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THE  
T E R M S  
OF ALL THE  
L O A N S

WHICH HAVE BEEN RAISED FOR THE PUBLIC  
SERVICE DURING THE LAST FIFTY YEARS:

WITH AN

INTRODUCTORY ACCOUNT

*Of the principal Loans prior to that Period,*

AND

OBSERVATIONS ON THE RATE OF INTEREST

PAID FOR THE MONEY BORROWED.

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1799.

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P R E F A C E.

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THE comparative advantage or disadvantage of the terms, on which the public debts have been contracted at different periods, has frequently been misrepresented, either from misconception or for party-purposes, though it is evidently a subject on which the truth is very easily ascertained. The economy or extravagance of every transaction of this kind depends on its correspondence or disagreement with the price of the public funds, and the current rate of interest at which money could be obtained on good security at the time the bargain was concluded; and, consequently, a loan, on which the highest interest is paid, may have been obtained on the best terms that could be made at the time it was negotiated. The interest paid, however, forms the real burthen of each loan to the country; for, since the mode of buying up  
stock

stock at the market-price has been adopted in the redemption of the debt, the nominal capital that is created has become but of little importance, though certainly not to be wholly disregarded, even if there is no hope of the redemption of the debt ever bearing a greater proportion to its increase than at present. The following pages furnish the means of comparison with respect to the amount or interest of the different loans, and may, in some cases, be useful for the purpose of reference to persons concerned in these transactions.




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*T E R M S*

OF ALL THE

*L O A N S, &c.*

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THE practice of borrowing money, towards defraying the national expenses on extraordinary occasions; had been adopted by other states long before its introduction here; for, though some of the kings of England attempted to provide for emergencies by voluntary or forced *loans*, there were no transactions of this kind that could be considered as public debts till the reign of William III. when parliament sanctioned the practice, in order to raise greater sums than the revenue would have produced within the current year. The first loans were generally obtained by mortgaging the produce of a particular tax for such a number of years as were supposed would be sufficient for discharging both the principal and interest of the sum borrowed, which naturally introduced the more regular mode of re-payment by terminable annuities: but these methods of raising money required large funds for the annual payments, and consequently a great increase of taxes, which was the object to be avoided: it was therefore soon discovered that it would be more convenient to borrow on per-

B perpetual

*TERMS*

petual annuities, that is, to pay a fixed rate of interest for the money advanced till re-payment of the principal, but without stipulating to make such re-payment at any particular time, or even any express agreement to ever re-pay it, and, sometimes, on condition that the money should *not* be re-paid till after a certain period. The first loans of this kind were, £1,200,000 advanced by the Bank, at the time of its establishment in 1694, for which 8 per cent. interest was paid; and £2,000,000 advanced by the new East-India Company, in 1698, at the same interest.

During the reign of Queen Anne, loans were chiefly raised on annuities for the term of 99 years, till 1711, when, by the establishment of the South-Sea Company, various debts, amounting to £9,177,967 : 15 : 4, were converted into a permanent capital bearing 6 per cent. interest. About this period, *lotteries* were also frequently adopted for raising money for the public service; thus, in 1710, the sums of £1,500,000 and £900,000 were raised upon separate lotteries; the first consisted of 150,000 tickets at £10 each, every ticket being entitled to an annuity for 32 years; the blanks at 14s. per annum, and the prizes to greater annuities, from £5 to £1000 per annum. The books for receiving the subscriptions were opened on January 20, 1710, at Mercers' chapel, this being the first lottery on which the Bank received the subscriptions for government. The whole contribution was to be paid on or before September 1, and interest at 8 per cent. per ann. was allowed to the subscribers from the day of payment to September 29, the time from which the annuities commenced. The second lottery was likewise for annuities for 32 years.

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In 1711, £1,500,000 was raised by a lottery of 150,000 tickets, at £10 each. The whole money advanced was to be re-paid both on blanks and prizes in 32 years, with interest at 6 per cent. and the additional sum of £428,570 to be divided among the prizes, and paid, with the like interest, in 32 years. Premiums had before been paid, for the circulation of Exchequer-Bills, but the additional capital given on this loan, amounting to £28 : 11 : 5 per cent. on the sum borrowed, may be considered as the first instance of a *douceur* to the subscribers on the plan, that has become so common of late, of entitling them to a larger capital than the sum actually advanced, a practice which has contributed much to the enormous magnitude of the public debt. The sum of £2,000,000 was also raised by another scheme, called a *clafs-lottery*, consisting of 20,000 tickets of £100 each, the blanks being entitled to a profit of £10 each, so that, in fact, it consisted of all prizes. The capital created was £2,602,200, which bore interest at 6 per cent. per ann. payable quarterly till the principal was re-paid: the premium given on this loan was therefore £30 : 2 : 2 per cent. and the interest equal to £7 : 16 : 1½ on the sum advanced. This mode of raising money by lotteries, with re-payment of the sum borrowed in the course of 32 years, was followed in 1712, 1713, and 1714: in the latter year, though the interest paid was equal to only £5 : 7 : 2 per cent. on the sum borrowed, the premium allowed was upwards of £34 per cent; but, as peace was restored, and the legal rate of interest had been reduced to 5 per cent. it seems that a larger premium was allowed for the sake of appearing to borrow at a moderate rate of interest.

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In 1715, £910,000 was borrowed on 5 per cent. annuities, which was the first loan on perpetual annuities for which the Bank undertook to receive the subscriptions for government. The farther sum of £169,000 was also obtained at 5 per cent.

In the beginning of 1717, a resolution was passed, probably with the view of ascertaining how far an intended reduction of interest on the public debts might be carried, "That whosoever should advance any sum, not exceeding £600,000, for the service of the public, should be re-paid the same, with interest at *four* per cent. out of the first aid granted in that session." The resolution caused some alarm to the stock-holders and other moneyed persons, from an apprehension that it might be the intent of government to reduce the interest on other public securities to this rate; and, either from there being many ways of employing money to more advantage, or from disapprobation of the measure, only the small sum of £45,000 was subscribed towards this loan on the three following days after passing the resolution; and, after having tried in vain for some time to get it filled up, it was at length found necessary to raise the interest to 5 per cent. on which the whole was immediately subscribed.

After the reduction of interest, government was enabled to borrow, in 1719, the first year of a war, £500,000 on 4 per cent. annuities, payable at the Bank, which was raised by a lottery of 168,665 tickets at £3 each, making in the whole £505,995, of which £5995 was for the expense of drawing the lottery: also, the like sum of £500,000, on 4 per cent. annuities, payable at the Exchequer, by a similar lottery, the chances of  
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which were determined by the drawing of the former. In 1720, £312,000 was likewise borrowed at 4 per cent.; but there were some advantages given to the subscribers in the time from which the interest commenced, and the discount allowed for prompt-payment, which made it equal to about £4:2:9 per cent. interest.

The great depression of public credit, occasioned by the failure of the South-Sea Company's project, rendered it necessary to allow *six* per cent. interest for the temporary loan of £1,410,000 on the Land-Tax for the year 1721, though, for some years past, it had been readily obtained at 5 per cent.; and, to procure the similar advance on the malt-duty, a lottery was adopted of 70,000 tickets at £10 each, with an addition of 5 per cent. to the sum borrowed, the whole £735,000 bearing 4 per cent. interest from June 24, 1722, till paid off. In the same year, £500,000 was borrowed at 5 per cent. for discharging the debts of the civil list, which being again considerably in arrear in 1725, £1,000,000 was then raised on Exchequer-Bills, half of which sum was appropriated for redeeming the 5 per Cents. and the remainder applied to the discharge of the new debts. These Exchequer-Bills were paid off in the following year by £1,000,000 raised on 3 per cent. annuities, since commonly known by the title of "3 per Cents. 1726."

In 1728, the Bank advanced £1,750,000 on 4 per cent. annuities, to enable government to pay off other debts; and, in the following year, a farther sum of £1,250,000 was likewise advanced on 4 per cent. annuities; the Bank, in both instances, being re-paid a part of the former debt due to them, bearing the same interest.

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rest. It does not appear that any saving of interest was effected by this measure; the object of it was probably of a different nature.

In 1731, £400,000 was borrowed on  $3\frac{1}{2}$  per cent. annuities, which have since been paid off. £800,000 was likewise raised by a lottery of 80,000 tickets, at £10 each, the blanks being entitled to £7:10 each, and the whole bearing interest at 3 per cent. payable at the Bank. During this period of general peace, the Sinking-Fund, which had been established for the redemption of the debt, was first openly diverted from its object; and, after nearly the whole produce thereof had been for several years applied towards the current services, it was discovered, that, by borrowing the sums wanted towards the supplies, and charging the interest only on the fund, a considerable yearly sum would remain for carrying on the appearance of paying off the national debt, or to be applied at any future time to other purposes; accordingly, in 1736, £600,000 was borrowed on 3 per cent. annuities; and, in 1738, £300,000, likewise on 3 per cent. annuities, charged on the fund.

