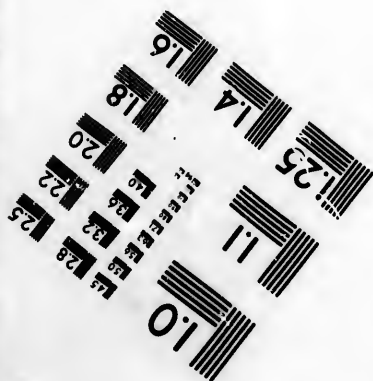
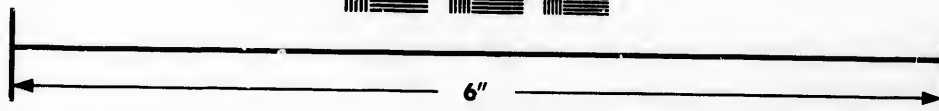
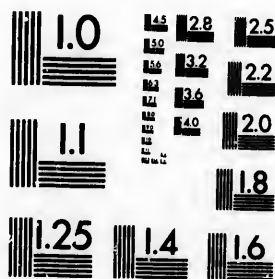


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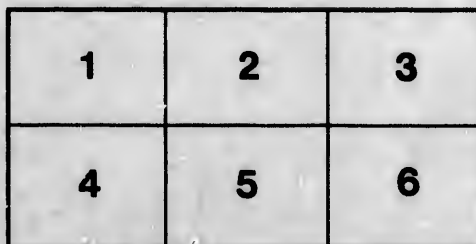
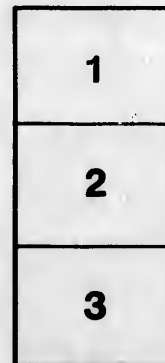
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CONSIDERATIONS
ON THE
TRADE and FINANCES
OF THIS
KINGDOM,
AND ON THE
MEASURES of ADMINISTRATION,
WITH
Respect to those great National Objects since the
CONCLUSION of the PEACE.



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CONSIDERATIONS

ON THE

Trade and Commerce of this Kingdom.

THAT the Wealth and the Power of *Great Britain* depends upon its Trade, is a Proposition, which it would be equally absurd in these times to dispute or to prove: it was not indeed apprehended that they were so great as they have been found to be, we did not ourselves know our own Strength, till the Vigour of the last War applied the Resources of that Wealth, and exerted the Efforts of that Power; in the progress of it many Acquisitions highly beneficial to Commerce were made; and the most important of them were secured by the Peace; but on the other hand, the Abilities of this Country were stretched to their utmost extent, and beyond their natural Tone: Trade must suffer in proportion; for the Price both of Labour and Materials was enhanced by the Number and the Weight of the new Taxes, and by the sudden and extraordinary demand which the Ruin of the *French* Navigation brought upon *Great Britain*: in consequence of which, rival Nations who were not before, may now be able in many articles to undersell us at Foreign Markets, and even become Competitors at our own. Both public and private Credit were at the same time oppressed by the vast and rapid increase of the National Debt; the Value of the Stocks being sunk by the quantity of them, Scarcity of Money and high Rates of Interest ensued; and the large unfunded Debt which remained behind, aggravated the

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Evil,

Evil, and affected every Money-transaction. These are Circumstances of very serious concern, and important to the decision of any enquiry into our national Situation: to state them therefore distinctly; to set against them the Advantages we have gain'd; and to examine into the Measures which have been pursued since the Peace, as well those which will contribute to restore order to the Finances, to preserve or to recover Trade, and to improve our new Acquisitions; as those which have a contrary Tendency; in order from the whole view to form some judgment of the real State of this Kingdom, with respect to its Finances and its Commerce, will be attempted in the following Considerations; but Measures having varied, and the national Situation and Prospects being thereby different at different times, it will be necessary to distinguish them into two Periods, the one ending in the last Year, the other comprehending all subsequent Operations: and I shall therefore endeavour to keep the Consideration of each entirely separate, as the only means of determining upon either.

The Debt contracted by the War which had been funded before the Negotiations for Peace began, consisted of 50,730,000*l.* redeemable Annuities; of 472,500*l.* being the value at fourteen years purchase of the Annuities upon Lives which were granted in 1757, and of 6,826,875*l.* being the Value of the Long Annuities granted in 1761 and 1762, at $27\frac{1}{2}$ Years purchase, which was the price they bore about the time of signing the Preliminaries, and is nearly a medium Price. The increased funded Debt was therefore at that time 58,029,375*l.* but the Expences of the War did not cease with its Operations: they continued for some time to be very considerable; distant Fleets and Armies could not be suddenly recalled; large Establishments could not be immediately reduced; and on these and other accounts it was necessary between the signing of the Preliminaries and the Conclusion of the Peace, to make a Loan of 3,500,000*l.* The Fund provided for the payment of the Annuities thereon were the additional Duties of 8*l.* per Ton on *French* Wine and Vinegar, of 4*l.* per Ton on other Wines and Vinegars, and of 2*l.* per Ton on Cyder and Perry imported; and a new duty of 4*s.* per Hoghead on all Cyder and Perry made in *Great Britain* to be paid by the Maker thereof. The

Sum

Sum to be raised on this Fund was wanted for immediate Services, and pressing Demands, and a vast Debt still remained unfunded : that part of it only which consisted of Navy Bills and Ordnance Debentures amounted to 3,670,739*l.* 2*s.* 8*d.* and for these a temporary Provision was immediately made, in the same manner as had been done at the end of the former War, with respect to the then out-standing Bills and Debentures, by charging upon the Sinking Fund so many of them as should be subscribed, to be converted into Stock at four *per cent.* redeemable. The Interest was the same as before, but when it was upon Bills, the time of Payment was uncertain ; upon the Stock it is regular : they were indeed always assignable, but not divisible ; if therefore the Money which the Bill-holder wanted was less than his Bill was worth, he was obliged to sell more than he wished, the entire Bill only, and not a part of it being saleable : and as many of them were for large, and most of them for fractional Sums, it was often difficult to dispose of them : Stock on the contrary, in any proportion and at any time will find a Purchaser. On these Considerations the Majority of the Proprietors to the amount of 3,483,553*l.* 1*s.* 10*d.* were induced to subscribe, and the Market was thereby cleared of a great quantity of Paper-circulation upon Government-security, which had excluded a like Circulation upon private Security, and engrossed all the ready Cash : this operation therefore made an opening for the admission of Notes and personal Security, facilitated Discount, and occasioned an easier Circulation of Money.

But notwithstanding this Relief a large Debt was still unprovided for ; it accumulated the next year ; and Trade and Credit and the Stocks all laboured under the Oppression. It was so sensibly felt, that many persons impatient of the burthen, thought a further Loan necessary for paying off a considerable part of it ; but they did not sufficiently reflect on the permanent Mischief which the creating of a Fund equal to such a Loan would have occasioned : the considerable Surplusses which were in the disposal of Parliament, the Surplusses of the Duties on Coals and Culm, of those on Soap, Paper, Starch, Linens, Silks, Callicoos, and Stuffs ; of the Stamp-duties, and of the Duties upon

Licences for retailing Spirituous Liquors were all appropriated: The high duties which the Legislature had laid upon spirituous Liquors to prevent the too frequent use of them, were also applied: the Funds which Luxury could supply, were exhausted by the Taxes imposed upon Plate, Cards, Dice, Brandy, and Wine: Commerce had furnished its quota by a further subsidy on *East-Indian* commodities, on the produce of our own Plantations, on Grocery, Linens, and other miscellaneous articles: Property had again and again been called upon to raise fresh Contributions by additional Stamp Duties, additional Duties on Houses, additional Duties on Windows: and the demands of the War still crowding on, recourse had at last been had to those Supplies which an universal Home consumption could raise: The common Beverage of the people was chosen, and Duties were laid on Malt, on Beer, and on Cyder: These pressed immediately on the middling and lower Ranks, on Husbandmen and Manufacturers, who were not indifferent to many of the other duties; the Wages of Labour were raised; the value of foreign Commodities and even of our native produce was enhanced; and these are circumstances always prejudicial, frequently dangerous, and sometimes fatal to Trade and Manufacturers. Was this a time to impose a new tax which must have been heavy to have been effectual; and which, so far as our commercial Interests might have been affected by it, would not in the end have been a benefit, though it should be a present Relief, to public Credit?

But even if a Fund free from any objection had been ready, an accidental distress from another quarter would have prevented the application of it: the Failures at *Berlin*, at *Hamburgh*, and in *Holland*, which happened about the month of *September*, 1763, had spread Terror to every commercial City on the Continent: the effects of such Bankruptcies could not but be great and extensive; they were unknown, and therefore appeared greater: no man was sure that he himself was safe; every one concluded that others were ruined; they were afraid they should be drawn upon; they were afraid to draw; and dismay and distrust appearing in every countenance, encreased their mutual apprehensions: Wealth could not procure Credit, nor connection Confidence; but universal

versal doubt prevailed : and all expressing what they feared, and disbelieving what they heard, impatiently waited in Consternation and Despair for a Certainty which they dreaded to receive. The *British* Merchants alone behaved with a Spirit equal to the Crisis : though they were particularly unprepared for such an Event at that conjuncture, when all *Europe* was deeply, and they were more deeply than any, engaged in the Stocks, which in consequence of this Calamity were falling ; though most of their Transactions therein were Time-bargains, by which their Credit was already stretched, and they had made themselves answerable for a new Species of Demands, great in amount, near in prospect, and which could not be postponed, even for a Day ; yet amidst these accumulated Difficulties, regardless of the partial Security of their own particular Houses, they applied themselves wholly to provide for the general Safety : though the Situations of their Correspondents were acknowledged to be precarious, they trusted them more than ever : they turned all they could into Money, they sold at a loss, they borrowed, in order to lend ; and then made vast and immediate Remittances to the Places where the Distress and the Danger were the greatest. The Encouragement and Concurrence of a firm Administration supported their Resolution, and seconded their Efforts : the Bank on this pressing Occasion, instead of paying in Silver, doubting on Securities, or recurring to any of the little Expedients of Caution and Delay, boldly, and without Hesitation, and without reserve, gave the most liberal and effectual Assistance, by discounting Bills with the readiest Dispatch, and to an incredible amount : and the Merchants being from thence supplied with larger Sums than they themselves thought it possible for them to command, and sending away all they could procure, by such a seasonable and vigorous exertion of their powers, prevented the Bankruptcy of *Europe*. But all their generous Endeavours might have failed, if the Money wanted for this great purpose had been diverted to any other ; or if any Check had been given to an Operation, to which the least delay must have been fatal, and which the shortest Intermission might have rendered abortive. A Loan made under such Circumstances would

have been attended with the Ruin of many Individuals; the Price of the Stocks already fallen by the Quantities which had been sold in order to raise Money, must have sunk still lower; and the further depression of both public and private Credit would have been the inevitable consequence of such a desperate measure.

On the other hand it seemed at first sight impossible, effectually to relieve the public of the Burthen of so large an unfunded Debt by any other means: It was however attempted, and the Attempt has succeeded beyond Expectation. A strict Scrutiny was during the Years 1764 and 1765 made into the several Branches of the Revenue, into the Collection, and into the Expenditure: those Revenues were encreased by a steady Execution of the Laws relating to them, and improved by additional Regulations: new Resources of Finance were opened; and the whole was conducted with a Frugality, which was important because it was universal, and generous as its Object was Justice. From the Concurrence of all these Measures, Supplies were found in the Years 1764 and 1765, sufficient to reduce the unfunded Debt within such a compass, as to be no longer oppressive upon public Credit; that part of it which consisted in Navy-bills only excepted: they had accumulated so fast, that tho' 650,000*l.* had been granted in the Supplies for 1764, towards discharging the Debt of the Navy, yet the Bills in course of Payment on 31st December, 1764, with the Interest due thereon, amounted to 1,971,589*l.* 5*s.* 8*d.* to ease the Market of this Incumbrance, it was proposed to provide for the major Part of them by creating a Fund for 1,500,000*l.* The Distress of the last Year was now entirely at an End; the Alarm it had occasioned was subsided; Money was in plenty, the Stocks were rising; Trade flourished; and the Course of Exchange was in our favour: there could therefore be no difficulty in making a Loan; the terms offered and accepted were two-fifths in redeemable Annuities; two-fifths in Lottery-Tickets; and the remaining one-fifth either in a redeemable Annuity, or Life-annuity with Benefit of Survivorship, at the option of the Subscribers; the whole at three *per cent.* Of this proposition the two-fifths in three *per cent.* Annuities were the only Part, whose Value could be exactly ascertained; the Survivorships could not properly be worse than these, for these might be taken instead

instead of them; there was a chance that they might be better; they had seldom been tried in *England*, and never in parallel Circumstances; in *France* they had often succeeded; and if they should succeed here, they might be applied to greater purposes: if they failed, the sum engaged being so small, and an option being given between them and the three *per cent* Annuities, no bad consequence could ensue. On these considerations the Experiment was made, it has not succeeded, and no bad consequence has ensued. As to the Lottery-tickets, it was known by experience that they would bear some premium; and whatever advantage might be made, was offered in the first instance to the Holders of Navy-bills, who having suffered by the delay, were entitled to favour, in the manner of payment; and who had therefore an option given them either to be paid at par, or to subscribe: For this purpose the Subscription was opened for Navy-bills only to a certain day; by that time so many as amounted to 1,347,500*l.* were subscribed; the Bill-holders therefore to that great amount thought the Subscription more eligible than payment at par: The remaining Sum of 152,500*l.* was afterwards made up by the contributions of other persons: but the whole sum being applied to the discharge of Navy-bills, the load of such a quantity of that kind of Circulation was taken off; and a saving of 15,000*l. per annum* was made to the Public, by substituting a Stock at three *per cent*, instead of Navy-bills at four; which was done at a time when the three *per cents.* were below 87, and I believe there is no instance of Money borrowed at that rate, while the Stocks bearing the same Interest were so greatly under par.

Yet how serviceable soever this operation might be to public Credit, it would not in the end have proved a national benefit, if an additional burthen upon Trade had been the means employed to effect it; but the Duties which compose the Fund then created, are in no degree hurtful, and may in some respects be beneficial to Trade: they are Duties upon Coals, *East-India* Silks, and Calicoes exported, and upon Policies of Insurance: That upon Coals exported is of four Shillings upon the *Newcastle* Chaldron, which is two Shillings the *London* Chaldron; and being paid by Foreigners only

only is in that respect a matter of Indifference to this Country ; but in another it is of importance : for Coals are necessary to the Dyers, the Glafs-houses, the Iron-works, the Distilleries, and other Manufactories abroad, and a Tax upon them is an advantage given to the rival *British* Manufactures, who now want every Assistance: nor is there any danger of losing the Trade by so moderate a Burthen upon it ; on the contrary it will encrease, as the Peet begins to fail in *Holland* ; and though Coals are found in the Country of *Liege*, and in several parts of *Flanders*, yet being subject to a variety of Tolls in the different States through which they must be brought, they cannot, when they arrive in *Holland*, be sold so cheap as the *Sunderland* Coals. As to the *East-Indian* Commodities which are charged to this Fund, some Imposition upon them was necessary for the preservation of our *American* Commerce in that article : a Duty had been laid in the preceding year upon the same Commodities exported to the Colonies : the only material objection to it was that the *Dutch*, who buy those goods here, would be able to undersell us in *America* ; but this was remedied by extending the charge to all that are exported ; a Duty of five *per cent. ad valorem* on the prohibited Silks and Callicoes, and of two *per cent.* on the white Callicoes which have not been printed or dyed in *England*, seemed sufficient to answer the purpose, as the foreign Merchants who purchase here must necessarily incur some Expences of Freight and Commission, from which the *British* Traders are free. The remainder of the Fund is made up by the new Duties upon Policies of Insurance : Those Instruments had been so variously charged, and the Acts relating to them were interpreted so absurdly, that some Regulation was proper on the principle of equality : no more than one Shilling was paid on Policies executed in the Country, while those executed within the Bills of Mortality were charged with three Shillings and ten Pence, if made out at a private office ; and with one Shilling more, if made out by the Insurance Companies ; there is no reason for any distinction, and they are therefore now all brought up to five Shillings ; the difference I believe will not be very sensibly felt any where : if it should, the occasion for putting them all upon a level will be the more apparent

parent. The whole Fund thus compleated will, when brought into a regular Channel, undoubtedly produce 45,000*l.* which is the Interest of the 1,500,000*l.* raised upon the Credit of it.

