	1,106,447
The Net Revenues above the Charges in the Budget of last Year are stated to be - -	1,654,852
Those of 1794-5 are estimated at - -	1,430,697

The Excess of Sales arises principally from the Quantities of Teas sold; the Company now selling near 20,000,000 lbs. whereas they never formerly sold above 6,000,000. The comparative Situation of the Company in the Years 1783 and 1796 may be collected from the following Statement:—

Stock, per Computation, 1796, Balance in favour of the Company - - -	£.6,734,264
Ditto 1783, ditto - -	3,968,481
Increased Balance in favour of the Company	£.2,765,783
Received by the Company in 1788, on an increased Capital of £.800,000, at 195 per Cent. -	£.1,240,000
Ditto 1789, on ditto, £.1,000,000, at 170 per Cent.	1,700,000
Ditto 1793, on ditto, £.1,000,000, at 200 per Cent.	2,000,000
	£.4,940,000
From that take £.2,765,783, the increased Balance as above -	2,765,783
The Remainder, which appears to be a Balance against the Company, gives no very favourable Idea of their increasing Prosperity	£.2,174,217

I. It must be observed, that the Medium of the old Taxes, existing before the War for 9 Years to Michaelmas 1782, was - -	*£. 8,144,304
From Michaelmas 1781, to ditto 1782, the Produce of the old Taxes was - - -	* 7,897,307
From Michaelmas 1782, to ditto 1783, the same Taxes produced only - -	* 6,933,928
Thus in the Commencement of the 3 Years selected for this Comparison, we find the Produce of the old Taxes for one Year decreased £. 246,997 below the Average Produce of them for 9 Years, to Michaelmas 1782, and towards the Conclusion of these favourite 3 Years, the Produce of the same Taxes decreased - -	£. 1,210,376

II. The Arrangements in the Revenue have been so various and numerous, that it appears impracticable to calculate what Allowance can with Justice be made for them.

Lord Auckland explained that this Calculation was made by deducting £. 1,400,000, the Amount (as he supposed) of the Taxes laid on since 1784. It would, however, be easy to show, that the Taxes and Arrangements from 1784 to 1790 produced near a Million more.

* See Dr. Price's Postscript to his State of the Finance, 1783.

Resolutions, after stating every future Prospect in the most sanguine Manner, that the Deficiency will be about TWO MILLIONS; of course, if we should unfortunately have another Year of War, Taxes must be provided for at least FOUR MILLIONS.

* Nothing is allowed on account of the Land and Malt, which is certainly included in the Bank Advances: but Lord Auckland has not explained whether in his Account of 1783 the Total of £. 27,275,386 is not made up in the same way.

Navy Debt, outſtanding and unprovided for in December 1783 - -	£.15,510,767
Ditto 2d May 1796 - - -	2,300,000

I. If the Navy Debt outſtanding in December 1783 had been compared with the Navy Debt December 1795, the Account would have ſtood thus:	
Navy Debt 1783, ſuppoſing the Statement made to be accurate - - - -	£.15,510,767
Ditto December 1795, £.12,321,828	
Sum borrowed from the Aids of 1796 to pay Navy Debt - 1,546,758	
	13,868,586
II. It is impoſſible to imagine how this Sum of £.2,300,000 ſtated as Navy Debt May 2, 1796, is obtained. The Sum left unprovided for, December 31, 1795, is a Sum equal to the exiſting Navy Debt, December 1792, £.2,700,000. The Bills ſince regiſtered on the courſe of the Navy, Victualling, and Tranſport Office, amount to £.2,822,389.	

Bank advanced April 5, 1783 - -	£.11,279,000
Ditto May 2, 1796 - - -	11,132,000

Suppoſing that the Bank Advance 5 April 1783 as ſtated accurately at £.11,279,000, it would have been fair in ſuch a Compariſon to have ſtated that the Balance of the Bank was on	
12th September 1795 - -	£.11,882,710
9th December 1795 - -	12,275,386
31ſt December 1795 - -	11,643,700

Amount of outſtanding Debts and Demands and floating and unfunded Debt in January 1784, excluſive of Two Millions to American Sufferers, the Debentures for which have ſince been diſcharged - - - -	£.27,000,000
Ditto May 2, 1796	

This appears unintelligible, conſidering that the Bank Advance is admitted to be as antecedently ſtated	£.11,132,000
That the Navy Debt is admitted to be - -	2,300,000
If this Account had been made up in the Month of January inſtead of May 2, 1796, it would have ſtood thus:	
Bank Advances, December 1795 - -	* 12,275,386
Navy Debt December 1795 - - -	13,000,000
Arrears due to the Army January 1, 1796 -	1,065,579
Deficiency of Conſolidated Fund - -	1,200,000
	£.27,540,965

Sinking Fund in 1783 - - -	
Ditto May 2, 1796 - - -	£.2,400,000

In 1783 there was a Thing called a Sinking Fund, which gave the Idea of a Surplus.	
In 1796 there is a Thing called a Sinking Fund, that may hold out the ſame Idea; but in Reality, ſo far from being any in 1783 there was a Loan to the Extent of £.12,000,000	
In 1796 Two Loans to the Extent of £.25,500,000.	
And in borrowing the £.12,000,000 the Public were loaded with a ſmaller permanent Intereſt than that given for the Loan of the preſent Year. Though it muſt be obſerved, that a Burthen of £.1 10s. was laid on the Public for every £.100 included in the Loan of this Year.	

Amount of Revenue (including the Land and Malt) below the computed Expenditure on a Peace Eſtabliſhment of 15 Millions in 1783 -	£.2,000,000
Amount of Revenue (including the Land and Malt) above the computed Expenditure on a ſimilar Peace Eſtabliſhment, with the Addition of increaſed Charges for the Debt incurred by the preſent War in 1795 - - -	3,400,000

I. To talk of a Peace Eſtabliſhment of Fifteen Millions, can only ſerve to deceive.	
The Average Peace Eſtabliſhment from the Year 1786 to the Year 1790 was - - -	£.16,816,985
No one has yet denied that our Expences muſt be increaſed in future at leaſt - - -	500,000
	£.17,316,985
II. Inſtead of a Surplus of THREE MILLIONS FOUR HUNDRED THOUSAND POUNDS, the Reaſons are aſſigned in the foregoing Speech for thinking that there will probably be a Deficiency of upwards of FOUR MILLIONS if we ſhould have an immediate Peace, and of Six Millions ſhould there be another Year of War. And it appears from the Reſolutions, after ſtating every future Proſpect in the moſt ſanguine Manner, that the Deficiency will be about TWO MILLIONS; of courſe, if we ſhould unfortunately have another Year of War, Taxes muſt be provided for at leaſt FOUR MILLIONS.	

* Nothing is allowed on account of the Land and Malt, which is certainly included in the Bank Advances; but Lord Auckland has not explained whether in his Account of 1783 the Total of £.27,275,386 is not made up in the ſame way.

* See Dr. Price's Poſtſcript to his State of the Finance, 1783.

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