The commencement of the war, which began in 1739, did not much affect the public funds; of course the loans were for some time obtained on moderate terms. The first was an anticipation of the salt-duties, which was afterwards paid off in course. In 1742, £800,000 was raised on 3 per cent. annuities: the discount allowed for prompt-payment was £7677:7:3, and the allowance to the Bank for receiving the subscriptions, which had hitherto been at the rate of £805:15:10 per million, was only £500, being at the rate of £625 per million. In 1743, £1,800,000 was borrowed on 3  
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per cent. annuities, and a lottery of 80,000 tickets, of which the blanks were entitled to £7 each. In 1744, the like sum of £1,800,000 was raised by loan, viz. £1,200,000 on 3 per cent. annuities, with a premium of 3 per cent. to be paid out of the purchase-money, and £600,000 on a lottery of 60,000 tickets, attended likewise with 3 per cent. annuities. There was also a loan of £1,000,000 from the East-India Company at 3 per cent. In 1745, besides £1,000,000 in anticipation of the salt-duties, £2,000,000 was raised by loan, viz. £1,500,000 on 3 per cent. annuities, and £500,000 on a lottery of 50,000 tickets, attended likewise with 3 per cent. annuities, and every contributor of £100 for 10 tickets was also entitled to an annuity of £4:10 for his own life, or that of any other person he should nominate. The alarm in this year, occasioned by the Pretender landing in Scotland, had a considerable effect on the public funds; 3 per Cents. which in May had been upwards of £93, fell, towards the end of September, to £84 $\frac{1}{2}$ . In the beginning of the following year they were still lower; and, after an ineffectual attempt to obtain from individuals the usual loan on the Land-Tax, government was under the necessity of entering into an agreement with the Bank, who engaged to advance *one million* at 4 per cent. upon the land and malt duties together, on condition that not more than £250,000 should be demanded at a time, and that they should each time have a fortnight's notice. The loan for this year was £3,000,000, viz. £2,500,000 on 4 per cent. annuities from March 25, and £500,000 on a lottery of 50,000 tickets, attended likewise with 4 per cent. annuities, but commencing from December 25; every contributor of £100 for 10 tickets was likewise entitled

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entitled to an annuity of £9 for his own life, or any other life he chose to nominate. In 1747, £4,000,000 was raised on 4 per cent. annuities, at £110 stock for every £100 advanced: the discount allowed was at the rate of 5 per cent. per ann. and the greater part of the subscribers appear to have availed themselves of it. The subscription to this loan was opened December 12, 1746, and, in less than four hours, *seven* millions were subscribed for, and more might have been obtained; a remarkable difference from the beginning of the year, when, as before-observed, it was found impracticable to obtain by public subscription the temporary advance on the Land-Tax. A separate loan of £1,000,000 was also raised, in 1747, on a lottery of 100,000 tickets at £10 each, the whole bearing interest at 4 per cent. In this lottery only 50,000 tickets were drawn, which determined the corresponding tickets of the other 50,000; each 50,000 consisted of 7150 prizes, amounting to £242,900, and 42,850 blanks at £6 each, amounting to £257,100, and making, with the prizes, £500,000. In 1748, £6,300,000 was raised on 4 per cent. annuities, with a lottery-ticket entitled to £10 additional stock, bearing the same interest, for every £100. The money was advanced by 10 instalments of 10 per cent. each, and discount at 5 per cent. was allowed for prompt-payment. The success of the open subscription in the preceding year caused the same mode to be adopted for this loan; and there was soon a much larger sum subscribed for than was required: the Omnium was at first at from  $\frac{1}{2}$  to 1 per cent. premium, and continued so till within a few days of the second payment, when it was at par, and soon after at  $\frac{1}{4}$  per cent. discount: from that time it fell rapidly, so that, on the day before the  
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third payment, it was at 17 per cent. discount, though many of the subscribers had made great exertions to make good their payment. For the relief of the subscribers, therefore, the fifth and sixth payments were postponed from April 22 and May 24 to October 22 and November 24, on condition that the subscribers should allow interest, at 4 per cent. from Michaelmas to the time of payment of the sums thus postponed.

Peace being concluded in 1748, and the unfunded debt provided for in the following year, the funds rose very considerably; and it will appear that government were soon able to borrow at 3 per cent. interest.

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1750.



1750.

£ 1,000,000

On Three per Cent. Annuities, commencing from March 25, 1750. The first payment of the annuities to be for *three quarters* of a year, from March 25 to December 25, but the subsequent payments to be half-yearly at Midsummer and Christmas.

Instalments.

- 10 per cent. 20th April.
- 15 ——— 20th June.
- 25 ——— 18th August.
- 25 ——— 18th October.
- 25 ——— 18th December.

This loan was for the purpose of paying off a million, raised by Exchequer-Bills in the preceding year, towards discharging seamen's wages and other arrears of the navy. The current rate of interest having fallen considerably since the peace; it enabled government to reduce the interest payable on the principal part of the public debt, which, at that time, consisted chiefly of 4 per cents. to 3 per cent.; the temporary loans on the Land and Malt Taxes for 1750 were likewise obtained at 3 per cent.; and the above loan was considered an advantageous bargain, as the subscription was filled as soon as it was open. During the month of February, 3 per Cents. had been about 99; but, after the subscription to the reduction of interest, they got up a little, and, in April, were about par.

1751.

£ 2,100,000.

£ 1,400,000 on 3 per Cent. Annuities, and £ 700,000 on a lottery of 70,000 tickets, attended with the like 3 per Cent. Annuities. The first payment of the annuities was computed from the respective times of paying the subscription to December 25, 1751.

Instalments

- |                          |                           |
|--------------------------|---------------------------|
| On the £ 1,400,000.      | On the £ 700,000 lottery. |
| 10 per cent. 15th March. | 10 per cent. 15th March.  |
| 15 ——— 15th May.         | 15 ——— 15th May.          |
| 15 ——— 17th June.        | 25 ——— 12th July.         |
| 25 ——— 12th August.      | 25 ——— 7th Sept.          |
| 10 ——— 28th Oct.         | 25 ——— 7th Oct.           |
| 10 ——— 20th Nov.         |                           |
| 15 ——— 20th Dec.         |                           |

The sum thus raised was for paying off such stockholders as had not signified their consent to the reduction of interest; and, as the principal part of the sums unsubscribed consisted of South-Sea Annuities, the new stock was made transferrable at the *South-Sea House*, where it still remains a distinct capital. On February 21, the day on which the resolutions of the Committee of Ways and Means on the above loan were agreed to by the House of Commons, 3 per Cents. were at 98½, and had been about this price for some weeks past: on March 15 they got up to 99, and on April 25 to par, and continued about par during the remainder of the year.



1755.

£ 1,000,000

By a lottery of 100,000 tickets at £ 10 each. Of the total sum, £ 900,000 was attended with 3 per Cent. Annuities, but commencing from January 5, 1756.

Instalments.

- 20 per cent. 15th April.
- 20 ——— 15th May.
- 20 ——— 30th June.
- 20 ——— 30th July.
- 20 ——— 10th September.

The resolution of the House of Commons for raising this loan was published in the Gazette, April 8, directing the subscription to be received at the Bank, and to close on the 15th. The crowd of persons at the Bank to subscribe was so great, that the counters were broke by their eagerness to get at the books; and, on the close of the subscription, the sum subscribed amounted to £ 3,880,000; in consequence of which a proportionate reduction was made out of each person's share, as every person had liberty to subscribe for any number of tickets, on condition of such reduction, in case the whole sum subscribed exceeded a million.

The allowance to the Bank for receiving the contributions, and the drawing of the lottery, amounted to £ 10,698.

Three per Cents. at the beginning of the year, were at par, but shut for the Midsummer-dividend about 99.

1756.

1756.

£ 2,000,000.

£ 1,500,000 on annuities at 3½ per cent. irreducible for 15 years, and 500,000 on a lottery of 50,000 tickets at £ 10 each, attended with annuities at 3 per cent. The 3½ per Cent. Annuities commenced from February 11, 1756, and the first payment was made January 5, 1757, but the subsequent payments half-yearly. The 3 per Cents. commenced from January 5, 1757. Every subscriber of £ 400 had £ 300 in 3½ per Cents. and £ 100 in lottery-tickets.