If to this Sum of 1,500,000*l.* be added 58,029,375*l.* the Debt contracted before the Negotiations began, and that which was funded between the signing of the Preliminaries and the Conclusion of the Treaty, *viz.* 3,500,000*l.* on the Wine and Cyder-tax, and 3,483,553*l.* 1*s.* 10*d.* Navy Annuities, the whole funded Debt contracted by the War and funded before the end of the Session, 1765, appears to be 66,512,928*l.* 1*s.* 10*d.* The Taxes necessary for paying the Interest of so large a Capital, must sooner or later be detrimental to many Branches of the Manufactures, Produce, and Trade of this Kingdom. The Evil was unavoidable when the Expence was so great; but from the time that the pressing Demands for immediate Services ceased, care was taken not to augment it; and several of the Regulations relative to Trade, which will occur in the following Sheets, are calculated to check and diminish its pernicious Effects: but the most solid consolation under the Loss we may sustain, arises from the Acquisitions made in *America*; by a due Improvement of which many of the most important Articles of our Commerce will be encreased, and others which we had not before may be obtained: what Attention has been given to these I shall have occasion hereafter to shew; it suffices for the present to observe, that we must from thence chiefly expect Compensation for the Disadvantages under which our Trade will labour in the *European* and other Markets, where we have Competitors to encounter. We are entitled to this the only return which the Colonies can make for all the Benefits so lately and so liberally bestowed upon them; and if the supreme Authority of this Country be properly supported, we shall receive it.

Another Mischief attending so vast an Accumulation of Debt, is the opportunity it gives of making a great Interest of Money: That which may be made in the Stocks depends upon the Price they bear; and they have continued to be below their usual Level in times of Peace for several Reasons. The vast Amount now of the National Debt is one; as the greater the quantity is of any Commodity

dity at Market, the cheaper it must be : that quantity however would not have had the same influence on the Price, if the encrease had been more gradual ; the first Subscribers and the first Purchasers from them, engaged with a view to profit only, and not with any Intention to continue in the new-created Funds ; but these Funds are so large, that a sufficient number of Stock-holders could not easily be found to buy into them : and the Adventurers being all of them inclined, and some of them forced to sell, have been the means rather of depressing than of supplying the Market. Others again bought into the *English* Funds, not indeed for gaming purposes, but still for a temporary convenience ; the Inhabitants of those Countries which were ravaged or threatened by the War, remitted all they could hither, as to a place of Security ; but their Distresses being at an end, they have wanted it again at Home : and several Persons and Houses on the Continent, though they were in places where themselves and their Properties were safe, yet their *German* Correspondence and Traffick being interrupted, they vested the Sums which by that means were unemployed, in Funds where they were sure of a considerable Interest, and had a fair prospect of greater Gain, before the Revival of their Trade after a Peace could make it necessary for them to recall their Money. When Proprietors of so many Denominations are all Sellers, they must greatly out-number the Buyers, and that Disproportion, so long as it continues, will necessarily keep down the Price : The Shock given to all Credit by the Failures abroad encreased the Disproportion, and maintained it longer than it would otherwise have subsisted ; but the Difference now diminishes every Day ; many have by Degrees disposed of all they wished to get rid of ; Purchasers multiply as the Plenty of Money encreases ; the arbitrary Reduction of the *French* Funds has shewn the Preference due to those of *England* for their Certainty ; a large Supply constantly arises out of the Stocks themselves, as a considerable Part of the Dividends upon the Estates of Infants, of Foreigners, and of Persons who live within their Incomes, is continually laying out in the Purchase of more Capital ; and from these and many other concurring Causes, the Stocks have been for some time generally

generally rising: The Circumstances which kept them low, and which no Art or Force could remove, because they sprung out of the Nature of a vast Stock, suddenly accumulated, in such a State of Affairs as that of *Europe* then was, have gradually given way to the Effects of time and Peace, and made room for the Operation of those Measures which were conducive to the same salutary end of enhancing the Value of the public Funds. To this the Discharge of a large unfunded Debt principally contributed; for not only the Money therein absorbed was set free, but the Credit of the Nation was raised by such a Proof of its Ability; and the Advantages which were seasonably taken of these favourable Circumstances, advanced its Reputation still more. All the Annuities which were granted at a higher Rate than three *per cent.* during the War, are irredeemable for a certain Term: The near Prospect of Peace in 1763, enabled the Government to get rid of so irksome and prejudicial a Restriction, and with the Assistance of a Lottery to raise Money at four *per cent.* redeemable: In the last Year all that was wanted was by the same Means raised at three *per cent.* redeemable; and the like Reduction was also applied to other Transactions: The Exchequer Bills were issued at four *per cent.* till the Close of the Year 1764, when an Experiment was made upon Part of them at three and a half; in 1765, the whole 800,000*l.* was issued at three, and even at that rate they were generally about and sometimes above par: The Bank Contract also for the Land and Malt which had till then been at four *per cent.* was in 1765 made at $3\frac{1}{4}$ for the Malt, and for the first Million of the Land-tax, and at three for the second, which was in effect a Reduction of the whole to three for the next Year; and from all these symptoms it was evident even during the Year 1765, within two Years of the Conclusion of the Peace, that the Government could procure Money at three *per cent.* for the future: the Consequence of which must be the Rise of the Stocks; and the Benefits from thence resulting both to the landed and the monied Interests of this Kingdom, are too obvious to be mentioned.

A great, if not the principal, Share in producing these favourable Appearances, must be attributed to the Provision made in so

short a time for so large a Part of the Unfunded Debt; it is therefore now proper to see in what manner and to what amount that was effected: The whole Debt cannot be stated at any particular Period; for some Parts of it were discharged, before others were accounted for; I will therefore take the Articles separately, and having shewn what was done upon each, I will afterwards endeavour to form a general View of the Whole, which may then be intelligible. The most formidable in Appearance were the *German Demands*; they amounted to near nine Millions Sterling, and though infinitely various in the Grounds upon which they were founded, and the Manner in which they were made up, yet for the present Purpose they may be considered under three Heads, ranging them according to the different Modes of proceeding which have been followed in discharging them.

The First is the Claim of the Duke of *Brunswick* to a Subsidy of 43,901*l.* 3*s.* 7*d.* $\frac{1}{4}$ for two Years after the Determination of the War. The Right was unquestionable, being founded upon Treaties, in which the Sum was specified, and therefore the Debt has been regularly paid as it has accrued: 33,557*l.* 6*s.* 9*d.* $\frac{1}{4}$ became due in 1763, and provision was made for it in the Supplies for that Year: This therefore cannot properly be called a Debt unprovided for at the End of the War: But the remaining 54,245*l.* 0*s.* 5*d.* $\frac{1}{4}$ was strictly so, and has been discharged as such, viz. 43,901*l.* 3*s.* 7*d.* $\frac{1}{4}$ out of the Supplies for the Year 1764, and 10,343*l.* 16*s.* 9*d.* $\frac{1}{4}$ out of the Supplies for 1765, which last Sum closes this Account. The Landgrave of *Hesse* had a Claim to a Subsidy for one Year after the Peace; but Part of it having been paid out of the Supplies of 1762, and all the Remainder provided for in those of 1763, it cannot be carried to that unfunded Debt which alone I mean to consider.

The next Head is the Demand of the Landgrave of *Hesse*, for the reasonable Succour which was agreed to be given to him by the Convention made on 1st of *April*, 1760, in case his Dominions should be invaded and laid under Contribution: They were invaded, and his Claim therefore to some Succour was founded

founded upon Treaty ; but what should be deemed reasonable was a Subject of great Discussion. No precise Sum was stipulated, and 220,000*l.* had in performance of this Agreement been given in 1761, of which 120,000*l.* were paid immediately, and 50,000*l.* in 1762, and 50,000*l.* in 1763. On the Conclusion of the Peace the Landgrave delivered an Account of further Damages sustained to the Amount of 10,382,668 *German* Crowns, which are above 1,730,000*l.* Sterling. This was objected to as an unreasonable Demand, and the Affair being put into Negotiation, it was at last agreed to pay the Landgrave 150,000*l.* which Sum payable in three Years was accepted by a Protocol, signed 21st *March*, 1764, in total Extinction of all Demands and Pretensions whatsoever, which his Serene Highness might from under the Title of reasonable Succour, or otherwise, such Sums only excepted as should appear to be justly due upon Contracts made by Persons duly authorized for that Purpose : in consequence of this Agreement 50,000*l.* were paid in 1764, 50,000*l.* in 1765, and the remaining 50,000*l.* are provided for in the Supplies of the present Year.

The third Head comprehends all those *German* Demands, which no Treaty had fixed, and which no Negotiation could settle ; but which being meer Matters of Account, could be adjusted only by Liquidation. A special Commission was therefore appointed for that Purpose, and nothing less would have been equal to a Business so various, perplexed, and extensive. An Office at home, immediately under the Inspection of the Treasury, and reporting to them all their Proceedings, to be by them submitted to the Judgment of Parliament ; an Office acting under Instructions adapted to that end only, collecting within its own View all the Information which the several Departments of the Commissariate could give, and furnished with every other Means of Enquiry ; seeing the whole of the Demand together, checking one Part of it by another, and equally informed of the Rights of the Crown and of the Claimants ; such an Office only was able to detect the Frauds and Abuses which had been practised, to state long and intricate Accounts, and to determine the just Ballance between the Publick and its Creditors. Upon these

these Motives all further Proceedings in *Germany* were stopped, the Commissariate there was recalled, and three Commissioners appointed here to examine the *German* Demands. To prevent Delay a certain Day was fixed, beyond which no Claims were to be received ; such a Declaration invited none, though it admitted all ; and it brought the whole together by the Time appointed : but a great Part was excluded from immediate Examination, because most of the States on the Continent had pretended to do themselves Justice, by seizing the *British* Magazines in their Territories : It did not become the Dignity of the Crown of *Great-Britain* to submit to an Arrest of its Property, or to suffer others to usurp the Dispensation of its Justice : Notice was therefore given that no Claims made by the Subjects of those Countries in which such Seizures had been permitted, should be so much as taken into Consideration, till not only full Restitution was made, but Satisfaction also given for the Damages sustained ; in consequence of which spirited Measure, the Magazines were after a few fruitless Remonstrances restored, and the Accounts of the Parties who had been excluded, were then examined with the rest. The whole amounted to more than seven Millions Sterling ; the Articles which composed this enormous Sum were some of them just and reasonable, for Services done, Supplies furnished, or Expences incurred, under Contract, by Agreement, or in consequence of a proper Requisition ; but many were fraudulent ; many were suspicious ; others though fairly stated, appeared upon Examination to be either not founded upon Right or not supported by Vouchers ; and many were upon the Face of them totally inadmissible, in which no Imposition was attempted, no Services were pretended to have been performed, but Valuations only of Losses sustained were offered, and Indemnifications demanded as Debts : Even our Enemies have desired to be reimbursed, the Contributions levied upon them. Such and all other equally groundless Claims being rejected, and the proper Deductions being made from others, the Sum of 7,132,652*l.* 5*s.* 5*d.* to which the whole of these Demands amounted, has been reduced to 1,106,043*l.* 13*s.* 8*d.* with Justice to the Claimants, and equally to the Honour of those who

who instituted, and of those who executed the Office for liquidating them. Provision has been made for the Payment as the Reports from the Commissioners have come in: and for this Purpose 500,000*l.* were granted in 1764, as much more in 1765, and 106,043*l.* 13*s.* 8*d.* $\frac{1}{4}$ has been granted this Year in full Satisfaction of the Remainder.

* The Account therefore of all the German Demands appears from what has been said to stand thus:

	Demanded.	Payable.
Subsidy to the Duke of Brunswick.	54,245 0 5 <i>tr</i>	54,245 0 5 <i>tr</i>
Reasonable Succour to the Landgrave of Hesse.	1,730,444 0 0	150,000 0 0
Miscellaneous Demands.	7,132,652 5 5	1,106,043 13 8 <i>tr</i>
Total	8,917,341 5 10 <i>tr</i>	1,310,288 14 13 <i>tr</i>

But though the Whole amounts to very near 9,000,000*l.* yet as all which on the fairest Examination was found to be justly due has been discharged for 1,310,288*l.* 14*s.* 13*d.* $\frac{1}{4}$ no more than that Sum can be strictly called a Debt, and in this Light it is not so considerable as others which will not admit of a like Reduction.

The Unfunded Debt of the Navy was far greater, though that too was less than it appeared to be, and though I shall exclude from this Account the Debt provided for in the Supplies for 1763, as that Provision was made before the final Conclusion of the Peace, and the Sums funded in that Year have been already carried to the Funded Debt contracted by the War: But besides the great Quantity of Navy Bills then converted into Annuities, and notwithstanding the Provision made to prevent if possible an Encrease, by voting 30,000 Seamen for the whole Year, when the Peace Establishment was intended to be

* Though 50,000*l.* of the reasonable Succour to the Landgrave of Hesse and 106,043*l.* 13*s.* 8*d.* $\frac{1}{4}$ of the miscellaneous Demands be provided for in the Supplies for this Year, and therefore do not properly fall within the Period now immediately before me, yet I thought it would be more satisfactory to insert them here, as the Settlement of all the German Demands was entirely the Measure of the Administration in 1764; and the Account being compleatly closed, it should be stated all together.

no more than 16,000, yet such was at first the Extent of the Services; it required so much Time to bring home the Ships, other Demands continued to be so great, and such large Arrears came in, that the Navy Debt not included in the Subscription of 1763, added to what was afterwards brought to account in 1764 and 1765, (the whole of which was in the strictest Sense unprovided for during the War,) amounted to no less than 4,576,915*l.* 7*s.* 9*d.* of this 650,000*l.* were paid off in 1764, and 1,500,000*l.* were disposed of in 1765 by the Subscription; these two Sums therefore being deducted it was reduced to 2,426,915*l.* 7*s.* 9*d.* but then the whole of the Navy Debt is not payable when the Account is made up, and some will never be demanded: The Navy Bills are not due till six Months after they have been issued; six Months also of the Seamen's Wages by Act of Parliament always must be, and in consequence of the Rules prescribed by that Act, twelve Months Wages generally and often much more are retained: And there has been besides at all Times a large Arrear of Pay, which though kept in the Account could never be claimed, the Persons to whom it was due having left neither Assignees nor Representatives. The precise Amount of such Sums cannot be ascertained; but they can hardly be reckoned less than thirteen or fourteen hundred thousand Pounds. On 31st December, 1754, when the Navy Debt was reduced nearly as low as it could be, it still amounted to 1,296,567*l.* 18*s.* 11*d.*, consisting chiefly of Articles which could not then be discharged; such Articles will be larger now in proportion to the Increase of the Establishment, and an Allowance must always be made for them, in judging of the State of the Navy Debt, though they are not distinguishable in the Account. In providing for that which is payable, the principal Object of the Legislature is always to discharge the Bills, for they are the greatest Article, they bear an Interest of four *per cent.* and when the Quantity of them is large, they are a heavy Incumbrance upon all Money Transactions. Both the Subscriptions which I have mentioned were opened avowedly for that Purpose only; and the Money granted in 1764, towards the Discharge of the Navy

Navy Debt, was applied to no other ; the saving of Interest thereby made was 26,000*l.* and the saving in the subsequent Year of one *per cent.* on 1,500,000*l.* has been mentioned already. A small Deduction must however be made from these Sums, for the non-interest Bills, and for the Interest upon the others which has been converted into Principal. All such Allowances and Deductions amount however to a very Trifle, and as I cannot ascertain them exactly, and they are so inconsiderable, it will be sufficient to have taken this Notice of them.