Instalments

On the £ 1,500,000.	On the £ 500,000
10 per cent. deposit.	lottery.
15 ——— 30th March.	10 per cent. deposit.
20 ——— 15th May.	20 ——— 22d April.
20 ——— 16th July.	20 ——— 16th June.
20 ——— 16th Sept.	25 ——— 14th August.
15 ——— 30th Oct.	25 ——— 20th Oct.

Those, who paid in the whole subscription before the times appointed, were allowed discount at the rate of 3 per cent. per annum from the day of making such payment to the days on which it was appointed to be made. The sum paid to those who availed themselves of the discount, by paying up their subscription, was £ 12,302 : 10 : 3, and the allowance to the Bank for receiving the contributions, with the charge of drawing the lottery, £ 10,124 : 6 : 6.

The capital of £ 1,500,000 was paid off, when the term, for which it carried 3½ per cent. expired, February 12, 1771. The capital of £ 500,000, carrying 3 per cent. interest, forms part of the present capital of 3 per Cent. Consols.

1757.

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1757.

£ 3,000,000.

Every £ 100 advanced entitled to £ 100 3 per Cent. Annuities, commencing from July 5, and to a life-annuity of £ 1 : 2 : 6, of which the first half-year was payable on January 5, 1758, if the contributors had appointed their nominees by that time.

Instalments.

- 15 per cent. deposit May 4.
- 10 ——— 4th June.
- 15 ——— 7th July.
- 15 ——— 18th August.
- 15 ——— 21st September.
- 15 ——— 10th November.
- 15 ——— 22d December.

The sum to be borrowed was originally fixed at £ 2,500,000, and it was intended to have been raised by a tontine and terminable annuities, the subscribers having the option of subscribing for either. This project did not succeed, only the small sum of £ 313,100 being subscribed; the whole of which was afterwards subscribed into the new loan. Those who had paid on the intended loan more than the deposit of 15 per cent. and taken the discount of 3 per cent. had their money, exceeding the 15 per cent. returned, with interest at 3 per cent. The sum thus paid for interest was only £ 139 : 15 : 7. The 3 per Cents. created by this loan were afterwards added to the capital of 3 per Cent. Consols.

In the beginning of the year, 3 per Cent. Consols were at 86½, but had risen on March 14, when the terms of the intended loan were agreed to by the House of Commons, to about 88½. On May 2 they were at 89, and, in the latter part of the year, were above 91.

1758.

( 15 )

1758.

£ 5,000,000.

£ 4,500,000 on annuities at 3½ per cent. for 24 years from July 5, 1758, and thence 3 per cent; and £ 500,000 on a lottery of 30,000 tickets at £ 10 each, attended with annuities at 3 per cent. commencing from January 5, 1759. Every £ 500 contributed entitled to £ 450 in the 3½ per Cents. and 5 tickets.

Instalments

On the £ 4,500,000.	On the £ 500,000
10 per cent. 29th April.	lottery.
15 ——— 30th May.	10 per cent. 29th April.
15 ——— 28th June.	20 ——— 10th June.
15 ——— 27th July.	15 ——— 10th July.
15 ——— 30th August.	15 ——— 19th August.
15 ——— 27th Sept.	20 ——— 9th Sept.
15 ——— 26th Oct.	20 ——— 9th Oct.

Those, who paid in the whole or any part of their contribution previous to the days appointed, were allowed discount at 3 per cent. per ann. from the days of making such previous payment to the respective days on which the payments were directed to be made: the discount thus allowed amounted to £ 10,431 : 0 : 8. The allowance to the Bank for receiving the subscriptions was £ 4,028 : 19 : 2; for drawing the lottery £ 9,000.

In the beginning of the year, 3 per Cents. rose from 90¼ to upwards of 94, and, on April 29, were about 93½; the same day 3½ per Cents. 1756, were about 99½. Three per Cents. shut for the Midsummer-dividend at 97, but in October fell to 89¼.

August 1, 1758, a subscription for £ 200,000, as a loan to his Majesty in his quality of Elector of Hanover, was opened at the Bank, and immediately filled by eight of the principal merchants and bankers.

1759.

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1759.

£6,600,000.

This was a greater sum than had ever before been borrowed in this country at one time; it was obtained by allowing for every £100 advanced a capital of £105, bearing interest at 3 per cent. per ann. commencing from January 5, 1759, and a lottery-ticket, entitling to a farther capital of £10, bearing the same interest, but commencing from January 5, 1760.

Instalments.

- 15 per cent. 13th February.
- 10 ——— 30th March.
- 10 ——— 27th April.
- 10 ——— 31st May.
- 10 ——— 28th June.
- 15 ——— 27th July.
- 10 ——— 31st August.
- 10 ——— 28th September.
- 10 ——— 26th October.

Those, who paid in the whole or any part previous to the days appointed, were allowed discount at 3 per cent. per ann. from the day of making such payment to the respective days on which the payments were appointed to be made. The sum thus allowed for discount was £16,921 : 3 : 2; the allowance to the Bank for receiving the contributions and for the lottery £16,318 : 4 : 6.

The capital of £7,590,000, created by this loan, was afterwards added to the capital of 3 per Cent. Consols.

At the time of negotiating this loan, 3 per Cents. were about 88½, but fell before the end of February to 86, and in March to 82½. In April and May they were still lower, in consequence of the alarm of an invasion, and in June, were at 79. In July they still continued falling, but afterwards got up very considerably.

1760.

( 17 )

1760.

£8,000,000.

Every £100 advanced entitled to an annuity of 4 per cent. for 21 years, from January 5, 1760, and afterwards 3 per cent.; with an additional capital of £3, consisting of a lottery-ticket, bearing the like interest of 4 per cent. for 20 years, from January 5, 1761, and afterwards 3 per cent.

Instalments.

- |                        |                       |
|------------------------|-----------------------|
| 15 per cent. 15th Jan. | 10 per cent. 3d July. |
| 10 ——— 26th Feb.       | 15 ——— 14th August.   |
| 10 ——— 25th March.     | 10 ——— 16th Sept.     |
| 10 ——— 29th April.     | 10 ——— 29th Oct.      |
| 10 ——— 31st May.       |                       |

Those, who paid in the whole on or before the 16th of September, were allowed discount at 3 per cent. per annum, from the day of payment to the 29th of October, the day of the last instalment; and those, who possessed Exchequer-Bills, issued under the Vote of Credit of the preceding session, were at liberty to pay them in; the bills, with the interest due thereon, being taken as cash in the payments on the loan. The discount allowed amounted to £56,755 : 4 : 5. The allowance to the Bank for receiving the subscriptions was £6446 : 6 : 8; for drawing the lottery, £11,000.

The capital created by this loan was £8,240,000; the interest on which was payable at Christmas and Midsummer, till 1765, when it was thought more convenient to alter the time of payment to Lady-day and Michaelmas, which was effected by making a quarterly payment in that year.

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1761.

( 18 )

1761.

£ 12,000,000.

£11,400,000, on 3 per Cent. Annuities, commencing from January 5, 1761, with an annuity of £1:2:6 per cent. for 99 years, from the same time; and £600,000 by a lottery of 60,000 tickets, at £10 each, attended with like 3 per Cent. Annuities, but commencing from January 5, 1762.

Instalments

On the £ 11,400,000.	On the £ 600,000
15 per cent. 3d Jan.	lottery.
15 ——— 28th Feb.	15 per cent. 3d Jan.
10 ——— 14th April.	25 ——— 21st March.
10 ——— 27th May.	30 ——— 29th April.
10 ——— 23d June.	30 ——— 15th July.
10 ——— 31st July.	
10 ——— 28th August.	
10 ——— 25th Sept.	
10 ——— 20th Oct.	

Those, who paid in the whole of their subscription on the £11,400,000 on or before the 18th of September, were allowed discount at the rate of 3 per cent. per annum, from the day of completing their payment to the 20th of October.

From the annuities for 99 years, granted on this loan, amounting to £128,250 per annum, originated the present fund of *Long Annuities*; the additions that have been since made, all extending to the same period as the above.

The terms of the loan were settled about the middle of December, 1760, when 3 per Cents. were about 76; in January, 1761, they were under 75; in February, 73½; in April, they rose from 77 to 88¼; but, in July and August, got down again; in September, to 74½; in October, to 71½; in November, to 71⅞; and, in December, to 69.

1762.

( 19 )

1762.

£ 12,000,000.

Every £100 advanced was entitled for £80 thereof to £100 stock, bearing 4 per cent. interest for 19 years, from January 5, 1762; and, at the expiration of that term, to become 3 per cent. redeemable at par. And, for the remaining £20, an annuity of £1 for 98 years, from the 5th of January. The whole sum was thus divided into £9,600,000, paid in respect to the 4 per Cent. Stock; and £2,400,000, paid in respect to the Terminable Annuities.

Instalments

On the £ 9,600,000.	On the £ 2,400,000
15 per cent. 23 Dec. 1761.	for the
10 ——— 10 Feb. 1762.	£ 1 per Cent. Annuities.
10 ——— 23d March.	15 per cent. 23d Dec.
10 ——— 21st April.	25 ——— 10th March.
10 ——— 26th May.	30 ——— 12th May.
10 ——— 23d June.	30 ——— 21st July.
15 ——— 18th August.	
10 ——— 17th Sept.	
10 ——— 20th Oct.	

Those, who paid in the whole on the 4 per Cents. before the 18th of September, or on the £1 per Cent. Annuities before the 13th of May, were allowed discount, at 3 per cent. per annum, from the day of completing their payment to the 20th of October on the former, and to the 21st of July on the latter.

On the 23d of December, 1761, 3 per Cent. Consols were 69½. The declaration of war with Spain produced a farther depression of the funds; and, at the end of January, 1762, 3 per Cents. were down to 61¼, which appears to have been the lowest price during the war.

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1763.

1763.

£3,500,000.

£2,800,000 on 4 per Cent. Annuities, commencing from April 5, 1763, and £700,000 on two lotteries of 35,000 tickets, at £10 each, attended with 4 per Cent. Annuities, commencing from the same time. Every £100 advanced entitled to £80 of the 4 per Cents, and to one ticket in each lottery. The two lotteries were drawn at different times; the first began the 30th of May, and the second the 28th of November; but the schemes were the same,\* every blank being of the value of £5 stock; so that, in fact, they were all prizes.

Instalments

On the £2,800,000.	On the lotteries,
12½ per cent. 15th Mar.	10 per cent. each, 15 Mar.
12½ ——— 10th May.	On the First,
12½ ——— 16th June.	the remaining
12½ ——— 21st July.	90 per cent. 21st April.
12½ ——— 30th Aug.	On the Second,
12½ ——— 27th Sept.	the remaining
12½ ——— 21st Oct.	90 per cent. 11th Oct.
12½ ——— 24th Nov.	

Those, who paid in the whole towards the £2,800,000 on or before the 18th of October, towards the first lottery, on or before the 20th of April, or towards the second lottery, on or before the 10th of October, were allowed discount at the rate of 3 per cent. per annum, from the day of payment to the 24th of November, 21st of April, and 11th of October, respectively.

\* 5,800 prizes - - - £202,500  
 first drawn - - - 500  
 last drawn - - - 1,000  
 39,200 blanks - - - 146,000  
 35,000 tickets. £ 350,000

1766.

1766.

£1,500,000.

£900,000 on 3 per Cent. Annuities, commencing from January 5, 1766; and £600,000 on a lottery of 60,000 tickets, at £10 each, every blank being of the value of £6, and both blanks and prizes attended with 3 per Cent. Annuities, commencing from Jan. 5, 1767. Every £100 advanced entitled to £60 3 per Cent. Annuities, and to 4 tickets.

Instalments

On the £900,000.	On the £600,000
15 per cent. 8th May.	lottery.
10 ——— 9th June.	25 per cent. 10th June.
10 ——— 15th July.	35 ——— 15th July.
15 ——— 15th Aug.	40 ——— 15th Sept.
15 ——— 15th Sept.	
15 ——— 15th Oct.	
20 ——— 15th Nov.	

Those, who paid in the whole on the £900,000 on or before the 13th of October, or on the lottery on or before the 14th of July, were allowed discount at 3 per cent. per annum, from the day of completing the payment to the 15th of November on the former, and to the 15th of September on the latter.

A capital of £3,483,553 : 1 : 10, bearing 4 per cent. interest, had been created in 1763 by funding Navy-Bills; which capital was subject to redemption by payments of not less than £500,000 at a time, upon six months notice being given; and, as money could now be borrowed at a less rate of interest, one-fourth part of the capital, or £870,888 : 5 : 5½ was paid off December 26, 1765, and a like sum Dec. 26, 1766; which payment, with £1,200,000 paid towards reducing the Navy-Debt, rendered the above loan necessary.

1767.

1767.

£ 1,500,000.

£ 900,000 on 3 per Cent. Annuities, commencing from January 5, 1767; and £ 600,000 on a lottery of 60,000 tickets, at £ 10 each, attended with 3 per Cent. Annuities, commencing from Jan. 5, 1768. Every £ 100 advanced entitled to £ 60 3 per Cent. Annuities, and to 4 tickets.

Instalments

<p>On the £ 900,000.</p> <p>20 per cent. 29th April.</p> <p>10 ——— 27th May.</p> <p>10 ——— 26th June.</p> <p>15 ——— 27th Aug.</p> <p>15 ——— 25th Sept.</p> <p>15 ——— 30th Oct.</p> <p>15 ——— 17th Nov.</p>	<p>On the £ 600,000 lottery.</p> <p>5 per cent. 29th April.</p> <p>25 ——— 16th June.</p> <p>30 ——— 28th July.</p> <p>40 ——— 11th Sept.</p>
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Those, who paid in the whole on the £ 900,000 on or before the 27th of October, or on the lottery on or before the 24th of July, were allowed discount, at three per cent. per annum, on the sum paid in advance, from the day of completing the payment to the 17th of Nov. on the former, and to the 11th of Sept. on the latter.

This loan, which, it appears, was obtained nearly on the same terms as that of the preceding year, was likewise raised towards paying off other debts, bearing a higher interest; these were £ 1,741,776 : 10 : 11, remaining of the capital created by funding Navy-Bills in 1763; and £ 875,000, one-fourth part of the capital created by the loan of the same year.

On the 16th of April, when the terms of the above loan were confirmed by the House of Commons, 3 per Cent. Consols were 88½.

1768.

1768.

£ 1,900,000.

£ 1,300,000 on 3 per Cent. Annuities, commencing from January 5, 1768; and £ 600,000 on a lottery of 60,000 tickets, at £ 10 each, attended with like 3 per Cent. Annuities, but commencing from Jan. 5, 1769. Every £ 65 advanced towards the £ 1,300,000 entitled the contributor to 3 tickets in the lottery, on payment of £ 10 for each ticket.

Instalments

<p>On the £ 1,300,000.</p> <p>15 per cent. 18th Feb.</p> <p>10 ——— 19th April.</p> <p>10 ——— 7th June.</p> <p>15 ——— 19th July.</p> <p>15 ——— 20th Aug.</p> <p>15 ——— 21st Oct.</p> <p>20 ——— 25th Nov.</p>	<p>On the £ 600,000 lottery.</p> <p>5 per cent. 18th Feb.</p> <p>25 ——— 17th May.</p> <p>30 ——— 28th June.</p> <p>40 ——— 8th Sept.</p>
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Those, who paid in the whole on the £ 1,300,000 on or before the 17th of October, or on the lottery on or before the 25th of June, were allowed discount, at the rate of 3 per cent. per annum, from the day of completing their payment to the 25th of November on the former, and to the 8th of September on the latter.

A capital of £ 2,625,000, bearing 4 per cent. interest, was paid off in three equal payments of £ 875,000 each. The above sum, which was borrowed towards making these payments, was the last loan raised for this purpose; other methods having been since adopted for the redemption of the debt. In 1770, £ 1,253,700, bearing 4 per cent. interest, was subscribed into the 3 per Cents. on allowing the proprietors an advantage in the purchase of lottery-tickets; and, in 1772, 1774, and 1775, £ 3,500,000 3 per Cents. was discharged, by allowing, for every £ 100 subscribed, a fixed price, with a certain number of tickets at £ 12 : 10 each.

1776.

( 24 )

1776.

£2,000,000.

£1,400,000 on 3 per Cent. Annuities, commencing from the 5th of April, 1776; and £600,000 on a lottery of 60,000 tickets,\* attended with like 3 per Cent. Ann. but commencing from Jan. 5, 1777. Every £100 advanced entitled, for £70 thereof, to £77:10, 3 per Cents. and, for the remaining £30, to three tickets, at £10 each.

Instalments

On the £1,400,000.		On the £600,000 lottery.	
15 per cent. deposit.		15 per cent. deposit.	
15 ——— 30th May.		25 ——— 14th June.	
20 ——— 28th June.		30 ——— 10th Aug.	
15 ——— 31st July.		30 ——— 3d Oct.	
15 ——— 10th Sept.			
20 ——— 24th Oct.			