The Proceeding with respect to the Army at the Conclusion of the War was similar to that which had been followed with Respect to the Navy: The Extraordinaries brought to account were provided for, and more Forces were voted than the Peace Establishment was intended to be, in order to allow for the gradual Reduction of those then on Foot: It could not however be made so fast as was proposed ; many Regiments were at very distant Parts of the Globe, maintaining or pursuing the Conquests they had made: The next Year was found not sufficient to reduce them ; great Expences were still necessary ; and large Arrears came in ; by all which the Extraordinaries of the Army incurred and not provided for in 1763, were swelled up to the Sum of 987,434*l.* 15*s.* 6*d.* $\frac{1}{2}$ which were paid out of the Supplies for 1764: Those incurred in that Year and provided for in the Supplies for 1765, amounted to 404,496*l.* 7*s.* 6*d.* which added to the former amount to 1,391,931*l.* 3*s.* 0*d.* $\frac{1}{2}$.

The Extraordinaries of the Ordnance discharged within the same Period as not having been provided for in the Supplies for the Year in which they were incurred, amount to 107,878*l.* 18*s.* 8*d.* viz. 52,359*l.* 8*s.* 1*d.* in 1764, and 55,519*l.* 10*s.* 7*d.* in 1765.

It may be said that the whole of these Extraordinaries, whether of the Navy, of the Army, or of the Ordnance, are not to be imputed to the War ; but the whole was Debt: The Exceedings of the Navy bear the Name of Debt ; those of the Army and Ordnance are of the same Nature ; and whoever will look into the Accounts will find that most of the Articles

can relate only or relate principally to the War*. There will indeed always be Extraordinaries; but it would be a melancholy Prospect if we had any Reason to apprehend, that upon a settled Peace-Establishment, they would be nearly equal to these: When I come to state that Establishment, I will endeavour to form some Calculations concerning them.

The Deficiencies of Grants and of Funds are also generally but not necessarily Articles in the Supplies for Times of Peace; for Estimates must always be vague, and the Produce of Taxes uncertain; but there may be an Overplus as well as a Deficiency, and the one is applied, the other is provided for, each as it arises; when the Deficiency happens it is a Debt, paid in this, but incurred in a former Year; That of the Land and Malt is indeed constant: Those Taxes are always given for more than they ever produce; and the Consequence is that a Debt is thereby contracted, which is regularly discharged in the subsequent Year; it varies, but it is commonly estimated at 300,000*l.* and as in Conformity to the established Method of making up the public Accounts, I shall in stating the Ways and Means reckon these Taxes at the whole Sum for which they are given, I must in order to ballance the Account reckon this Deficiency in the Supply at 300,000*l. per annum*; but as so much may upon an Average be expected every Year, till a Reduction of the Land-Tax shall take place, and as it cannot be attributed to the War, I will distinguish it from the Debts paid off within the last two Years, when I enumerate them together: The other Deficiencies of Grants must however be included in that Account; they are accidental, and are incurred in the same Manner as other Parts of the unfunded Debt, by Services being performed before they are provided for; for so far as a Service exceeds, or a Grant falls short of an Estimate, no Provision can be said to have been made; and such Deficiencies are not less a Debt because they are of no longer standing than a Year. The principal Articles, however, of the Deficiencies now under Consideration, do not fall even within that Description: They might

* It must however be always remembered that a Navy Debt of 1,296,567*l.* 18*s.* 11*d.* 4 subsisted before the War, which as not belonging to the War, must be deducted from the Debt remaining at the End of it.

with

with more Propriety be carried back to the War : The Interest upon Exchequer Bills is one, which Exchequer Bills are a Part of the unfunded Debt contracted by the War : The Difference between the estimated and real Deficiency of the Land and Malt is another ; a Difference which is chiefly owing to the Land-Tax being doubled, to the Effect which additional Duties and the Absence of large Fleets and Armies may have had on the Consumption of Malt, and to the Interest paid to the Bank on large Sums and at an high Rate for the Loans on both. As therefore Deficiencies of Grants always come properly under the Denomination of Debt, and as far the greater Part of these peculiarly belong to it, I shall reckon all that have been provided for since the Peace on this Head as Debt discharged ; for which Purpose 129,489*l.* *os.* 3*d.* was granted in 1764, and 249,660*l.* 4*s.* 10*d.* in 1765, amounting together to 379,149*l.* 5*s.* 1*d.* The Deficiencies of Funds within the same Period were 384,854*l.* 3*s.* 6*d.* $\frac{1}{2}$ viz. 147,593*l.* 18*s.* 0*d.* $\frac{1}{2}$ provided for in 1764, and 237,260*l.* 5*s.* 6*d.* in 1765. These Deficiencies are of Funds created for the Purposes of the War ; they are therefore directly a Debt of the War : To dispute their being so, because they arise every Year, is only proving that the War has left such an annual Charge upon the Publick : It is strictly speaking the Interest of a Sum unfunded so far as the Fund upon which it was charged is deficient ; and it is a Charge which though it may vary, will to a Degree long continue.

The Exchequer Bills are the only large unfunded Debt which has not been taken Notice of, amounting to 1,800,000*l.* No Part of them has been paid off ; they have only been continued ; but the Interest upon them has been reduced from four to three *per cent.* The Bank on the Renewal of their Charter in 1764, engaged to circulate for two Years 1,000,000*l.* at three *per cent. per annum.* The remaining 800,000*l.* have been already mentioned to be issued at the same Rate in 1765 ; and they have generally been above par.

There were besides three little Debts paid off within the two Years I am considering, which do not belong to any of the foregoing Articles. 7,000*l.* was granted in the Supplies for 1764

to reimburse Mr. Touchit his Expences in the Outfit and Loss of Vessels furnished by him for the Expedition against *Senegal*. Another 7000*l.* was granted in the Supplies for 1765 upon account of sundry Expences incurred in *Nova Scotia*, some of them previous to the War, and others during its Continuance. The Sum of 10,000*l.* was also granted to the Government of the Island of *Barbadoes*, in compensation for the Assistance given by them in the Expedition against *Martinico*.

The several Articles of the unfunded Debt having been now stated, the Account of that Debt outstanding, paid off, or provided for in the Years 1764 and 1765 appears to be as follows:

	Unfunded Debt.			Paid off in			Provided for			Remaining in		
	<i>l.</i>	<i>s.</i>	<i>d.</i>	<i>l.</i>	<i>s.</i>	<i>d.</i>	<i>l.</i>	<i>s.</i>	<i>d.</i>	<i>l.</i>	<i>s.</i>	<i>d.</i>
Subsidy to the Duke of Brunswick.	54245	0	5½	54245	0	5½						
Reasonable Succour to the Landgrave of Hesse.	150000	0	0	100000	0	0				50000	0	0
Miscellaneous German Demands.	1106043	13	8½	1000000	0	0				106043	13	8½
Navy Debt.	4576915	7	9	650000	0	0	1500000			2426915	7	9
Army Extraordinaries.	1391931	3	0½	1391931	3	0½						
Ordnance Extraordinaries.	107878	18	8	107878	18	8						
Deficiencies of Grants.	379149	5	1	379149	5	1						
Deficiencies of Funds.	384854	3	6½	384854	3	6½						
Exchequer Bills.	1800000	0	0							1800000	0	0
Mr. Touchit.	7000	0	0	7000	0	0						
Nova Scotia Debt	7000			7000								
Barbadoes Debt	10000			10000								
	9975017	12	2½	4092058	10	9½	1500000			4382959	11	5½
Deficiencies of Land and Malt for two Years	600000	0	0	600000	0	0						

The Unfunded Debt remaining at the end of the Sessions 1765, though the Sum was still large, was yet so circumstanced that the Burden of it was not very heavy; as a great Part of it did not bear Interest, and above half of it was not immediately payable: A large Proportion of the Navy Debt must always be in these Circumstances: The 50,000*l.* to the Landgrave of *Hesse* was not yet due: The miscellaneous *German* Demands unprovided for were not liquidated: The Million Exchequer Bills taken

taken by the Bank could not be claimed till the Expiration of the Term for which they had agreed to circulate them : The remaining 800,000*l.* were issued at three *per cent.* and certainly were not an Incumbrance, for they generally bore a Premium : Of the Navy Debt which was payable and not provided for, no more than 471,589*l.* 5*s.* 8*d.* Bills were in course of Payment when the Account was made up ; they too were about par, and therefore not a Load upon the Market ; nor was postponing the Discharge of them a Hardship on the Proprietors who might sell them at par : and at the same Time that the Debt was brought into such a favourable Situation, the Ways and Means of the Year were found to exceed the Supplies about 870,000*l.* To have applied Part of that Sum to any Purpose which would have made the Remainder useless for Purposes of equal Importance, would have been wasting it ; and there was not so much of the Unfunded Debt actually bearing four *per cent.* Interest : That the Public therefore might avail itself of the whole Sum, it was necessary to discharge therewith a Part of the Funded Debt : The Navy Annuities laid in 1763 upon the Sinking Fund were undoubtedly the first Object ; 25 *per cent.* upon them was very nearly the Sum : The Navy Bills not included in the Subscription amounted to much less, and yet to so much, that had they been provided for out of this Surplus, no Part of the Navy Annuities could have been discharged, as less than 500,000*l.* may not be paid off at any time, and 500,000*l.* would not have been left ; but exclusive of this Consideration, even supposing that the Whole of the one had been exactly the same Sum as 25 *per cent.* upon the other, it would still have been right to have preferred the Annuitants : The Provision made for them on the Sinking Fund was always intended to be but temporary ; they accepted it in the Expectation of being paid off as soon as the Opportunity should offer ; they had Merit with the Public in subscribing, and were therefore entitled to favour : With respect to the Public, it was more important to make a Beginning in the Reduction of the Funded Debt, which is excessive, than to take a Quantity of Paper Circulation out of the Market, which could hardly be said to be overloaded with it ; and the Stocks must

must be more sensible of a Reduction of Debt made in a Mode which proved that Order was restored to the Finances, than to any further Diminution of the Unfunded Debt which would not have carried with it such a Demonstration. For these Reasons 870,888*l.* 5*s.* 5*d.* $\frac{1}{4}$ were voted in the Supplies for 1765, for paying off a fourth of the Navy Annuities, and this Sum being added to the former, the whole Account of Debt funded and unfunded which was discharged or provided for in the Years 1764 and 1765, exclusive of the Land and Malt Deficiencies stands thus :

	<i>l.</i>	<i>s.</i>	<i>d.</i>
Unfunded Debt paid off	-	-	- 4,092,058 10 9 $\frac{1}{4}$
Funded Debt paid off	-	-	- 870,888 5 5 $\frac{1}{4}$
Total Debt paid off			4,962,946 16 2 $\frac{1}{4}$
Unfunded Debt provided for	-	-	1,500,000
Total Debt paid off and provided for			6,462,946 16 2 $\frac{1}{4}$

But this great Discharge of Debt was not accomplished at the Expence of the Peace Establishment: On the contrary, That was kept up higher than it ever had been before; the Extent of our Dominions, the Encrease of our Power, the Resentment of our Enemies, and the Jealousies of our Neighbours require it: The Peace would indeed be short and hollow if it were followed by such an Avowal of Weakness, as reducing the Army below the Numbers necessary for preserving our Conquests, and risking upon any sudden Emergency our Superiority at Sea, for want of a constant Provision to maintain it. The Evils of the War are not to remedied by giving up the Advantages obtained by it; and whatever the Distress of our Finances might be, it was not to be recovered by Means unworthy of the Dignity, and dangerous to the Safety of these Kingdoms: The Peace Establishment was therefore formed on a much larger Plan than after the former War: It has been enlarged (I think unnecessarily) this Year; but on the other Hand, many of the present Expences are meerly occasional, and others are only the temporary

porary Remains of the War which will gradually diminish: I will not, however, incur the Account I mean now to give of the Sums granted in 1764 and 1765, with Calculations of the Reductions which may be expected, nor confound the Establishment of that Time with the present: But I will first complete a State of the Supply for those two Years; I will next go through the Ways and Means by which it was raised; and then deducting from each the Articles which only accidentally occurred, and allowing for those which must either encrease or decline, I will endeavour upon a Review of the Whole, to form some Estimate of the annual Expence to be born upon the Plan then formed, and of the Abilities of this Country to bear it: The subsequent Alterations may by this Means be more clearly seen and considered.

The Money voted for Naval Services exclusive of the Navy Debt was as follows:

	In the Supplies for 1764.		In the Supplies for 1765.	
	l.	s. d.	l.	s. d.
26000 Men including 4287 Marines	832,000		832000	
Ordinary of the Navy	398568	11 9	407734	11 3
Greenwich Hospital	10000		5000	
Buildings and Repairs of the Navy	200000		200000	
Sea Chaplains	1231	17 6	1251	17 6
Officers Houses at Plymouth	3000			
For building a Lazaret			5000	
	<hr/>		<hr/>	
Total	1444800	9 3	1450966	8 9