Those, who paid in the whole on the £1,400,000 at any time after the 5th of July, and before the 7th of September, or on the lottery on or before the 8th of August, were allowed discount on the sum paid in advance, at 3 per cent. per annum, from the day of completing the payment to the respective days fixed for the last instalments.

Though hostilities had actually commenced in America in the preceding year, the funds had been little affected by it, and the loan was obtained on better terms than any that has been negotiated since.

\* S C H E M E.

2 — £20,000 — £40,000	19,100 — £20 — £382,000
3 — 10,000 — 30,000	First drawn, 1st Day, 1,000
5 — 5,000 — 25,000	Ditto - - - 2d Day, 1,000
12 — 2,000 — 24,000	Ditto - - - 3d Day, 1,000
20 — 1,000 — 20,000	Last drawn - - - - - 1,000
50 — 500 — 25,000	
200 — 100 — 20,000	
600 — 50 — 30,000	£600,000

1777.

( 25 )

1777.

£5,000,000.

For every £100 advanced, £100 4 per Cents. from April 5, 1777; also an annuity of 10s. for ten years, commencing from the same time: and, upon payment of the farther sum of £10, to be entitled to a ticket in a lottery of 50,000 tickets, amounting to £500,000; the whole of which was distributed into prizes.

Instalments

On the £5,000,000.		On the £500,000 lottery.	
15 per cent. 23d May.		15 per cent. 23d May.	
15 ——— 30th June.		25 ——— 10th July.	
15 ——— 29th July.		30 ——— 28th Aug.	
20 ——— 5th Sept.		30 ——— 7th Oct.	
15 ——— 29th Oct.			
20 ——— 1st Dec.			

Those, who paid in the whole on the £5,000,000 on or before the 27th of October, or on the lottery on or before the 27th of Aug. were allowed discount, at three per cent. per annum, on the sum paid in advance, from the day of completing their payment to the 1st of Dec. on the former, and to the 7th of Oct. on the latter.

The 4 per Cents. created by this loan, which formed the first capital of the present 4 per Cent. Consol. Bank-Annuities, were made irredeemable for ten years; which term being expired, they are of course now redeemable, upon six months previous notice being given, which is to be inserted in the London Gazette, and affixed upon the Royal Exchange, by authority of parliament; and the payments are not to be less than £500,000 at a time.

E

1778.



1778.

£ 6,000,000.

For every £100 advanced, £100 3 per Cent. Consols, the interest commencing from the 5th of January; and an annuity of £2 : 10 for the term of 30 years, commencing from the same time; or, in lieu of the latter, a life-annuity, payable half-yearly at the Exchequer. Also, every £500 entitled the contributor to 4 tickets in a lottery of 48,000 tickets, on payment of the farther sum of £10 per ticket, amounting to £480,000; the whole of which was distributed into prizes.

Instalments

On the £6,000,000.	On the £480,000
10 per cent. 17th Mar.	lottery.
10 ——— 14th April.	15 per cent. 17th Mar.
15 ——— 19th May.	20 ——— 28th April.
10 ——— 23d June.	20 ——— 3d July.
15 ——— 4th August.	20 ——— 25th Aug.
10 ——— 15th Sept.	25 ——— 9th Oct.
10 ——— 23d Oct.	
10 ——— 20th Nov.	
10 ——— 18th Dec.	

Those, who paid in the whole on the loan on or before the 17th of November, or on the lottery on or before the 21st of August, were allowed discount at 3 per cent. per annum, on the sum paid in advance, from the day of completing their payment to the 18th of Dec. on the former, and to the 9th of Oct. on the latter.

The subscribers were allowed, till the 22d of Dec. the option of nominating lives, in lieu of the annuity, for 30 years; but the latter were generally preferred; the Life-Annuities amounting to only £2,849 : 13, the Annuities for 30 years to £147,150 : 7.

1779.

1779.

£ 7,000,000.

For every £100 advanced, £100 3 per Cent. Consols; the interest commencing from January 5, 1779; and an annuity of £3 : 15 for the term of 29 years, commencing from the same time; or, in lieu of the latter, a life-annuity of the same amount, payable half-yearly at the Exchequer. Also, every £1000 entitled the contributor to 7 tickets, in a lottery of 49,000 tickets, on payment of the farther sum of £10 for each ticket, amounting to £490,000; the whole of which was divided into prizes.

Instalments

On the £7,000,000.	On the £490,000
15 per cent. 2d March.	lottery.
10 ——— 23d April.	15 per cent. 2d March.
15 ——— 28th May.	20 ——— 9th April.
10 ——— 25th June.	25 ——— 7th May.
15 ——— 23d July.	20 ——— 11th June.
15 ——— 27th Aug.	20 ——— 8th Oct.
10 ——— 22d Oct.	
10 ——— 19th Nov.	

Those, who paid in the whole on the loan on or before the 19th of October, or on the lottery on or before the 8th of June, were allowed discount at 3 per cent. per annum, from the day of completing their payment to the 19th of November on the former, and to the 8th of October on the latter.

Those, who paid in the whole by the 30th of June, received the half-year's annuity on the annuities for 29 years, with the half-year's annuity on the 3 per Cents. due July 5.

The annuity on the lives nominated amounted to £5,318 : 18 : 7, and the annuity for 29 years to £257,181 : 1 : 5.

E 2

1780.

1780.

£ 12,000,000.

For every £100 advanced, £100 4 per Cents. irredeemable for seven years and a quarter, the interest commencing from the 5th of January; and an annuity of £1 : 16 : 3 for the term of 80 years, commencing from the same time. Also, every £1000 entitled the contributor to 4 tickets, in a lottery of 48,000 tickets, on payment of the farther sum of £10 for each ticket; amounting in the whole to £480,000.

Instalments

On the £ 12,000,000.	On the £ 480,000 lottery.
15 per cent. 11th March.	15 per cent. 11th March.
10 ——— 28th April.	20 ——— 12th May.
10 ——— 26th May.	25 ——— 14th July.
10 ——— 23d June.	20 ——— 12th Sept.
10 ——— 28th July.	20 ——— 10th Oct.
15 ——— 29th August.	
10 ——— 26th Sept.	
10 ——— 24th Oct.	
10 ——— 24th Nov.	

Those, who paid in the whole on the loan on or before the 23d of October, or on the lottery on or before the 11th of September, were allowed discount, at 3 per cent. per annum, on the sum paid in advance, from the day of completing their payment to the 24th of Nov. on the former, and to the 10th of Oct. on the latter.

A quarter's interest on the 4 per Cents. was payable as soon after the 5th of April as the respective subscribers had completed their contributions; but, from the 5th of April, they were consolidated with the 4 per Cents. 1777, and payable half-yearly.

1781.

1781.

£ 12,000,000.

For every £100 advanced, £150 3 per Cent. Consols, the interest commencing from the 5th of January; and £25 4 per Cents. the interest commencing from the same time. Also, every £1000 entitled the contributor to 4 tickets, in a lottery of 48,000 tickets, on payment of the farther sum of £10 for each ticket, amounting to £480,000.

Instalments

On the £ 12,000,000.	On the £ 480,000 lottery.
15 per cent. 15th March.	15 per cent. 15th March.
10 ——— 27th April.	20 ——— 11th May.
10 ——— 18th May.	25 ——— 10th July.
10 ——— 14th June.	20 ——— 11th Sept.
10 ——— 24th July.	20 ——— 9th Oct.
15 ——— 21st Aug.	
10 ——— 18th Sept.	
10 ——— 23d Oct.	
10 ——— 23d Nov.	

Those, who paid in the whole on the loan on or before the 22d of October, or on the lottery on or before the 10th of September, were allowed discount at 3 per cent. per annum, from the day of completing their payment to the 23d of November on the loan, and to the 9th of October on the lottery.

A quarterly payment was made on the 4 per Cents. as in the preceding year, in order to make the half-yearly payments fall due at the same time with those on the former 4 per Cents. with which the new stock was consolidated.

The terms of this loan were very severely censured in the debate thereon in the House of Commons; and a list of the subscribers, specifying the sum subscribed by each, was laid before the House. In the House of Lords, a protest was entered against it.

1782.

1782.

£13,500,000.

For every £100 advanced, £100 3 per Cent. Consols, the interest commencing from the 5th of January; £50 4 per Cents. from the 5th of April; and 17s. 6d. annuity for 78 years, from the 5th of January. Also, every £1000 entitled the contributor to 3 tickets, in a lottery of 40,500 tickets, on payment of the farther sum of £10 for each ticket.