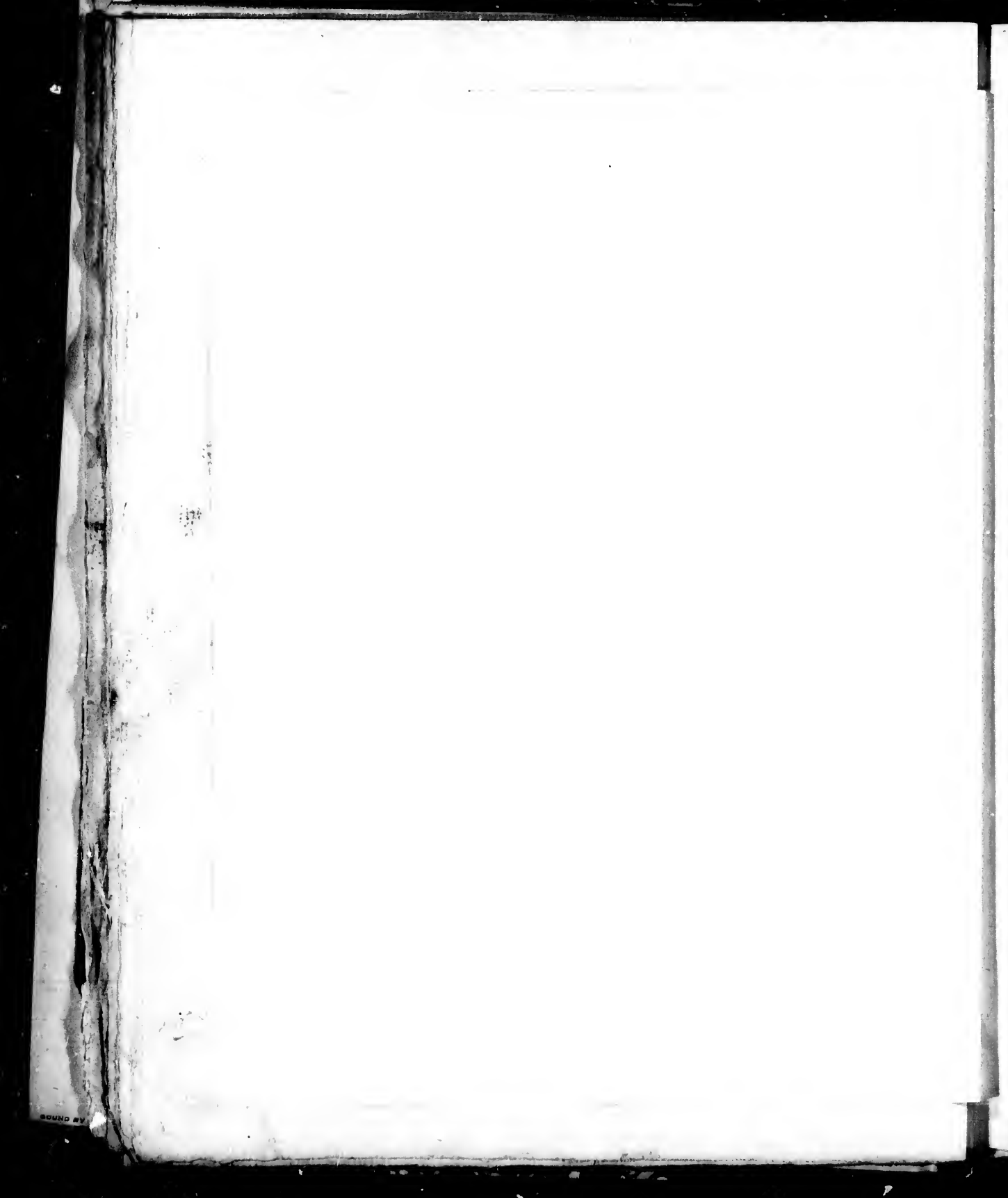
This Expence is about 500000*l.* *per ann.* more than the Naval Services (exclusive of Debt incurred) on an Average of seven Years during the last Peace amounted to, and higher by almost 300,000*l.* than the highest of those Years. We have learned by fatal Experience that 10000 Seamen were not a sufficient Preparative for War in Times of perfect Tranquillity; for the Losses sustained at the breaking out of the last were chiefly owing to the Want of Hands, which could not be procured so soon as the Occasion required, by the most vigorous Press, and the most liberal Bounties; not that in order to provide against the

the like Distress, a cumbrous Body of idle Seamen should be constantly kept in pay: Sailors unemployed soon lose their Hardiness and Activity; but Business may be easily found for such a Number as 16,000 in the Duty of their respective Stations, and in the Prevention of that clandestine Trade, which is equally baneful both to the Commerce and the Revenue of these Kingdoms: The making them serve on board the Smuggling Cutters, at the same Time preserves the Vigour of our Naval Force, and improves the Means of supporting it: if these Cruisers were laid aside, some other Service must be devised to take the Men out of Guard-Ships and Harbours, to exercise, and to season them: If no Men could be spared for this, some other Provisions must be made to check the Prevalence of Practices so prejudicial to the Manufacturers and the Fair Traders, the most valuable Subjects in the Kingdom: And if the Expence of both Services were divided into separate Branches, I believe it would in the Whole greatly exceed that which is now incurred for them united. I shall have Occasion to mention these Cutters again with respect to the Benefit resulting from them to the Revenue; I here consider them only as providing a proper Employment, and giving Activity to that greater Number of Seamen which our Situation requires. The other Naval Services were increased in proportion to that Augmentation; the Ordinary of the Navy was above 100,000*l*. higher than it used to be; and there never was so much given in any one Year, during the last Peace, for Rebuildings and Repairs, as was granted in each of those two Years successively.

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The Sums voted for the Army come next under Consideration, which exclusive of the Extraordinaries and Subsidies already mentioned as Debts, were as follows:

	In the Supplies for 1764.			In the Supplies for 1765.		
	l.	s.	d.	l.	s.	d.
Guards and Garrisons.	617704	7	10	608130	10	7
Plantations, <i>Minorca</i> , &c.	372774	6	4	387502	3	11
General and Staff Officers	11322	7	3	11291	8	6
Reduced Officers of the Land-forces 30188 18 }	155644	11		135606	12	6
Do. disbanded and to be disbanded 125455 13 }						
Horse Guards reduced	2605	15		2361	14	2
<i>Chelsea</i> Hospital	103794	2		109107	18	4
To make good the Deficiency for the said Hos- pital in the Grants, 1763.	18331	17	11			
Pensions to Widows	1696			1664		
Difference between <i>Irish</i> and <i>British</i> Pay, five Regiments.				6346	3	5
Three Independent Companies of Foot on the Coast of <i>Africa</i> .				6491	17	4
Total	1283873	17	5	1268502	8	10

This Establishment exceeds that maintained during the last Peace almost 300000*l.* per ann: but the Excess is not in the Army at Home, which is rather lower both in Numbers and Expence than it used to be: The Garrisons of *Gibraltar* and *Minorca* have been reduced from 3260 to 2116 Men on the *British* Establishment, the Difference being made up by *Irish* Regiments; in consequence of which Arrangement between 30000 and 40000*l.* is annually saved to *Great Britain*: But the Encrease in the Plantations is in Numbers from 3755 Men to 10009, and in Expence upon this Account only from between 80,000 and 90,000*l.* to above 275,000*l.* per ann. The Half-pay and *Chelsea* Hospital are each of them more than double what they were at the Conclusion of the preceding War; and in these three Articles principally, the Difference between the two Periods consists.

A great Part of the *American* Army is stationed in the new Acquisitions: Some of these Provinces are Frontiers: the Allegiance of the Inhabitants cannot be relied on; and the Security

of the old Colonies and the Advantages obtained by the Peace depend upon preserving these in Safety and Subjection : An Encrease also in the Expence of the Ordnance is on the same Foundation equally necessary : For many new Fortifications must be erected, and additional Garrisons must be maintained in the several ceded Countries. The Charge of the Ordnance in 1764 and 1765 was, principally on account of *America*, greater than during the last Peace by about 60,000*l. per ann.* and exclusive of Extraordinaries incurred and not provided for, was,

	<i>l.</i>	<i>s.</i>	<i>d.</i>
Charge of the Ordnance for 1764.	173,080	8	6
Ditto for 1765.	173,673	15	10

Besides the Supplies for the Navy, the Army and the Ordnance, which though they differ in amount at different Periods, are still ordinary Charges at all Times; there have been several Sums granted for various Purposes, some of which were only occasional, some are temporary, and some will probably be permanent : I shall postpone the distinguishing of them in these Respects till I make an Estimate of the Peace Establishment ; and at present will only divide them according to the Years in which they were respectively voted.

Miscel-

Miscellaneous Articles.	In 1764 l.	In 1765. l. s. d.
Pay and Cloathing of the Militia	80000	80000
Marriage Portion of the Princess of Brunswick }	80000	
Paving the Streets	10000	
Land Carriage Fish	2500	
British Museum	2000	
To replace Payments out of the Civil List }	7350	2400
For Nova Scotia	5703 14 11	4911 14 11
Georgia	4031 8 8	3966
East Florida	5700	5200
West Florida	5700	5200
General Surveys of America	1818 9	1601 14
Purchase Money, &c. of Lands in Kent, Sussex, &c. }	545 15	
Interest of ditto	103 13 9½	
For the African Committee	20000	13000
For the Civil Establishment on the Coast of Africa }		5500
For building a Blockhouse near Cape Appolonia }		7000
For the Foundling Hospital	38347 10	38000
London Bridge		7000
Total	263800 11 4½	173779 8 11

These Sums compleat the Account of the Supplies voted in the Years 1764 and 1765, excepting the Exchequer Bills, which were 1,800,000*l.* in 1764, and 800,000*l.* in 1765, there being no Occasion in the latter Year to provide for the Bank Million. They must be added both to the Supply and the Ways and Means, in order to conform to the Method of voting publick Money, and to explain the Transaction concerning them, though the Effect is in Reality no more than continuing a Debt incurred before. Including therefore these, and recapitulating the several Totals which have been stated, the whole Supply for the Period now under Consideration stands thus :

	<i>l.</i>	<i>s.</i>	<i>d.</i>
Debt paid off and provided for - - -	6462946	16	2½
Navy in 1764 - - -	1444800	9	3
Ditto in 1765 - - -	1450966	8	9
Army in 1764 - - -	1283873	17	5½
Ditto in 1765 - - -	1268502	8	10½
Ordance in 1764 - - -	173080	8	6
Ditto in 1765 - - -	174673	15	10
Miscellaneous Articles in 1764 - - -	263800	11	4½
Ditto in 1765 - - -	173779	8	11
Exchequer Bills in 1764 - - -	1800000		
Ditto in 1765 - - -	800000		
Deficiencies of Land and Malt for two Years	600000		
Total	15896424	5	1½

It is impossible to look upon this Account and not to acknowledge, that if on the one Hand, the Debt which still remained, the other Consequences of the War which will be felt for some Years, and the great Peace Establishment which must be constantly supported, were melancholy Considerations; yet on the other, such a Supply, approaching to sixteen Millions, raised within two Years, with the Assistance of but one Loan, and that for no more than 1500000*l.* was Matter of Consolation: Not that this could have been effected by Means of the ordinary Revenue only; several gross Sums were brought in addition to it; but even that Resource is not exhausted, and the annual Income of this Country is in an improving Situation; as I shall endeavour to shew after having stated the Ways and Means by which such a Supply was raised.

The largest of the gross Sums was his Majesty's Bounty to his People, in applying to the public Service the Produce of the *French* Prizes taken before the War; it was computed at 700000*l.* in 1764, at which Time 661,058*l.* 1*s.* 1*d.* appeared to have been actually received; and Accounts of 62,700*l.* 5*s.* 9*d.* more raised by the Sale had been delivered into the Office: But some Disputes concerning this latter Sum having occasioned a Delay

Delay in the Payment of it, so much as was wanting to complete the 700,000*l.* is included in the Deficiency of Grants, and the Money not paid in 1764, but expected in 1765, and reckoned at 62,500*l.* was applied to the Services of the latter Year. The Deficiency which thus arose being comprehended in the Supplies above stated, I must set down the whole Sum of 762,500*l.* in the Ways and Means in order to ballance the Account.

The Renewal of the Charter of the Bank afforded an Opportunity for raising another Sum of 110,000*l.* though such Opportunities had not been improved in the same Manner before, the Bank having never paid any Consideration for the Prolongation of their Term, and the Continuance of their Privileges. Their original Charter in 1694 was granted on their lending to the Government the Money subscribed into their Capital, amounting to 1,200,000*l.* at eight *per cent.* the common Rate of Interest at that Time, which Interest with an Allowance of 4000*l.* for Management, amounted to 100,000*l.* *per ann.* Their Term was enlarged in 1696, in order to advance their Credit, which was then very low; at the same Time, and for the same Reason their most valuable Privilege, that of exclusive Banking as a Corporation, first took its rise; and it was carried to the Extent at which it has since remained, in 1707, when the Renewal of the Charter was not immediately in Contemplation: No Proposition for that Purpose was made till a Year afterwards, and then the common Rate of Interest on Government Security being six *per cent.* that Rate was fixed upon all the Money which the Bank was at the Time in Advance. The Exchequer Bills which they had undertaken to circulate at 4*l.* 10*s.* *per cent.* two Years before, were raised to it; and their Capital was reduced to it: But being willing to keep the Whole of their Annuity, they added 400,000*l.* to their original Capital, the Interest of which at six *per cent.* amounted to the Saving of two *per cent.* upon the 1,200,000*l.* and on exactly the same Principle, when the Charter was again renewed in 1742, at which Time the common Rate of Interest on Government Security was but three *per cent.* they agreed to take no more on their Capital, but then

then they added 1,600,000*l.* to that Capital, in order to preserve their Annuity. As to Exchequer Bills, their Undertakings to circulate them are not peculiar to the Times of renewing the Charter: They are common to all Times; and the highest Price they ever required for this Service was on extending their Term in 1713, without any other Condition annexed to the Prolongation: Particular Circumstances made it expedient then to comply with the Demand; and in short the Circumstances of the Times will always influence every Money Transaction: Government will never give a high Interest, when it can borrow at a lower: Redeemable Sums will therefore be always paid off or reduced, whenever the Rate of Interest falls; those which the Bank has advanced from Time to Time have been thus reduced as Occasions have offered; and the greatest Reduction ever made on their Funds was in 1717, when no Renewal of their Charter was in Contemplation; but their original Capital and the Additions which have been made to it, are irredeemable during the Continuance of their Term; and this is the real and the only Reason that no Reduction thereon has ever taken place, except when the Expiration of their Term was in view; and then the Bank have constantly chosen to advance a Sum of Money, not as a Consideration for the Renewal of their Charter, but in order only to have the same Annuity continued to them. In 1764 there was no room for such an Operation; the Interest of Money was risen since 1742. The Stocks were at a much greater Discount; and the public Credit and Finances were in every respect in a far worse Situation; yet the Publick availed itself more of this than it ever had of any former Transaction of the same Kind: Indeed there is not an Instance of any State at any Time receiving such Assistance from a Corporation, as this Country received from the Bank within little more than a twelve-month: Credit both publick and private owes its Existence in a great Measure to their Efforts upon the Event of the Bankruptcies abroad; were the Whole of that Affair examined in all its Circumstances, the Greatness of the Occasion, the Imminence of the Danger, the Extent of the Demand, the Readiness of the Supply, and the Rapidity

Rapidity of the Proceeding ; the Powers which were called forth, and the Spirit, the Steadiness, and the Wisdom with which they were directed ; the Completion of the Success, and the Importance of the Consequences, all considered together, this must appear the most momentous and most illustrious Money Operation that Europe ever was Witness to : The Bank hardly recovered from the Agitation, the Convulsion of so violent a Struggle, entered into a Treaty for the Renewal of their Charter : At that Time the Unfunded Debt was large, the Interest paid upon it was heavy, and the Rate of it high ; and the Quantity of Paper Circulation had depreciated the Value of the best : Each of these Circumstances of Oppression upon Credit, the Conditions of the Renewal tended to alleviate ; for on the Prolongation of their Term for twenty-one Years, the Bank agreed, not merely to lend a Sum of Money at the usual Rate of Interest irredeemable, which was all that had been done before ; but absolutely to pay 110,000*l.* to be disposed of by Parliament, without Allowance for Interest, or Repayment of Principal : They also undertook to advance 1,000,000*l.* upon Exchequer Bills at only three *per cent.* and not demandable in two Years, though Exchequer Bills bearing four *per cent.* Interest were at a Discount : They afterwards took the Lead in the further Reduction of Interest upon Loans to the Government, by bringing down to three *per cent.* the second Million upon the Land Tax ; and in the Midst of all these Disbursements and Defalcations, they proved their Ability, and raised their own and the public Credit, by declaring an Advance of Half *per cent.* upon their Dividends. A bare Enumeration of these Facts, shews at the same Time their Zeal for the public Service, and the Extent of their Powers, the Weight of their Influence, and the Prudence of their Management.

The Sum paid by the Bank, considerable as it is, is still the least of the gross Sums of which the Public availed itself, during the same Administration. The Army Savings greatly exceed it ; for of these 163,558*l.* 3*s.* 3*d.* $\frac{1}{2}$ were applied in the Ways and Means for 1764, and 251,740*l.* 2*s.* 7*d.* $\frac{1}{4}$ in those of 1765, amounting together to 415,298*l.* 5*s.* 11*d.* $\frac{3}{4}$, and consist-

ing of a Variety of Articles, such as Money voted but not all expended, the Produce arising from the Sale of Stores, Ballances due from those to whom too much had been issued, and other Sums produced from the Settlement of Accounts; but there was another Saving which was laid before Parliament separately from the rest, and which could not be recovered but by a long and minute retrospective Examination of the State of all the Regiments in the Service, as to the Deficiencies of Effectives in each; it was however undertaken, and by the Diligence and Accuracy with which it was made, a further Sum of 170,906*l.* 2*s.* 8*d.* was produced on the non-effective Accounts in the Ways and Means for 1764.

In 1765, the Composition with *France* for the Subsistence of Prisoners was laid before Parliament; the Expences incurred on the Account of those taken at Sea amounted to 1,174,905*l.* but by the express Stipulation of the Treaty, Payment could be claimed only of the Advances for Subsistence and Maintenance: Other Disbursements for providing Accommodations, for repairing Prisons, for the Pay of Guards, Allowances to Agents, Charges of Office, and a Number of different Contingencies, which were all included in the above-mentioned Sum, and amounted to more than 120,000*l.* could on no Pretence be charged; and then the Crown of *France* had a Counter-demand on account of *English* Prisoners, not far short of 110,000*l.* even after a like Defalcation for Extraordinaries. These Deductions being made, the Remainder was indeed for the Subsistence and Maintenance of Prisoners; but amongst them were many Women, Merchants, Passengers, and others, some of whom certainly were not, and of some it was doubtful whether they were to be deemed Prisoners of War: Of those who indisputably were so, several had been carried into distant Ports, and dispersed through every Part of the *British* Dominions; and yet Evidence must have been given of the Day when the Subsistence of every Individual commenced, and when it determined, by Death, Escape, Exchange, or Release: The Materials required by the Treaty to support which Charge are Receipts, attested Accounts, and other authentic Titles, and these must have

have been transmitted from all Quarters of the Globe, and would often have been irregular, indistinct, and defective. To attempt only to liquidate such an Account seemed to be losing time: To accomplish it appeared impossible: and in the Progress of it some Errors and Frauds would have been detected, several Questions would have arisen, many Vouchers would have been wanting, and great Abatements must have been allowed: To prevent therefore an endless Expence, Dispute, and Delay, it was proposed to pay a gross Sum in full of all these Demands; and after a long Negotiation, 670,000*l.* was at last allowed to be, as nearly as could be calculated, the just amount of them. The Accounts however of the Prisoners in the *East-Indies* not having been delivered in, and those in *Germany* being upon a different Footing, were neither of them included, but left to be adjusted hereafter; and in the mean while the Sum above-mentioned was accepted for the rest, payable by Installments, *viz.* 308,000*l.* in 1765, and the Remainder by quarterly Payments in the two subsequent Years. This 308,000*l.* was taken as part of the Ways and Means for 1765, and being added to those which have been mentioned, the State of the gross Sums applied to the public Service in the Ways and Means for the Period now before us, is as follows:

	<i>l.</i>	<i>s.</i>	<i>d.</i>
* Produce of French Prizes taken before the War	762,500		
On the Renewal of the Bank-Charter	110,000		
Army Savings	415,298	5	11 $\frac{1}{2}$
Savings on the non-effective Accounts	170,906	2	8
Part of the Composition for the French Pri- soners	308,000		
	<hr/>		
	1,766,704	8	7 $\frac{1}{2}$

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These

* As I am now making up an Account of the Ways and Means, the Pension has been already given for putting the French Prizes at the Sum at which they were com-

. These are all which can strictly be called gross Sums, though there have been others applied which are not Parts of the ordinary Revenue, such as the Exchequer Bills issued to the amount of 1,800,000*l.* in 1764, and of 800,000*l.* in 1765, concerning which there is no occasion here to make any Addition to what has been said already. The Militia Money which in the Ways and Means for 1764 was 150,000*l.* and in those of 1765 was 80,000*l.* and which is in reality no more than a Matter of Account: Money being appropriated for that Service every Year, and the Receivers of the Land-Tax being also every Year directed to pay the Expence in their respective Counties; by which Means the Deficiency of the Land Tax is encreased, and the appropriated Money remains unapplied: There was also another small Sum brought to account in 1764, as the Surplus of the additional Beer Duty of 1761, before it was carried to the Sinking Fund, amounting only to 3497*l.* 9*s.* 9*d.*

The ordinary Revenues are first the annual Land and Malt, which I must set down each Year at 2,750,000*l.* for which they were given, as the Deficiency is carried to account in the Supply. Then the *American* Revenues, and the Duty upon Gum Senega, both of which I shall consider more at large hereafter, and here only mention them as given in the Ways and Means for 1765, the former for 60,000*l.* and the latter for 12,000*l.* and lastly the Sinking Fund, which was given in 1764 for 2,000,000*l.* and which after all the Alarm which had been raised of its falling short by above 400,000*l.* did actually produce 135,213*l.* 5*s.* 0*d.* $\frac{1}{2}$ more than it was given for: and instead of 220,000*l.* which it was said was all that would be applicable out of the publick Revenue of that Year towards the Discharge of the Debt, 1,254,682*l.* 2*s.* 6*d.* $\frac{1}{2}$ was in fact applied out of the Sinking Fund for that Purpose, in addition to what was paid off by means of the gross Sums then brought to account. The Surplus was moreover exclusive of 67,821*l.* 9*s.* 1*d.* $\frac{1}{2}$ applied to

computed, rather than at that which they actually produced: The Deficiency must not be added to the Supply of one Year, and deducted from the Ways and Means of the preceding: But in fact the real Produce appears upon the Account to be no more than 723,758*l.* 6*s.* 10*d.* and that is not all received.

make

make good so much as the Sinking Fund of 1763 had fallen short of the 2,000,000*l.* for which it was given; but though this Sum be thus taken out of the disposable Money, yet having been supplied by the Sinking Fund of 1764, it is equally a Part of its Produce with the 2,000,000*l.* and the 135,213*l.* 5*s.* 0*d.* $\frac{1}{4}$; and these three Sums being added together, the real amount of the Revenue arisen by the Sinking Fund between 10th *October* 1763, and 10th *October* 1764, after having paid all the Charges upon it, whether permanent, temporary, or occasioned by its being a collateral Security, which were incurred during the same Period, was 2,203,034*l.* 14*s.* 1*d.* $\frac{1}{4}$. The Overplus of 135,213*l.* 5*s.* 0*d.* $\frac{1}{4}$ which remained for the Disposition of Parliament was applied in the Ways and Means for 1765, and on the Encouragement given by so large a Produce, upon which there was a Prospect of a further Encrease in consequence of the Regulations made for improving the Revenue, the Sinking Fund was also taken for 2,100,000*l.* *. But though there was little room to doubt of

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* The Sinking Fund being made up in *October* had an accidental Advantage in 1765, by the Beer Duty having been carried to it at *Christmas*, 1764, as thereby three Quarters Produce of that Duty were received, while but Half a Year's Charge upon it was born, the Annuities being payable at *Midsummer* and *Christmas*: The Quarterly Payment of those Annuities being 124,000*l.* so much must be allowed out of the actual Produce of the Sinking Fund in 1765, when considered as the Measure of the Produce to be expected in subsequent Years: But even after deducting 124,000*l.* from 2,203,000*l.* the Remainder falls so little short of 2,100,000*l.* that it is hardly worth mentioning, and the improving State of the Sinking Fund was more than a Balance against 21,000*l.* which was all that even on this Calculation would be wanting. Nor was the Surplus upon the Confidence of which so much was taken collusive, on account of a Deficiency to be expected in the *Christmas* Quarter: Such a Deficiency was not peculiar to that Year, and if the Account were fallacious then, every other which has been made up for some Years has been so too; but the Fact is no more than this: The last Balance of the Sinking Fund being always struck on 10th *October*, the *Christmas* Quarter thereby becomes the first Quarter of the Yearly Account; and used to be always deficient: That therefore the Annuitants charged upon it might not be disappointed, a Sum was constantly reserved sufficient to answer their Demands; but that Sum was only borrowed for a short Time, and was regularly repaid to the Sinking Fund of the preceding Year. Agreeably to this Practice, when the Account for

1763

its actually producing more, yet it was not supposed that the disposable Money on the ensuing 10th *October* would be so much, because the Purchase Money of the *Isle of Man* which was 70,000*l.* being Payable out of the Customs, fell upon the Sinking Fund; and another occasional Burthen of 205,246*l.* 5*s.* was also laid immediately upon it, by Means of the Act passed in 1765 for remedying the Inconveniencies which were occasioned by the *Christmas* Quarter of the Sinking Fund being always deficient: As the Deficiency arose from the Charge upon the Quarter exceeding the Produce, that Charge was reduced by altering the Pay-days of the four *per cent.* consolidated Annuities from 5th *January* and 5th *July*, to the 5th *April* and 10th *October*, by which Regulation the *Christmas* Quarter is relieved from a Burthen of 410,492*l.* 10*s.* which it was not a part to, and that Burthen is transferred to a Quarter which it will not oppress: The former Perplexity is avoided; the Danger of not reserving sufficient to make good a Deficiency, which depending on a casual Produce could never be previously ascertained exactly, is prevented; the Issue of the public Money is more equally distributed to the several Parts of the Year; and the Inconveniencies arising from the Books of the Bank being kept so much longer shut at the *Christmas* and Midsummer Quarters

1763 was made up on 10th *October* that Year, the usual Deficiency was foreseen, and Provision was made accordingly; not by a Deduction from that Account, but by retaining unissued some Part of the Money therein set down as disposable Surplus, and which was applicable finally to the Services of that Year. The Sum wanting on 5th *January* 1764 was 128,684*l.* 17*s.* 8*d.* $\frac{1}{2}$ which was then furnished out of this reserved Money: But it was replaced out of the Produce of the following *April* Quarter in 1764, and paid in to the Account of the Sinking Fund for 1763, in discharge of the temporary Loan out of its Produce, and not like the 67,821*l.* 9*s.* 1*d.* $\frac{1}{2}$ which was an actual Deficiency of that Produce; so that the Sinking Fund of 1764 in the End supplied the Deficiency of its own *Christmas* Quarter, and the Surplus of it arose after all the Charges of four Quarters from 10th *October*, 1763 to 10th *October*, 1764 had been born: It would be a singular Objection to a Yearly Account, that it did not include five Quarters; and yet the Fallacy imputed to this Surplus was, that Part of the Charge of a fifth Quarter was not laid upon it; but all the Difficulties which attended this necessary Management are now removed by the Act referred to in the Text above.

then

than at the others, are taken away : In order to accomplish the Alteration without Prejudice to the Parties concerned, the Act directed that one Quarterly Payment should be advanced in *October* 1765, and that afterwards the Half-yearly Payment should be made in *October* and *April* ; by which Means the Sinking Fund of 1765 was charged with five Quarters of these Annuities, viz. two on 3th *January* and two on 5th *July*, according to the former Method of paying them, and one on 10th *October* in order to introduce the new Regulation : Each Quarter of these Annuities amounts to 205,246*l.* 5*s.* and both that Sum and the 70,000*l.* given for the Purchase of the *Isle of Man* are accidental Charges on the Sinking Fund of 1765, which no former Year has born, nor subsequent Year will bear; and which must always be attended to in judging of the Surplus of that Year : They were foreseen, and it was therefore declared that the 2,100,000*l.* would hardly be raised before *Christmas*, 1765 ; but as the Navy Annuities were not to be paid off till then, the waiting for the Produce of that Quarter to make up the Sum, could be attended with no Inconvenience.

To the several Sums and Revenues which have been mentioned, the Loan of 1,500,000*l.* which was made in 1765, and of which sufficient has been said already, must be added, in order to compleat the Ways and Means for the two last Years, and then the Account of them stands thus :

Gross.

		<i>l.</i>	<i>s.</i>	<i>d.</i>
Gross Sums applied	-	1766704	8	7 $\frac{1}{2}$
Exchequer Bills 1764	-	1800000		
Ditto 1765	-	800000		
Militia Money 1764	-	150000		
Ditto 1765	-	80000		
Surplus of Annuity Fund 1761	-	3497	9	9
Land and Malt for two Years	-	5500000		
American Revenues	-	60000		
Duty on Gum Senega	-	12000		
Sinking Fund 1764 given for	-	2000000		
Surplus of Sinking Fund 1764 above the } 2000000 <i>l.</i>	-	135213	5	0 $\frac{1}{2}$
Sinking Fund 1765 given for	-	2100000		
Annuities and Lottery in lieu of Navy Bills	-	1500000		
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Total		15907415	3	4 $\frac{1}{2}$

The Whole both of the Supplies and of the Ways and Means for the Years 1764 and 1765 being now stated, some Estimate may from thence be formed of what each on the same Plan would in subsequent Years have amounted to ; in doing this I will take the latter of those Years as the best Measure to go by, because the least affected by the Consequences of the War ; and I must first deduct from the Supplies all the Charges which do not belong to a Peace Establishment, such as Debt paid off or provided for, Exchequer Bills which are Debt continued, and of the miscellaneous Articles, *London Bridge*, the *Blockhouse* near *Cape Appolonia*, and the Money given to replace Payments out of the Civil List, all which were occasional Expences now at an End ; on the other Hand, an Addition must be made to the Expence of the Militia, which though charged at no more than 80,000*l.* for either of the two Years, yet being estimated at 150,000*l.* in a Cloathing Year, must be stated on an Average at about 100,000*l. per ann.* and there are also to be added the Deficiencies of Funds, and the Extraordinaries of the Army, Navy, and Ordnance, which though Debts when brought to account, yet

as

as they will annually occur, must be included in an Estimate of the annual Expenditure.

In the Deficiencies of Funds I include all Sums paid out of the Sinking Fund as a collateral or temporary Security, which are to be made good by Parliament, and are a Debt incurred every Year to be paid out of the Supplies of the next; these were in 1765;

	<i>l.</i>	<i>s.</i>	<i>d.</i>
Deficiency of Annuity Fund 1758	48176	1	11 $\frac{1}{2}$
Deficiency of Annuity Fund 1763	49742	1	2 $\frac{1}{2}$
Navy Annuities	139342	2	4
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	237260	5	6

but 34,835*l.* 10*s.* 7 $\frac{1}{2}$ Navy Annuities having been saved by paying off 870,888*l.* 5*s.* 5*d.* of the Principal in 1765 the Deficiency of Funds was thereby reduced to about 202,400*l.*

As to the Extraordinaries which may be annually incurred before they are provided for, those which have been brought to account, consisting principally of Debts contracted by the War, afford no Assistance in estimating such as may be expected in a Time of Peace; some there always will be for Services which could not be foreseen; but others have been frequently laid before Parliament in accounts of Debt rather than in Estimates, only as the less questionable Shape: It is a more open, a more manly Proceeding to State Things as they are; and previously to provide for Services which will certainly occur: This was the Conduct of the former Administration; and the Estimates are thereby raised; but the Exceedings will be so much lower.