Instalments

On the £13,500,000.		On the £405,000	
15 per cent. deposit.		lottery.	
10	12th April.	15	per cent. deposit.
10	7th May.	20	28th May.
10	13th June.	25	9th July.
10	19th July.	20	10th Sept.
15	22d Aug.	25	11th Oct.
10	20th Sept.		
10	24th Oct.		
10	26th Nov.		

Those, who paid in the whole on the loan on or before the 23d of October, or on the lottery on or before the 9th of September, were allowed discount at 3 per cent. per annum, from the day of completing their payment to the 26th of November on the former, and to the 11th of October on the latter.

Those, who had paid in the whole of their contributions on or before the 2d of July, were entitled to receive the half-year's annuity, due the 5th of July, on the 3 per Cents. and Long Annuity; but those, who had not paid in the whole by that time, received it with the subsequent half-year's annuity, due January 5, 1783.

On the 27 of February, 3 per Cents. were at 53<sup>5</sup>/<sub>8</sub>, and, on the 8th of March, 4 per Cents. 68<sup>1</sup>/<sub>2</sub>, which were the lowest prices of these funds before the present war.

1783.

1783.

£12,000,000.

For every £100 advanced, £100 3 per Cent. Consols, the interest commencing from the 5th of January; £25 4 per Cents. from the 5th of April; and 13s. 4d. annuity for 77 years, from the 5th of January. Also, every £1000 entitled the contributor to 4 tickets, in a lottery of 48,000 tickets, on payment of the farther sum of £10 for each ticket, amounting to £480,000.

Instalments

On the £12,000,000.		On the £480,000	
15 per cent. deposit.		lottery.	
10	30th May.	15	per cent. deposit.
15	27th June.	20	3d June.
10	29th July.	25	11th July.
15	29th Aug.	20	9th Sept.
10	26th Sept.	20	3d Oct.
15	31st Oct.		
10	5th Dec.		

Those, who paid in the whole on the loan on or before the 30th of October, or on the lottery on or before the 8th of September, were allowed discount at 3 per cent. per annum, from the day of completing their payment to the 5th of Dec. on the former, and to the 3d of October on the latter.

On the 15 of May, a message was sent from the Bank to the Stock-Exchange, purporting, that the directors had that day resolved not to advance any money on the loan, as they had invariably done for many years past, after the deposit had been made by the subscribers. The Scrip on this notice fell 2 per cent.; but, as the causes, which had greatly reduced the cash in the hands of the Bank, and rendered it necessary for them to restrict their advances, were of a temporary nature, they afterwards took in the loan about August or September, when the advances to be made upon it were lighter, and the prospects of the Bank more favourable.

1784.

1784.

£6,000,000.

For every £100 advanced, £100 3 per Cent. Consols, the interest commencing from the 5th of July; £50 4 per Cents. from the 5th of April; and an annuity of 5s. 6d. for 75½ years, from the 5th of July. Also, every £1000 entitled the contributor to 6 tickets, in a lottery of 36,000 tickets, on payment of the farther sum of £10 for each ticket.

Instalments

On the £6,000,000. 15 per cent. deposit.	On the £360,000 lottery.
15 ——— 16th Aug.	15 per cent. deposit.
15 ——— 17th Sept.	25 ——— 20th August.
20 ——— 27th Oct.	30 ——— 24th Sept.
20 ——— 7th Dec.	30 ——— 21st Oct.
15 ——— 20th Ja. 1785.	

The usual discount, at 3 per cent. per annum, was allowed for prompt-payment.

Those, who paid in the whole by the 3d of January, 1785, were entitled to receive the half-year's annuity, due the 5th of January, on the 3 per Cents. and Long Annuity; but those, who had not completed their payment by that time, received it with the subsequent half-year's annuity, due the 5th of July.

The whole money advanced was £5,999,362; the remaining £638 not being paid by a subscriber, who thereby forfeited £522, the first, second, and third, payments on £1160. The sum forfeited was, however, re-paid in 1787, pursuant to a vote of the House of Commons, the neglect being stated to have arisen from illness; but the capital of 3 per Cents. created by the loan, thus became £2000 less than it would otherwise have been.

1789.

1789.

£1,002,500.

This sum was attempted to be raised by a tontine, divided into 10,000 shares of £100 : 5s. each, attended at first with the following annuities, increasing by the division of the annuities falling in by deaths in the respective classes; till the payment on each remaining share amounts to £1000 per annum.

Classes.	Annuities.
1 under 20 years of age,	£4 3 0
2 from 20 to 30 - - -	4 5 6
3 from 30 to 40 - - -	4 8 6
4 from 40 to 50 - - -	4 13 6
5 from 50 to 60 - - -	5 1 6
6 above 60 - - - -	5 12 0

The subscribers were allowed till the 10th of October, 1790, to nominate the lives; and, therefore, as the first half-year's payment of the annuities would not become due till the 5th of April, 1791, they were allowed interest on the money advanced for a year and a quarter, at 4 per cent. per annum.

Instalments.

£10 5 per share, deposit.	£15 per share, 27 Nov.
15 0 ——— 21 Aug.	15 ——— 24 Dec.
15 0 ——— 25 Sept.	15 ——— 29 Jan. 1790.
15 0 ——— 30 Oct.	

The shares at first sold at a premium, but soon got to a considerable discount; and the greater part were in the following year exchanged for annuities of £4 : 5, for 69½ years.

£187,000. was also raised on annuities of £7 : 9 : 9 per cent. for 18½ years, from the 5th of April, 1789. The instalments were the same as on the tontine, and on both discount was allowed at 3 per cent. per annum, for prompt-payment.

F

1793.

1793.

£4,500,000.

For every £72 advanced, £100 3 per Cent. Consols, the interest commencing from the 5th of January.

Instalments.

10 per cent.	4th April.		15 per cent.	27th Sept.
10	31st May.		15	8th Nov.
10	19th July.		15	13th Dec.
10	16th Aug.		15	24th Ja. 1794

Those, who paid in the whole on or before the 12th of December, were allowed discount at 3 per cent. per annum, from the day of completing their payment to the 24th of January, 1794.

It was originally intended to have raised this loan on 4 or 5 per Cent. Stock; but, the embarrassed state of commercial credit having caused a scarcity of money, the Minister only received offers from one set of subscribers; and, as they preferred 3 per Cents. it was judged expedient to conclude the bargain in that stock, at the above price, which was between 4 and 5 per cent. under the current price. It was intended, that the commissioners for liquidating the debt should have been admitted to subscribe for £1,650,000, which the amount of the fund at that time would have enabled them to have done; but this measure was relinquished from the considerations, that the daily purchases made by the commissioners contribute materially to keep up the price of stocks; and that, by such subscription, the period when the 5 per Cents. would become redeemable would be delayed.

Mr. Pitt admitted that the terms were much more disadvantageous to the public than might have been expected; but, having done every thing in his power to excite a competition, without effect, they were the best he could procure.

1794

1794.

£11,000,000.

For every £100 advanced, £100 3 per Cent. Consols, the interest commencing from the 5th of January; and £25 4 per Cents. from the 10th of October, 1793; and 11s. 5d. annuity for 66½ years, commencing likewise from the 10th of October, 1793.

Instalments.

10 per cent.	deposit.
10	15th April.
10	6th June.
10	18th July.
15	29th August.
15	17th Oct.
15	28th Nov.
15	13th Jan. 1795.

Those, who paid in the whole at any time before the 27th of November, were allowed discount at 3 per cent. per annum, on the sum paid in advance, from the day of completing their payment to the 13th of January, 1795; and, if the whole of their contribution was paid on or before the 2d of April, were entitled to receive the half-year's annuity, due the 5th of April, on the 4 per Cents. and Long Annuity; or, if the whole contribution was paid on or before the 2d of July, the 7th of October, or the 2d of January, were entitled to receive the respective half-year's annuities then becoming due.

F 2

1795.

( 36 )

1795.

£18,000,000.

For every £100 advanced, £100 3 per Cent. Consols, the interest commencing from the 5th of January; £33 6s. 8d. 4 per Cents. from the 10th of October, 1794; and 8s. 6d. annuity for 65½ years, commencing likewise from the 10th of October, 1794. With an agreement, that, for every £100, the contributor should be at liberty to contribute £33 : 6 : 8 to any loan not exceeding £6,000,000 for the service of the Emperor; and, in case no such loan should be guaranteed by parliament, should have a farther long annuity of 4s. 6d. for every £100; or, if the loan should be less than £6,000,000, a farther annuity, in the proportion of 6d. per cent. for every £750,000, if the proposed loan should fall short of £6,000,000. The Imperial loan was afterwards fixed at £4,600,000: the additional long annuity granted according to the agreement was therefore 1s. per cent.