The Navy during the late Peace annually contracted a Debt of about 100,000*l.* but it appears from the Papers laid before Parliament in 1752 and 1754, assigning Reasons for the Encrease, that a great Part of it arose from too precipitate a Reduction of Seamen, from too scanty a Provision for Rebuildings, and from Arrears of the War: I allow in another Place for such Arrears, and therefore cannot include them here; The Rebuild-

ings

ings, and Repairs are a heavy Article immediately after a War; but when the Navy has been once put into thorough Repair, the regular Expence might certainly be brought within 200,000*l.* which was the Sum allowed for it in 1765; the Ordinary on the Establishment of that Year, was near a third higher than it used to be; the Number of Seamen almost double; (for during the last Peace they never exceeded 10,000, and were one Year reduced to 8000 Men,) and the four Pounds *per Man per Month*, which is voted for them, furnishes a larger Sum for Extraordinaries than the additional Expence will require; so that though the Services be more extensive, yet as the Provisions made for them have been encreased in a greater Proportion, it may reasonably be expected that a Navy Debt could not be annually incurred, when the Consequences of the War are satisfied.

The Extraordinaries of the Army in the late Peace when quite clear both of the Consequences and the Preparations of War, were hardly 25,000*l. per ann.* Those incurred in *England* must be nearly the same as they were: Those in *Scotland* should be much less, the Expence of making Surveys and Roads in the Highlands being ended, or drawing to an End: The Charge of Provisions for *Gibraltar* and *Minorca*, Part of which always came into the Account of Extraordinaries, is diminished, by the Reductions made by the Treasury in 1764 in the Prices of all Contracts: And the Difference between *British* and *Irish* Pay, which used to be inserted in that account, is now included in the Estimates. These several Articles amounted to above two thirds of the Whole; and so much therefore the Exceedings on the Services above-mentioned ought to be diminished; but in *America* they must be encreased: That Service is not only more extensive than formerly, but some Parts of it cannot yet be thoroughly understood; and therefore the Extraordinaries cannot be calculated: Two principal Articles, however, by which they are generally incurred, the Garrisons and the Provisions were amply provided for on the Estimates laid before Parliament in 1765: Were I to reckon the others which if that Country had continued as it was, might have arisen, at 16,000*l.* or 18,000*l.* more than

than they have commonly been in Times of Tranquility, it would seem a great Allowance; and yet even allowing so much, the Extraordinaries of the Army would not upon the Whole exceed the Sum they amounted to during the last Peace.

The Business of the Ordnance is of such a Nature that the Extraordinaries can be foreseen and computed with greater Certainty than any other: They are comprehended in the Estimates, and those incurred and not provided for in Time of Peace seldom exceed 5000*l.* or 6000*l.* The *American* Expence, however, not being yet known, the Exceedings may for some Time be rather more; but as all the new Establishments there were included in the Estimate for 1765, and the ceded Countries were at the same time very largely supplied with Stores, I believe 10,000*l.* may be an ample Allowance.

Upon these Premises the Peace Establishment upon the Plan adopted in 1764 and 1765 may be calculated in the following Manner:

	<i>l.</i>
Navy	1,450,900
Army	1,268,500
Ordnance	174,600
The four <i>American</i> Governments	19,200
General Surveys in <i>America</i>	1,600
Foundling Hospital	38,000
To the <i>African</i> Committee	13,000
For the Civil Establishment on the Coast of <i>Africa</i>	5,500
Militia	100,000
Deficiency of Land and Malt	300,000
Deficiencies of Funds	202,400
Extraordinaries of the Army and Ordnance	35,000
Total	3,609,700

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The Ways and Means for supporting this Expence may be computed in the same Manner, by omitting the occasional Articles, such as the gross Sums, the Exchequer Bills, the Surplus of the Annuity Fund 1761, the Surplus of the Sinking Fund 1764, and the Loan; and on the other Hand reckoning the Militia Money at the same Average as in the above Estimate, and the *American* Revenues including both the Stamp and the Impost Duties not at the Sum for which they were given, which was the supposed Produce for only Part of a Year, but at 160,000*l.* for a whole Year, and then the Calculation will be as follows:

		<i>l.</i>
Land and Malt	-	2,750,000
Militia Money	-	100,000
<i>American</i> Revenues	-	160,000
Duty on Gum Senega	-	12,000
Sinking Fund	-	2,100,000
		<hr/>
	Total	5,122,000

These two Estimates comprehend every Article of permanent Expence and annual Revenue as each at that Time stood; there was indeed another Charge, that of Interest upon Part of the remaining Unfunded Debt, till it should be paid off; none bore Interest except the Navy and Exchequer Bills: The Navy Bills left unprovided for in the Supplies for 1765, amounted to 471,589*l.* 5*s.* 8*d.* $\frac{1}{2}$, the Interest upon which at four *per cent.* is 17,863*l.* 12*s.* 5*d.* *. The Exchequer Bills being issued at different Periods as Occasions require, some early and some late in the Year, the Interest thereon cannot be precisely ascertained, but nine Months upon the Whole is, I imagine, a fair Allowance: which at three *per cent.* on 1,800,000*l.* amounts to 40,500*l.* and being added to the above-mentioned Sum on Na-

* From this a small Deduction must be allowed for non-interest Bills, and for the Interest upon the others which in the Account is added to the Principal.

By Bills, the whole Interest on the Unfunded Debt brought to account, and left unprovided for at the End of the Period which is my present Subject, was about 58,000*l.* *per ann.* this was indeed a Charge, but it was temporary, and it might be paid by other Means than the ordinary Revenue : There were several large gross Sums still to come in ; above 360,000*l.* remained of the Composition Money for *French* Prisoners : The first Sale of Lands in the Neutral Islands has produced near 130,000*l.* these together amount to almost Half a Million ; and a Payment of 58,000*l.* *per ann.* till all the Unfunded Debt bearing Interest shall be discharged, will consume but a small Proportion of such a Sum : The greater Part of it may be applied in Diminution of the Principal ; nor was this all that was so applicable ; there were Demands for the Subsistence of *French* Prisoners not comprehended in the Composition : There has been but one Sale in the Neutral Islands, and though some of the most valuable Lands are sold, yet the Quantity is inconsiderable, and some hundred thousand Acres still remain undisposed of. Other Parts of the new Acquisitions (if the Example were followed) would find Purchasers ; and various Branches admit of Savings like those which have been mentioned in the Army Accounts : Half a Million more might thus I am persuaded be easily raised, by only acting on a Plan already formed, pursuing Enquiries which have been begun, and directing them towards Objects distinctly pointed out ; and when all these Means are considered, the Unfunded Debt left unprovided for in 1765, appears no longer formidable ; though it stood upon the Account at near 4,400,000*l.* yet as there will always be a Navy Debt which cannot be paid off to the amount probably of 1,400,000*l.* about 3,000,000*l.* was sufficient to provide for all that had then been brought before Parliament ; and a Sinking Fund of 1,500,000*l.* applicable to that Purpose, (for so much the ordinary Revenues appear by the above Estimates to have exceeded the annual Expences,) aided by such gross Sums as might be produced, would in a short Time furnish the Means of discharging it, supposing the Peace Establishment and the National Income to continue

as they then were ; but both are constantly subject to great Alterations : Every Year will produce some ; and as many which must be very considerable were near in Prospect, and certain, unless a Change of Measures interfered to prevent them, it is necessary to take these also into Consideration.

The Navy is liable to the least, for excepting the small Sum of 5000*l.* for a Lazaret which will fall in of course, I do not see any Reduction which can be depended on : The Provision for Rebuildings and Repairs was indeed very liberal, though it has been since thought too scanty ; but in the former Peace (after the first Charge had been defrayed) no more than 100,000*l.* was ever granted, and even that Sum not constantly : The Whole that was given in 1752, 1753, and 1754 amounted only to 200,000*l.* so that on the Establishment of 1764 and 1765, there was as much allowed in one Year as had been before given in three ; the Navy is larger than it was, and it ought to be kept on the most respectable Footing ; but surely such an Encrease must be sufficient, without incurring any Debt, to answer all reasonable Purposes whatsoever.

The Estimates of the Army were open to greater Reductions ; for the Victualling of the Regiments in the Plantations, amounting for those in *North America* to 22,242*l.* 3*s.* 9*d.* and for those in the ceded Islands to 9,752*l.* 6*s.* 10*d.* $\frac{1}{4}$ could not have continued to such an Extent constant Charges on the *British* Establishment, even if that Country had remained in the Situation it then was. When the Stations of the several Corps on the Continent should have been fixed, the Number of Out-posts perhaps contracted, the back Settlements extended, the new Acquisitions improved, and Security established against further Interruptions and Disturbances, many of the Troops might have furnished themselves out of their Pay with greater Plenty than all the Expence of Victualling could give them ; and as soon as the ceded Islands shall be tolerably well planted, they will not desire to be exempted from a Burthen which is cheerfully born by others, of allowing an additional Pay to the Troops employed in their Defence, and then a Supply from hence will be as unnecessary there as it is now in *Antigua* or *Jamaica*.

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But besides this, a further Experience of the Service must point out other Savings: Some were made in 1764, such as a real instead of only an apparent Deduction from the Pay of the Men victualled in *North America*, and putting a Stop to the Practice of supplying the Provincials with Provisions at the Expence of *Great Britain*; an equal Attention to publick Oeconomy would certainly discover more in a Service so new, so extensive and so open to Abuses; and it might therefore be fairly presumed that within a Year or two this Expence would have been considerably abated, and full Half of it perhaps taken off in four or five Years; but these are Considerations which I mention now only to shew the State of the Service at that Time: I shall hereafter observe upon the Difference between that Time and the present, in this as in every other Circumstance relating to the Colonies.

As to the Ordnance, every War leaves some particular Business for that Office to perform; either a weak Part has been discovered, which the Enterprizes of our Enemies warn us to strengthen, or some Conquest which has been made requires Fortifications to preserve it: At the End of Queen *Anne's* War it was *Gibraltar* and *Minorca*: In 1748 it was *Scotland* and *Nova Scotia*: It is now the ceded Countries in *America*. Such a Service therefore is not peculiar to this Period; every other Peace has been charged with some which were similar, and which being now determined or diminished, make room for the present Expence: This too like them will gradually lessen, it is probably of a shorter Duration than they were; for the new Colonies will certainly be as willing as the old Colonies are, when they shall be as able, to maintain their own Fortifications: Other extraordinary Services are in the mean while drawing towards a Conclusion, and the Savings upon the Whole may perhaps amount in a short Time to 10,000*l.* or 15,000*l.* per ann.

There are besides in each of the Services very considerable Expences, which are always high after a War, but which depending upon Lives and Contingencies, must diminish every Year; such as the Half-pay to Officers of the Navy, Army, and Ordnance,

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Ordnance, *Chelsea Hospital*, and other Pensions and Allowances. In the Estimates for the Year 1750, these several Articles amounted together to about 219,000*l.* In the Estimates for 1754 they were reduced to about 184,000*l.* they amounted in 1765 to about 377,000*l.* and if, supposing them now at the Height, they decrease only in the same Proportion as they did before, they will not four or five Years hence exceed 317,000*l.* or in other Words the Peace Establishment at the End of that Period will be reduced 60,000*l.* by the Savings on these Articles. Within the same Period the Service of surveying *America* will be at an End; and the Expence of the *Foundling Hospital*, which in consequence of the late Regulations decreases annually, will have in a great Manner ceased: The Deficiencies of Funds too must be diminished; for both the Annuity Fund 1763, and the Navy Annuities being four *per cents.* redeemable, the least that can be thought of is that they will be reduced to three: The Saving thereby will be above 60,000*l.* *per* it may reasonably be expected besides that a great Part of *Navy* Annuities may be paid off; and at the Time I am now considering there were no Thoughts of repealing the Cyder Tax, which was so considerable a Part of the Annuity Fund 1763; on the contrary the Prospect then was that it would produce on an Average 15,000*l.* or 20,000*l.* more than it did in the remarkably deficient Year, which alone had then been brought to account; with an Addition therefore to the Produce and a Diminution of the Charge upon that Fund, it would rather have yielded an Overplus than have incurred a Deficiency, and the whole Article of Deficiencies of Funds would probably have been less by one Half in the Space of five Years.

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These several Savings being collected together the State of them is as follows :

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In the Navy	5000
In the Army	16000
In the Ordnance	10000
In the Half-pay <i>Chelsea Hospital</i> , &c. &c.	60000
In the Surveys of <i>America</i>	1600
In the <i>Foundling Hospital</i>	38000
In the Deficiencies of Funds	100000
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Total	230000

Most of these Articles I am sensible I have under-rated: There were also other Reductions likely to take place, but which not being equally sure, I have not mentioned; and of these some of the most considerable must be constantly encreasing: But by these alone thus estimated, there was almost a Certainty, that the Peace Expences on the Plan then established, would in five Years have been brought to about 3,380,000 *per ann.* and that more than Half of this Reduction would have been made in two Years.

By means of such and other Savings in the Expenditure, and of the Improvements which I shall presently mention in the Revenues, an Opening was made for a Reduction of the Land-tax: The landed Interest could not desire such a Relief, while a vast Unfunded Debt pressed down public Credit, clog'd all the Measures of Government, and absorbed every Resource of Revenue: But that Debt being brought within Compass, the annual Charges diminished, and further Reductions immediately in view: When these should have taken Place on the one Hand; and when on the other Hand, the Laws passed for encreasing the several Branches of the Revenue, and for engaging all *British* Subjects to contribute to the Support of their Country, should have had their Effect; a Shilling in the Pound at first, and afterwards, perhaps, more might have been taken off, and

as so much had been done to facilitate such a Reduction, it was become no distant Object.

It would be Rashness to speak very decisively of the other principal Branch of annual Revenue, the Sinking Fund, composed as it is of so vast a Variety of Parts, all of them in their Nature fluctuating; but yet by computing what it has amounted to on an Average for some Years back, and considering the Circumstances which may affect it hereafter, some though no absolutely certain Judgment may be formed, and I think the Conclusion will be that on these Considerations only there is the greatest Probability of its producing generally for the future more than it was given for in 1765. But I will not for the present include that Year in my Calculation, because I wish to keep the two Periods in which the Revenue has been under different Administrations, as distinct as possible, and the Produce of that Year was brought to account, during the latter of the two. In speaking of the Sinking Fund I shall consider it, according to the true simple Idea of it, as consisting of certain Duties which have been carried to it, and of the Interest of Debts charged upon those Duties: The Excess of the Duties above the Interest constitute the Surplus, or as it is sometimes called the Produce of the Sinking Fund; other Disbursements which may be paid out of it, in consequence of its being a collateral or a temporary Security, are not properly Charges upon it: they are always conditioned to be made good out of the first Aids granted by Parliament, and are therefore no more than occasional Sums, advanced one Year, and replaced out of the Supplies of the next: But the Sinking Fund being still so much in Advance, Care must always be taken in casting up its Produce for any given Term, to deduct from the first Year of that Term the Money then brought from the Supplies, and to add to the last the amount of the Deficiencies paid out of it that Year, in order to come at the true Total of the genuine Sinking Fund. This being premised, the annual Surplus Papers furnish sufficient Materials for making up such an Account, and in them the Produce for the seven Years, previous to 1765, is stated as follows:

For

			<i>l.</i>	<i>s.</i>	<i>d.</i>
For the Year 1758	-	-	1924900	9	10
1759	-	-	1689097	2	2½
1760	-	-	2411072	0	0½
1761	-	-	2296801	5	1½
1762	-	-	1922312	3	8½
1763	-	-	1984244	4	6½
1764	-	-	2203034	14	1½
Total			14431461	19	6½

To which is to be added the Deficiencies paid out of the Sinking Fund in the last of these Years, to be replaced out of subsequent Aids amounting to 237,260*l.* nothing was brought from the Supplies in the first Year of the above Period, and therefore no Deduction is to be made on that Account; but on others there are many; for all adventitious Accessions must be taken out of a general Average: and these have been, the Overplus unapplied of the Sinking Fund 1757, the Sum accidentally arising from the Land-tax 1758, the Duties on Spirits before they were appropriated, and one Quarter's Charge on the Beer Duty in 1764, the Sinking Fund having received so much more of the Produce of that Duty than it bore of the Charge upon it: These several Sums together amount to 839,219*l.* and these Additions and Deductions being made the whole State of the Sinking Fund stands thus:

		<i>l.</i>
Surplus in seven Years	-	14431461
Add Deficiencies 1763	-	237260
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		14668721
Deduct adventitious Accessions	-	839219
		<hr/>
	7)	13829502
Average Surplus each Year	-	1975643

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But though this Term be the best that can be taken for such a Calculation, as comprehending in the latter Years of it at least more of the constituent Parts of the present Sinking Fund than any other, the Average upon it is still a very imperfect Measure; and that upon as many subsequent Years will without doubt be greater: The above Period was for the most Part Time of War; and there are few Funds which do not generally yield more in Time of Peace; those of Excise, the most important Branch of any, particularly do, unless accidentally affected by Seasons; An annual Improvement at all Times arises from the Falling in of Life Annuities; those subsisting at the Close of the Year 1764, amounted to near 100,000*l. per ann.* and a third of them were created during the War: So that the yearly Saving on that Head will be greater than it used to be in the former Peace; Some besides of the most lucrative Accessions to the Sinking Fund have been carried to it so lately, that the former Years of the above Period had no Advantage from them: The Beer Duty upon which the Surplus is near 30,000*l. per ann.* was not incorporated till 1764, and of the Regulations made during the Administration in 1764 and 1765 in almost every Branch of the Revenue, some indeed had taken Place in the last Year of the above-mentioned Term, and whatever the Operation of them was, it will continue: Others, however, had not then commenced; that known one for Instance in the Post Office, by the Restrictions put upon Franking, and by the Falling in of the Cross Post on the Death of Mr. Allen, which together were estimated at 62,000*l. per ann.* was not brought to account till the last Quarter of 1764, and many can hardly yet have had their full Effect: No precise Judgment can be formed of the Civil List Revenues, which have been incorporated about Half of the abovementioned Term; but though their future Produce cannot be calculated with Exactness, yet the Fact of their having produced, even on so disadvantageous an Average as of the whole Reign, much more than the 800,000*l.* which were given in lieu of them, fully confutes all the Endeavours which have been used to depreciate his Majesty's Munificence: The Advantage accruing from thence to the Public is
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still more apparent on the fairer Average of the three Years of Peace we have enjoyed; and in the last Year the Surplus was about 200,000*l*. The Accessions to the Post Office indeed come into that Account, and whether the Regulation of Franking would have taken Place unless for the Benefit of the Publick, may be a Question; but even deducting these, the Incorporation is still a noble Addition to the Sinking Fund, and it will hardly be less than it is now: On the contrary, these Revenues will in common with others continue to encrease, unless new Measures interpose to thwart those which were taken for the Improvement of almost every Branch of Revenue: What the amount of all those Improvements may be, does not admit of a Calculation; it is not even within the Reach of Conjecture; but that it must be very considerable is evident from their Number and from their Importance: To state them only is to prove it: and that Proof I shall endeavour to give, without pretending to separate those which in 1764 had begun, from those which were still to begin; or such as immediately from such as ultimately affect the Sinking Fund; but consider them all as Improvements of the Revenue in general.

In the Customs, not only Regulations were introduced into particular Branches, but general Precautions were taken for the Prevention of those illicit Practices, which are equally destructive both to Trade and Revenue: Not that they can ever be totally suppressed; but they may be and they have been very much checked, by exerting the Powers given by the Law for that Purpose, by visiting and examining into the State of every Port in the Kingdom, by exciting an extraordinary Vigilance and Alertness in the Officers, and by adding to the Sea Guard which before subsisted, all the Aid which an enlarged Marine Establishment could supply: The Occasion was indeed more urgent than ever; for our Power and our Taxes have encreased together; a greater and more active Force is therefore requisite to maintain the one; a more steady, a more vigorous Execution of the Laws is necessary for collecting the other: Accumulation of Duties is always a new Inducement to Smuggling: Cruisers are undoubtedly of Use in restraining it; and to multiply

tiply their Numbers must encrease the Hazards, the Losses, and the Expences of Smuggling: But all their Effects can never be exactly ascertained; for the employing of Smuggling Cutters is a preventive Measure: They are intended to deter, to disappoint, to delay, as well as to seize; and therefore to judge of them only by the Captures they make, is to consider but a Part of their Utility: Those in the Pay of the Custom-house, if tried by this Test, would hardly be found to answer; and yet to leave the whole Sea open to Smugglers, that they may there hover unobserved, watch their Opportunities without Molestation, and carry on their Traffick without Danger, is a preposterous Idea; if it was right at all Times to have some, it must be right to have more Cruisers on this Service now that the Profits of a clandestine Trade, are, by means of the additional Duties, greater than they were; and should it only appear that though the Temptation be so much the stronger, yet the Practice is not encreased in Proportion, that Circumstance alone would prove the Efficacy of this and the other Measures which were taken to obstruct it: The additional Number I have already observed, are furnished more easily by the Navy than they could be by any other Means; and it is no Derogation from their Service, that more Captures have been made *afloat* by the Officers of the Customs than by those of the Crown: Whatever is taken whether by Boats or by Cutters, and whether in Harbours in Rivers or on the Sea is seized *afloat*: But the Operation of the Navy Cutters is chiefly on the Sea, and the fair Parallel therefore would be between the Custom-house Cutters only and those of the Navy, in Proportion to their Numbers.

Several similar and some new Regulations were made for the same Purpose with respect to *America*: The Object was more important there; for the Evil was greater, and the Consequences of it more pernicious, as tending to break the Connexion between the Mother Country and the Colonies; but less Care had been taken of that Department than of any other: The first Step was to establish an effectual Sea Guard, which was more wanted than it is here, because the Difficulty is greater to secure such a vast Coast, full of little Creeks and Landing-places,
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imperfectly explored, little frequented, and not at all attended to : But by enlarging the Operation of the Cruisers, extending the hovering Acts to the Colonies, and preventing the easy Communication of smuggled Goods from one Province to another, some Remedy was applied to the Evil. All Intercourse with *St. Pierre* and *Miquelon*, was at the same Time prohibited, and the Practice of clearing out for the Plantations a small Proportion of a Cargo in the Ports of this Kingdom, with a view to run in the rest there, was totally put an End to. By these and many other Regulations, which it would be tedious to enumerate, some Check will (if they are duly carried into Execution,) be certainly given to the illegal and dangerous Commerce which has so long and so shamefully prevailed in the Colonies : The great Motives for suppressing it are Considerations of Trade, which I shall enter into more fully hereafter : At present I mention these Restrictions only as the Means of improving the Revenue at Home, by adding to it the Duties retained on such Commodities, as are thereby driven back into their natural Channel through this Country, instead of being imported into the Colonies either directly from *Europe*, or from foreign Plantations.

As an Object of Revenue alone, the Smuggling from the *Isle of Man* was a more inveterate Evil : The Extent of it was grossly apparent ; for the Produce of a little barren Country, bleak in its Climate, and blighted by the Sprey of the *Atlantic* Ocean ; or the Consumption of the Natives, few and needy as they were, ignorant of the Luxuries, and content with few of the Conveniencies of Life, could hardly amount to Articles of Commerce : But the Trade by which the Place has been peopled, and the People have been enriched, was calculated for far other Purposes : The Situation of the Island was convenient for Smuggling : The peculiar Grant of it from the Crown, and its Exemption from the ordinary Process of the Courts of *Great Britain*, defeated in many Respects the Execution of the Laws ; and favoured by these Circumstances, the Traders there provided inconceivable Quantities of contraband Goods, with which they supplied the Western Coasts of *England* and *Scotland*, from

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Caithness to Cornwall, and the whole Circuit of *Ireland*: With this View they imported into the Island Wines, Brandies, Velvets, and other Species of Goods from *France* and *Spain*: Tea, China, Tobacco, Sugars, Lawns and Cambricks from *Hamburg*, from *Holland*, and from *Flanders*: They roved into the *Baltic* in quest of a further Supply, and brought from *Denmark* and *Sweden* all Sorts of *East-Indian* Commodities: They procured Rum, Coffee, and other Produce both of our own and of foreign Plantations: They brought even in *London* and entered for Exportation the Silks forbidden to be worn, and afterwards re-imported them: They received Draw-backs, at the *British* Custom-houses on Goods which they carried out only to run in again; and constantly keeping in Store large Assortments of prohibited and high-rated Commodities, seized every favourable Occasion to convey them away, which they never waited for long, as all tempestuous Weather was their Season; a dark Night was an Opportunity; and from whatever Quarter the Wind blew, it drove them to some ready Market, filled with their Associates and Customers: To such a Height were these Practices arrived, that the Loss thereby occasioned to the Revenues of *Great Britain* was computed at 200,000*l.* and to that of *Ireland* at 100,000*l.* Some Check might have been given by Acts of Parliament: Their Intercourse with foreign Countries, and with this might have been restrained; the Importation of certain Species of Goods might have been forbidden; Breaches of the Law might have been prosecuted in *Britain*; and Offenders against it might have been pursued into their very Harbours: But still the Grants of Jurisdiction and of Customs which had been annexed to the Lordship, would have always obstructed the Effect of such Laws; under their Shelter open Warehouses of contraband Goods might have been freely kept, and Criminals would have found an Asylum; that Mischief could be effectually cured only by purchasing such of the Rights of the Lord as interfered with the Authority of the Crown over the Inhabitants of the Island: A Contract was therefore made in 1764 for that Purpose, and the Isle, the Regalities, Franchises, and Sea Ports, were annexed to the Crown, on Payment of

70,000*l.* a Price certainly not extravagant, if the Produce only of the Customs there, which amount to between five and six thousand Pounds *per ann.* and are included in the Conveyance, be considered : So much of them as arose from an Importation which was strictly legal were alone worth so large a Proportion of the Sum given, that the Remainder is not too liberal a Composition for the distinguishing Privileges, which a noble Family were by this Sale deprived of : All the Lustre however of the Possession which could be, has been preserved to them ; Besides their landed Interest and manerial Rights, the splendid Patronage of a Bishoprick, and the honorary Service at the Coronation, still continue to grace their Patrimony ; and his Majesty has been pleased to add to the present Duke and Dutchess of *Athol* a Pension upon *Ireland*, the Revenues of which Country are justly charged with a Part of the Expence incurred by a Transaction, the Benefit of which they will so largely share. The Purchase being thus compleated, Provisions were made for the due Improvement of it, by enforcing the Act of 7th *George I.* which condemns all *East Indian* Commodities imported into the *Isle of Man*, except from *Great Britain* ; by forbidding absolutely the Importation even from hence of Silks and Linens prohibited here ; by confining their Supply of foreign Spirits to the Channel through this Country only, stopping the Exportation of them from thence hither, and laying even their own Coasting Trade therein under Restraints ; by extending the hovering Acts to the Coasts, and all the Custom-house Laws to the Interior of the Island ; by allowing Offences against those Laws to be tried in the Courts of *England*, *Scotland*, or *Ireland* ; by exacting Obedience to the Process of those Courts ; and by inflicting severe Penalties on the Insurers of contraband Cargoes, with several other official Regulations ; on the other hand, in order to supply to the Inhabitants the Loss of their illicit Trade by a legal Occupation, they are encouraged to prosecute the Cultivation of their Lands, by permitting them to import into *Great Britain* their Cattle and other Produce free of Impost Duties : They are incited also to apply to Manufactures by giving the same Bounty on the Exportation of their Linens, as
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are given upon the *British* and the *Irish*; and lest the Smuggling from the *Isle of Man* should be driven to the *Danish* Islands of *Faro*, no Bounty or Drawback is for the future to be allowed on Goods entered for those Islands, and no Goods prohibited here are to be exported thither, which Precautions are accompanied with other Restrictions, guarded by Oaths, and enforced by Penalties.

There are but few of the important Branches of the Customs which will not feel the Benefit of this Purchase: They will also be sensible to the other Provisions, which were at the same Time made for their Improvement. The Operations of the hovering Acts, which used to be confined to certain Species of Goods only, were extended to all that are liable to Forfeiture. In order to stop the Practice of Suffering for a small Consideration the Vessel which brought a contraband Cargo to escape, a smaller Share of the Prize was given to the Officer who does not secure both, and it is often of more Consequence to destroy the Means of Smuggling than to forfeit the Subject of it. Some further Methods have also been devised for ascertaining the real Value of Goods paying Duty *ad valorem*, and a Check given to the Importation of Lace, Ribbands, and other fine Goods of considerable Value, but of small Dimensions, which the Pocket of a Coat or the Fold of a Piece of Linen might conceal: In addition to these general Regulations, some were made particularly applicable to certain Branches of the Customs only, such as the Importation of Tobacco Stalks, Coffee, Spirits, and Wine; and the Abuses which prevailed with respect to the Bounty upon Refined Sugars were removed by an Alteration in the Mode of paying it: By which Alteration a Saving is made of two Shillings in twenty-one on 60,000*l. per ann.* which has been the Average Amount of those Bounties: A further Improvement will arise from the Frauds by which they used to be obtained being prevented; and yet the Refinery continues to receive all the Encouragement, which the Legislature ever intended to give it.

This and some other of the above-mentioned Regulations relate to the Customs only; but many of the most important of those which have been stated, will have still greater Effects upon the

the Revenue of Excise : The Inland are higher than the Impost Duties on several of the principal Articles of clandestine Importation ; and many of those Articles greatly interfere also with the Consumption of other exciseable Commodities : It is of more Consequence to the Excise than it is to the Customs, that Tea, Coffee, Brandy, painted Callicoes, &c. &c. &c. should be brought to a regular Entry, and an Encrease therefore in that Branch also of the Revenue arises from the Measures taken for the Suppression of Smuggling : The Purchase of the *Isle of Man* will particularly contribute to it, as the most material Branches of the illicit Trade there, were peculiarly detrimental to the Excise ; a Practice moreover prevailed there directly levelled at this Revenue : A Brewery was established in the Island ; the Corn was brought from *Great Britain* ; the Bounty on Exportation received ; it was then made into Malt and Beer, free in both Stages of the Manufacture from the Duties of Excise ; and with these Advantages the Brewers there could supply the neighbouring Coasts and the Ships which frequented them with Malt Liquors, at a much cheaper Rate than the *British* Brewers could pretend to do ; the Consequence was that all Vessels trading from the North-Western Ports to *Africa* and *America*, touched at the *Isle of Man* for their Stores of this Kind ; but they are now prohibited to take them in there : The Commodities themselves are subject on Importation into *Great Britain* to all *British* Duties whatsoever ; and the Bounty is taken off from the Corn exported thither ; by which Regulations the Brewery in the *Isle of Man* is deprived of the unfair Advantages it had over that of *Great Britain*, and the Duties due on the Malt and Beer so consumed are restored to the Excise. This, however, is not the only Improvement in the same Branch of the Revenue : The last Duty of 1s. per lb. on Coffee having been found to be heavier than the Commodity could bear, was last Year lowered to Six-pence upon foreign Coffee, and entirely taken off from that raised in our Plantations : Provisions were also made during the same Sessions for preventing some Frauds in the Duties upon Hides and Parchment ; for ascertaining the Allowance which had till then been discretionary for Soap damaged

maged in the Making ; for extending to a Species of Beer brewed in *Scotland* called Two-penny several Excise Laws, for want of which the Act recites that the Revenue thereon had been reduced above one Half ; and for the better collecting in many respects the Duties upon Beer, Starch, Candles, Tea and Coffee, which being meerly official Regulations, I shall take no further Notice of.