Instalments.

10 per cent. deposit.		15 per cent. 28th Aug.
10 ——— 17th April.		15 ——— 23d Oct.
10 ——— 12th June.		15 ——— 27th Nov.
10 ——— 17th July.		15 ——— 15th Ja. 1796.

Those, who paid in the whole before the 20th of March, were allowed discount at 3 per cent. per annum, from the 23d of January, 1795, to the 15th of January, 1796; and those, who paid in the whole after that time, but before the 27th of November, were allowed discount from the day of completing the subscription to the 15th of January, 1796.

The Imperial loan being £4,600,000, the subscribers to the above loan, for every £100, contributed the farther sum of £25 : 11 : 1½ towards the Imperial loan; the terms of the latter being, for every £100 advanced, £83 6s. 8d. 3 per Cents. and an annuity of £5 for 25 years.

1796.

( 37 )

1796.

£18,000,000.

For every £100 advanced, £120 3 per Cent. Consols, the interest commencing from the 5th of July, 1795; £25 3 per Cents. Reduced, from the 10th of October, 1795; and 6s. 6d. annuity for 64½ years, likewise commencing from the 10th of October, 1795.

Instalments.

10 per cent. 10th Dec. 1795.		15 per cent. 22d July.
10 ——— 20th Ja. 1796.		15 ——— 9th Sept.
10 ——— 18th March.		15 ——— 11th Nov.
10 ——— 20th May.		15 ——— 16th Dec.

Those, who paid in the whole before the 30th of Dec. 1795, were allowed discount at 3½ per cent. per annum, from the day of completing the payment to the 16th of December, 1796; and those, who paid in the whole after the 30th of Dec. 1795, and before the 10th of Nov. 1796, were allowed the usual discount at 3 per cent. per annum.

The terms of this loan excited considerable discussion; and it appeared, on an investigation of the business, that it might have been negotiated at 3s. Long Annuity per cent. less; but the Minister thought himself under some obligation to accede to the proposal of the subscribers to the last loan. The terms were settled the 25th of Nov. 1795; a short time previous to which, the commissioners for liquidating the debt, who had hitherto made all their purchases in the 3 per Cents. began to purchase in the Four per Cents.; a measure, which, however proper in itself, certainly was not very judiciously timed, if it was then intended to make the loan wholly in 3 per Cents. Upon a message to parliament soon after the loan was fixed, and the commissioners resuming their purchases in 3 per Cents. the Omnium got up to 10 and 11 per cent. premium.

1796.

1796.

£7,500,000.

For every £100 advanced, £120 3 per Cent. Consols, the interest commencing from the 5th of January; £25 3 per Cent. Reduced, from the 5th of April; and 5s. 6d. annuity for 63½ years, likewise commencing from the 5th of April. The holders of Exchequer-Bills, issued pursuant to the Exchequer-Bill Acts of the preceding year, or on the Vote of Credit, or the Consolidated Fund, were at liberty to pay in the same as cash in making their payments on this loan.

Instalments.

10 per cent. 26th April.		15 per cent. 19th Aug.
15 ——— 27th May.		15 ——— 23d Sept.
15 ——— 23d June.		15 ——— 26th Oct.
15 ——— 29th July.		

Those, who paid in the whole at any time on or before the 22d of September, were allowed discount at 3 per cent. per annum, from the day of completing their payment to the 26th of October.

The Omnium was at first at a premium of 2½ per cent. but soon fell to a discount, which becoming considerable, the holders of the Omnium pawned at the Bank petitioned the directors to make the last payment, and hold the Omnium for some time. The direct object of the petition was refused, but it was agreed to admit the re-payment of the sums advanced by the Bank on the Omnium receipts, by three instalments; one-third on the 21st of October, which was the period limited, in the bond given by the parties pawning, for the re-payment of the whole money advanced; one-third on the 26th of Nov.; and one-third on the 22d of Dec.; the parties paying 5 per cent. interest, and making the last payment on the loan themselves.

1797.

1797.

£18,000,000.

For every £100 advanced, £112 : 10 5 per Cents. irredeemable, unless with the consent of the proprietors, until the expiration of three years after the 5 per Cents. existing at the time this loan was made, shall have been redeemed or reduced; but with an option, on the part of the proprietors, to be paid at par, at their desire, upon giving three months notice, at any shorter period not less than two years from the conclusion of a definitive treaty of peace. The payment in either case to be made in money, or at the option of the holder, in 3 per Cent. Stock, valued at £75.

Instalments.

10 per cent. 13th Jan.		15 per cent. 21st July.
10 ——— 17th Mar.		15 ——— 25th Aug.
10 ——— 21st April.		15 ——— 28th Sept.
10 ——— 2d June.		15 ——— 31st Oct.

Those, who paid in the whole or any part before the 13th of January, were allowed discount, at 5 per cent. per annum, from the day of paying the same to the 13th of January; and, on £90 thereof, discount at 3 per cent. from the 13th of January to the 31st of October. Those, who paid in the whole between the 13th of Jan. and the 17th of March, were allowed discount at 3 per cent. per annum, on £10 of every £100, from the 17th of Mar. to the 31st of October, and on £80 thereof, from the day of completing their payment to the 31st of October. Those, who paid in the whole between the 17th of Mar. and 28th of Sept. were allowed the usual discount at 3 per cent. from the day of completing their payment to the 31st of October.

The subscription to this loan, since known by the name of the *Loyalty-loan*, was opened Dec. 1, 1796, and before 12 o'clock, on Monday, the 5th, the whole £18,000,000 was subscribed, and much more might have been obtained.

1797.



1797.

£14,500,000.

For every £100 advanced, £125 3 per Cent. Consols, the interest commencing from the 5th of January; £50 3 per Cent. Reduced, from the 5th of April; £20 4 per Cents. from the 5th of April; and 6s. 6d. annuity for 62½ years, commencing likewise from the 5th of April; upon condition, that the subscribers should be entitled to contribute in proportion to an intended loan of £3,500,000 for the Emperor of Germany; and that, if provision should not be made for an Imperial loan to the amount proposed, a deduction of 6d. per cent. should be made from the Long Annuity of 6s. 6d. for every million, that the Imperial loan should be less than three millions and a half.

Instalments.

10 per cent. 28th April.		10 per cent. 15th Sept.
10 ——— 26th May.		15 ——— 17th Oct.
15 ——— 21st June.		10 ——— 17th Nov.
10 ——— 18th July.		10 ——— 29th Dec.
10 ——— 15th Aug.		

Those, who paid in the whole on or before the 17th of Nov. were allowed discount, at *four* per cent. per ann. from the day of completing their contribution to the 29th of Dec.; and those, who paid in *any part* of their contribution, before the days fixed for payment of the same, were allowed discount at *five* per cent. on the sum so paid in advance, from the day of payment to the days on which such sum would have become payable.

The Imperial loan being fixed at £1,620,000, the Long Annuity was reduced to 6s. per cent. according to the agreement. The terms of the Imperial loan were, £226 10s. Imperial 3 per Cents. for every £100 advanced, the interest commencing from the 31st of January.

1798.

1798.

£17,000,000.

For every £100 advanced, £150 3 per Cent. Consols, the interest commencing from the 5th of January; £50 3 per Cent. Reduced, from the 5th of April; and 4s. 11d. annuity for 61½ years, commencing likewise from the 5th of April.

Instalments.

10 per cent. 30th April.		15 per cent. 23d Aug.
15 ——— 23d May.		10 ——— 21st Sept.
15 ——— 22d June.		10 ——— 23d Oct.
15 ——— 20th July.		10 ——— 23d Nov.

Those, who paid in the whole on or before the 22d of October, were allowed discount at *five* per cent. per ann. from the day of completing their contribution to the 23d of November.

Exchequer-Bills, issued pursuant to 37 Geo. III. c. 10, not exceeding in the whole £491,500, or, pursuant to 37 Geo. III. c. 144, not exceeding £500,000, were receivable as cash on the deposit or first instalment; also, £3,000,000, which had been raised by Exchequer-Bills in anticipation of the loan, was re-paid by making the bills receivable to the amount of £1,200,000 on the 2d instalment, and £1,800,000 on the 3d instalment. The Bank was likewise authorized to retain £3,000,000, which they had advanced on Exchequer-Bills, out of the 4th, 5th, and 6th, instalments.

The assessed taxes were charged with the interest and redemption of a capital equal to the stock created by eight millions of this loan, which charge has been since transferred to the income-tax; but the subscribers have nothing to do with this redemption, the whole loan being charged as usual on the Consolidated Fund. Two millions of the sum borrowed was for the service of Ireland.

G

1799.

1799.

£ 3,000,000.

For every £100 advanced, £100 3 per Cent. Consols, the interest commencing from the 5th of Jan. 1799; and £87 : 9 : 6, 3 per Cent. Reduced, the interest commencing from the 10th of October, 1798.

Instalments.

- 10 per cent. 14th Dec. 1798.
- 30 ——— 22d Jan. 1799.
- 30 ——— 8th Feb.
- 30 ——— 22d Feb.

No discount was allowed for prompt-payment. The extent of the loan was expected to have been sixteen or eighteen millions; but it was thought proper to negotiate only three millions, and to defer the remainder a few months till the returns on the income-tax were obtained. On the 7th of Dec. the day on which the terms of the loan were settled, 3 per Cent. Consols were 52½; the offers that were made were as follow:

	Consols.	Reduced.
Robarts, Goldmid, & E.P. Salomons,	100	£90 10 0
Boyd and Co. - - - - -	100	89 13 6
Battaye, for the Stock-Exchange -	100	89 10 0
Giles - - - - -	100	88 15 0
Boldero, for the bankers - - - -	100	87 9 6

1799.

1799.

£15,500,000.

For every £100 advanced, £125 3 per Cent. Consols, the interest commencing from the 5th of July; and £50 3 per Cents. Reduced, the interest commencing from the 5th of April.

Instalments.

- |                         |  |                       |
|-------------------------|--|-----------------------|
| 10 per cent. 11th June. |  | 15 per cent. 22d Oct. |
| 15 ——— 19th July.       |  | 15 ——— 22d Nov.       |
| 15 ——— 20th Aug.        |  | 15 ——— 20th Dec.      |
| 15 ——— 20th Sept.       |  |                       |

Those, who paid in the whole on or before the 21st of Nov. were allowed discount, at five per cent. per ann. from the day of completing their contribution to the 20th of Dec.

Exchequer-Bills, issued pursuant to 38 Geo. III. c. 90, are receivable from persons paying their whole contribution to the extent of the sum paid beyond the instalment due; and the Treasury is empowered to raise three millions by Exchequer-Bills on credit of the loan; which bills are receivable as money in any instalment of the loan that becomes payable after the expiration of three months from the date of the bill.

This loan was settled the 5th of June. Mr. Pitt proposed the above terms, and left the contractors to offer on Long Annuity; but, three of the parties agreeing to take it without any Long Annuity, it was divided equally between them.

Three millions of the sum borrowed is for the service of the government of Ireland. The income-tax is charged with the interest and redemption of a capital equal to the stock created by eleven millions of this loan; which, with the stock created by part of the loan of 1798, forms a capital of £35,250,000, to be redeemed after the peace by the produce of this tax.

( 44. )

*On the interest paid for the principal loans of the last fifty years.*

From the difference in the terms of the loans with respect to the capital created, the rate of interest it bears, and the different periods of the terminable annuities which have been granted with most of the loans, it is evident, that, in order to form a proper comparison of the rate of interest paid for the money borrowed at different periods, the various conditions must be brought into some degree of uniformity; and the most obvious mode of doing this is, by converting that part of the interest which consists of terminable annuities into equivalent perpetual annuities; that is, into the additional interest, which must have been paid in lieu of such terminable annuities.

The rate of interest, at which such conversion is made, affects the result in some instances very materially; thus, the perpetual annuity, which is equal to an annuity of £10 for 21 years, is, at 3 per cent. £4 12s. 5d.; but, at 5 per cent. £6 : 8 : 2; and the perpetual annuity equal to an annuity of £10 for 60 years; which, at 3 per cent. is £8 : 6, is, at 5 per cent. £9 9s. 3d.; from which it is evident, that, if the terminable annuities, granted at different periods, are all valued at the same rate of interest, the comparison will by no means be just; for, if a high rate is adopted, the loans which have been obtained at the lowest interest will be set in an unfavourable view; and if, on the contrary, they are all valued at a low rate, the charge of those loans, for which the highest interest is paid, will appear less than it really is. Nor is a medium or average rate more proper for exhibiting the real difference in the

( 45. )

the terms on which the several loans have been obtained. The least objectionable mode appears to be to convert the terminable annuities into perpetual annuities, according to the current rate of interest at the time when the annuities were granted; as it is upon the rate of interest that the proportionate value of an annuity for a certain term, to the perpetuity, depends; and, in forming the following statement, the conversion has been made at the interest produced by money invested in the 3 per Cents. according to the price of this stock, at the times when the terms of the respective loans were settled: for, though by this means the rate is, in each case, rather lower than it would have been, had the interest produced by 4 or 5 per cent. stock been adopted, it is most probable, from the nature of the principal loans, that the stock, which must have been given in lieu of long annuity, would chiefly have been 3 per Cents.; and, therefore, the interest equivalent to the long annuity should be found according to the interest produced by this stock. It may also be proper to remark, that, as the terminable annuities have mostly been granted for a long term, and form but a small part of the whole interest, particularly on the loans of the present war, the difference of a quarter or even half per cent. in the rate at which they are valued, has in general but little effect on the whole rate *per cent.* of the loan. Thus, if the long annuity of the loan of £14,500,000, in 1797, is valued at 6 per cent. (being the interest produced by 3 per Cents. at that time,) it makes the whole rate per cent. £6 : 6 : 10; but, if the long annuity is valued at  $5\frac{1}{2}$  per cent. it will be £6 : 6 :  $9\frac{1}{2}$ ; at  $5\frac{1}{2}$  per cent. £6 : 6 :  $9\frac{1}{4}$ ; and, at 5 per cent. £6 : 6 :  $8\frac{1}{2}$ . On the loan of 1798, the difference would be still less.

Till

Till within the last seven years, the lottery generally formed part of the terms of the loan; every subscriber of a certain sum towards the latter being entitled to a certain number of tickets, at £10 each, the price at which the lottery-scheme is usually formed. As the whole profits of the lotteries were thus given up to the subscribers, a part of the money advanced must be considered as equivalent to the sum which government would otherwise have received for the lottery, and is therefore to be deducted from the whole sum advanced on the loan. This profit is variable, but has generally been taken at the average of £2 : 10 per ticket; making, on a lottery of 50,000 tickets, £125,000, to be deducted from the sum advanced, in estimating the rate of interest paid thereon.

There are some other circumstances which affect the interest paid; such as the discount allowed for prompt-payment, the different periods of the instalments, and the times from which the annuities commence; but, as these drawbacks do not in general amount to any considerable sum, in comparison with the whole amount of the loan, they do not materially augment the rate of interest; and, as they more or less affect all the loans, they are of still less importance in a comparative view. In the following statement, however, a deduction is made on the loans of £18,000,000 in 1796 and 1797, on account of the advantage allowed, with respect to the time from which the annuities commenced, being greater than usual.

Loans

Loans of the seven years war.

	Sum borrowed.	Interest.
1756 . . . .	£2,000,000 . . . .	£3 12 0
1757 . . . .	3,000,000 . . . .	3 14 3
1758 . . . .	5,000,000 . . . .	3 6 5
1759 . . . .	6,600,000 . . . .	3 10 9
1760 . . . .	8,000,000 . . . .	3 13 7
1761 . . . .	12,000,000 . . . .	4 1 11
1762 . . . .	12,000,000 . . . .	4 10 9
1763 . . . .	3,500,000 . . . .	4 4 2

Loans of the American war.

1776 . . . .	£2,000,000 . . . .	£3 9 8
1777 . . . .	5,000,000 . . . .	4 5 2
1778 . . . .	6,000,000 . . . .	4 18 7
1779 . . . .	7,000,000 . . . .	5 18 10
1780 . . . .	12,000,000 . . . .	5 16 8
1781 . . . .	12,000,000 . . . .	5 11 1
1782 . . . .	13,500,000 . . . .	5 18 1
1783 . . . .	12,000,000 . . . .	4 13 9
1784 . . . .	6,000,000 . . . .	5 6 11

Loans of the present war.

1793 . . . .	£4,500,000 . . . .	£4 3 4
1794 . . . .	11,000,000 . . . .	4 10 9
1795 . . . .	18,000,000 . . . .	4 15 8
1796 . . . .	18,000,000 . . . .	4 14 9
1796 . . . .	7,500,000 . . . .	4 12 2
1797 . . . .	18,000,000 . . . .	5 14 1
1797 . . . .	14,500,000 . . . .	6 6 10
1798 . . . .	17,000,000 . . . .	6 4 9
1799 . . . .	3,000,000 . . . .	5 12 5
1799 . . . .	15,500,000 . . . .	5 5 0

THE END.