The same Act contains some Provisions relative to the Salt Duties, for preventing Frauds, for securing Officers in the Discharge of their Duty, for extending Forfeitures, and for facilitating Prosecutions ; a minute Detail of which I shall not enter into.

The Stamp Duties also underwent a like Revision, and many official Regulations were made with respect to those on Admissions of Freemen, on the Binding of Apprentices, on Advertisements, on Ale-Licences in *England*, and on Policies of Insurance, for which I must again refer to the Act which provides them : It contains, however, others of more Importance, adapted to remedy enormous Abuses : The vast Quantities of unstamped Cards which were played with was a scandalous Infraction of the Law ; but the new Restrictions put upon the Making and the Sale of Cards, render that Practice almost impossible for the future. In another Article, that of Ale-Licences in *Scotland*, the Disregard shewn to the Stamp Acts was very extensive : It was principally owing to the Justices neglecting to meet in order to grant Licences, and to the Incompetency of their Jurisdiction over Offenders : But both these Mischiefs are now removed, by obliging the Clerk of the Peace to grant Licences if the Justices do not ; and by giving an Appeal to the Barons of the Exchequer. Besides these Improvements, a Saving was made in the Charges of Management, by reducing the Allowance to Persons buying Quantities of Stamps to a certain Value, from three to two *per cent.* which Difference on so large a Quantity as is bought by Stationers and others, to sell again, or to use in their Business, must be considerable.

The great Addition to the Produce of the Post-office, by the Restrictions upon Franking, and by the Accession of the Cross Post, has been mentioned already ; and many other Regulations were

were also made in that Department: The Practice of sending Letters by the common Carriers was very detrimental to the Business of this Office; but the Mischief did not extend far from the large Towns, and to check the Prevalence of it in their Neighbourhood, the Rates of Postage were by an Act passed in 1764, lowered for the two first Stages; all other Distances are to be exactly ascertained by an actual Survey of the Roads; and Authority is given to the Post-master General to establish Penny Posts in such Places as he shall judge proper. These Alterations will be so many Conveniences to the Inland Correspondence and Trade; the foreign will enjoy still greater, as the Rates to, from, and in the Plantations were by the same Act reduced; those between *Hamburgh* and *London* put upon the same Footing as other *German* Postage; and another Communication opened with *Ireland* through *Port-Patrick* and *Donaghadee*, which will be always safe and certain: The frequent Miscarriages also of Letters sent by private Ships is remedied, by obliging the Captains of such Vessels, before they break Bulk, to deliver their Letters into the Post; and allowing them a Consideration for their Care of them. These greater Regulations are accompanied with others which are official, and with several Provisions for the regular and safe Conveyance of the Mails.

It is impossible (as I before observed) to estimate the Effect of all the above-mentioned Regulations; but if each should produce but a small Addition, so many must amount to a great Encrease of the Revenue; several of them are, however, themselves considerable; and all concurring with the other Measures which were taken for the same End, would in a short Time (if they had been steadily pursued,) have established the Finances of the Kingdom on the most respectable Footing; and future Operations would have acted with Freedom and Efficacy, delivered from the heavy Pressure of an Unfunded Debt, assisted with unusual Vigour in every Department of the Revenue, and strengthened by the great Improvements thus made, by Additions on the one Hand, and Savings on the other. The *American* Revenues (though now reduced) were last Year an Accession estimated at 160,000*l*. The Duty on Gum Senega 12,000*l*. The Fund created

in 1765 for the Payment of Navy Bills 45,000*l*. The Regulation of Franking and the Cross Post 62,000*l*. amounting together to 279,000*l*. which was so much certainly added, exclusive of all that might arise from the Incorporation of the Civil List Revenues, from the Purchase of the *Isle of Man*, from the Check given in all Parts to whatever was prejudicial to the Revenue, from the numerous and important Regulations made in every Branch of it, and from the great Encrease both of Home Consumption and foreign Trade, which must be the inevitable Consequences of the Peace, and of the Measures with which it has been followed.

Another large Fund was at the same Time growing out of Reductions in the Establishment, and continual Savings of Interest; of the former sufficient has been said already; the latter also have been all of them occasionally mentioned; and being collected together, the Account of Interest saved within the Period of two Years stands thus:

Four per cent. on 650,000 Navy Bills paid off	26000.
One per cent. on 1,500,000 Navy Bills provided for	15000.
Four per cent. on 870,888 $5 \frac{5}{8}$ Navy Annuities paid off	34835 10 7 $\frac{1}{2}$
* One per cent. 1,800,000 Exchequer Bills for nine Months	13500.
One per cent. on 2,750,000 Loan on Land and Malt for 1 $\frac{1}{2}$ Year	41250.
	<hr/>
	130585 10 7 $\frac{1}{2}$.

* I put down the Interest on Exchequer Bills at nine Months, to allow for the different Times of issuing them, which are uncertain, but the Allowance must be larger on 1,800,000*l*. than it would be on 800,000*l*. because the 1,000,000*l*. taken by the Bank is out-standing more Months than the 800,000*l*. which is issued in Payments. The Loan on the Land and Malt is also out-standing above a Year and Half, but I chuse rather to under-rate than exceed in my Computation. I must also again observe that some small Deduction is to be made for Navy Bills not bearing Interest; and for Interest made Principal; but it is very trifling.

Which

Which Sum being added to the Improvements arising from Accessions to the Revenue, which (as appears above) amount to 279,000*l.* the Actual Encrease of disposable Income during the Years 1764 and 1765, appears to be little less than 410,000*l.* exclusive of all that may arise from those Measures the Effects of which cannot be ascertained; and exclusive of all Reductions which have not actually taken place, though ever so near, or ever so certain; and all these Improvements were made with the Assistance of a small Loan, on easy Terms, at a Time when it was attended with no Inconvenience; the Event having proved that there was no Necessity for that larger Loan, which was so clamourously called for.

It is true that the Revenue would thereby have been raised; but no Fund, I doubt, could have been found equal to the Interest of the then Unfunded Debt, which would not have been detrimental to some valuable Branches of our Manufactures or our Commerce: They are both loaded already with Burthens as heavy as they can bear; and the rival Manufactures of other Countries (as I before observed) are benefited by the additional Price of Materials and Labour here: Instead therefore of encreasing the Disparity, the Legislature more wisely endeavoured to ballance the Advantages which we could not take away from the foreign Manufacturers, by others which we could give to our own; and even the Duties imposed in 1764 and 1765 were made subservient to this Purpose: That upon Coals exported (as I have already said,) is a Tax upon foreign Dyers, Distillers, Makers of Glafs, Workers in Iron, and other Artificers, and enhances to them the Price of so necessary a Material: The Exception out of the new Duty upon Callicoes exported, in favour of such as shall be printed in *Great Britain*, gives to the *British* Callico-Printer an Advantage over all others, who supply themselves at our *East-India* Company's Sales with the white Callicoes for printing: The Duty upon Gum Senega has the like Tendency with respect to the Manufacturers to whom that Material is indispensably necessary; we have now the Monopoly of it; the Exportation of it from *Africa* to any other Place than *Great Britain* is prohibited by an Act of the Sessions, 1765; and the Duties

Duties laid upon it are only Six-pence *per Cwt.* on the Importation, but 1*l.* 10*s.* on the Exportation: So much therefore will the Difference of the Price be in this and other Countries, after the Trade is got into its proper Channel, exclusive of the Expences of Freight, Insurance, and Commission. We have also by the Cessions in *North America* acquired a Monopoly in the Beaver Skins; and the Opportunity was taken in 1764 to rectify the Absurdity which subsisted in the Charges upon them; Seven-pence *per Skin* being imposed on the Importation, and Four-pence draw-back allowed on the Exportation; by which Circumstance of Favour to Foreigners, our Manufacture of fine Hats was daily declining: But the Whole is now reversed; the Beaver Skins when imported are charged with no more than a Penny, and the Seven-pence is laid on the Exportation. An Alteration was also made last Year in the Duties upon Silk, in order to encourage the Art of throwing it in this Kingdom: The Duty upon the Raw Silk was reduced; and that upon the Thrown imported was raised, in order to encourage the Importation of the former; and if the Experiment should succeed, the Difference may be made still wider. The several Commodities which will be affected by these Alterations are used in a great Variety of Manufactures: They will all (except the Silk which we cannot command) cost less here than any where else, and the Cheapness of the Material being thus set against the advanced Price of Labour, the *British* Manufacturer may in such Articles still keep the Place he has hitherto held in foreign Markets.

With respect to the Home Consumption, it has long been usual to impose high Duties upon foreign Manufactures, with a View only to encourage our own: Such as are liable to these heavy Impositions naturally become the Subjects of clandestine Importation: Others necessarily must be so, if they can find any Vent here, those I mean which on the same Principle are absolutely prohibited; and the Prevention therefore of Smuggling, so far as it checks the running in of such Goods, operates to greater Purposes than merely encreasing the Revenue: It supports our own Manufactures against the Intrusion of others, and enforces

enforces the Execution of Laws framed on the wisest Principles of Policy. The Articles which will thus feel the salutary Effects of these Measures are too many to enumerate; if I were only to instance the two capital Manufactories of Silks and Lins in their several extensive Branches, the Benefit which they will thereby receive is alone a National Object. Spirits, Lace, and all Sorts of fine Goods have been mentioned above; and there are a great Number more to which the Execution of the former Laws, and the additional Regulations introduced to support them, are equally serviceable.

Many Branches also of the *British* Manufactures will soon find the Benefit of the Plan formed for the Suppression of the illicit Trade between the Colonies and foreign Nations, if it be properly supported. The Extent of that Trade was enormous, and it was all stolen from the Commerce, and Part of it from the Manufactures of *Great Britain*, contrary to the fundamental Principle of Colonization, to every Maxim of Policy, and to the express Provision of the Law. Whatever may have been the Value of the foreign Manufactures thus formerly, and now no longer imported clandestinely there, it must in the End be expended in *Great Britain*; and a still further Preference was in 1764 secured to the *British* Manufactures, by retaining upon all foreign Commodities sent thither from hence, the Whole instead of only Half of the Old Subsidy; the Imposition is not indeed very heavy; but so far as it extends, it is in favour of the *British* Manufactures. Duties still higher were at the same Time laid on the Goods forbidden to be worn here, upon the same Principle as the Prohibition is founded: A Check is thereby given to the Consumption of *French* Lawns and Cambricks in *America*: The *East-Indian* Wrought Silks and Painted Callicoes will not for the future exclude so much as they have hitherto excluded the Silks wove and the Callicoes printed in *Great Britain*; and a further Inducement is held out to the *East-India* Company to bring home Raw Silk and white Callicoes to be manufactured here. The Prohibition, however, is not extended to the Colonies, for which, if there were no other Reason, the Demand for these Commodities

ties from the *Spanish* Main would alone be a sufficient Consideration.

Another Advantage was in the same Session given to the Manufacturers, by including in the enumerated Commodities several Articles of the Produce of the Plantations, which were not before subject to such a Restriction: All the various Denominations of Peltry, Raw Silk which will probably succeed there, and Whale Fins and Pot-ashes, the Quantities of which annually encrease, are now forbidden to be exported from the Colonies to any foreign Country, and will therefore be cheaper and in greater Plenty at the *British* Market. Coffee, Pimento, and Cocoa Nuts were likewise for the first Time enumerated; they are not of equal Consequence, but they still deserved this Attention, as valuable Articles of Consumption.

Most of the Regulations I have mentioned as beneficial to Manufactures, are important also to the Commerce and Navigation of this Country. Difficulties imposed upon Smugglers, are Facilities given to the fair Traders, and relieve them from Competitors they would not otherwise be able to contend with: Duties, it is true, are often Burthens upon Trade; but if the Necessities of the State require that they should be laid, it then becomes the Interest of Trade that they be equally levied: If they are not, he that pays them is oppressed by him that does not; a fraudulent Dealer robs the honest Merchant of his just Gain; and good Subjects are in the End more heavily loaded for the Profit of bad Citizens. This is true not only of the Custom-house Duties, but of every other: Frauds upon the Excise are detrimental to the upright Dealers in exciseable Commodities; and all Evasions whatsoever of Revenue Laws, tend to enhance the Prices of the open Market, and to make further Taxes necessary for supplying the Deficiency which they occasion. In another Light too, the Prevention of clandestine Imports is a great commercial Consideration; Foreigners thereby introduce into this Country several Kinds of Goods brought from distant Parts of the World, the Advantages of which Traffic, and the Carriage of which Commodities, the *British* Merchant alone ought to have: To secure it to them is the principal Object

Object of the Act of Navigation ; such a Trade is a direct Infringement of that salutary Law : It is therefore in this View highly pernicious here ; but in the Colonies it is fatal ; I should digress too far were I to state all the mischievous Effects of it there : It suffices to observe that the Check given to their illegal Practices must encrease their regular Supply from hence, when the Causes of its present Fluctuation shall be over ; for that Part which Foreigners did, the *British* Merchants will furnish ; as the Exclusion of the one, is Admittance to the other.

Some of the most valuable Articles of clandestine Importation both into *Great Britain* and the Colonies, are the *East Indian* Commodities : The Difficulties put upon Smuggling are therefore particularly beneficial to the Company, who alone are the rightful Importers : How far their Trade is an advantageous Trade is no Part of the Question : The Consumption of the *East-Indian* Commodities will continue ; and it is certainly of Consequence to the *British* Navigation to have the Carriage of all that is consumed by *British* Subjects ; but of so much as is run in here or in the Colonies, other Nations have the Carriage from *India* to *Europe*, and, perhaps, from *Europe* to *America* : and to recover the Navigation of such long Voyages, and the direct Importation of the vast Quantities of Goods now brought for our Use by Foreigners, are important national Objects : It is well known to what a Degree the Smuggling of Tea and other Articles was arrived ; in some it was carried to such an Excess as almost to exclude the Company : The coarse printed Callicoes, the Cowries and Arangoes, for which there is a great Demand on the Coast of *Africa*, were generally obtained from the *Isle of Man* ; so much so, that upon the Purchase of that Island, it was necessary to provide that the *African* Trade should not be deprived of the Supply, and Authority was therefore given to the Lords of the Treasury to licence the Importation of them from any Country in *Europe*, if sufficient should not be imported directly from *India* : At present the Company cannot furnish sufficient, they have had no Encouragement to bring them lately ; but being restored to the Market, they will take Care constantly to make a Provision equal to the Demand, and

to have the Whole Benefit of this Accession to their Commerce.

A like Attention was shewn to the *African Trade* in the Article also of Bugles, by allowing them to be warehoused free of Duty, instead of exacting the whole Duty on the Importation, and returning it afterwards in Drawbacks; These together with the coarse printed Callicoes, Cowries, and Arangoes, may from hence-forward be attainable upon as easy Terms here as any where else: The Inducements to bring in such Commodities clandestinely are taken away; and Ships sailing to the Coast of *Africa* will no longer be tempted to touch in *Holland* or other Countries for a Supply, the Consequence of which Deviation most frequently was, that they took in also Gun-powder, Spirits, and other Assortments of Goods, and made up a great Part of their Cargoes there: The *African Trade* will be therefore more our own than it has been; it is in itself greater than it was by the Acquisition of *Senegal*; and a further very liberal Plan was adopted in 1765 for improving all its Advantages. The Committee of Merchants who had the Management of the Whole, were divested of that Part of the Coast which lies between the Port of *Sallee* and Cape *Rouge*: The rest was left to them strengthened in their Hands by building a Block-house at the important Point of Cape *Appolonia*: That which was taken from them was vested in the Crown; a civil Establishment was formed, with Jurisdiction between the Rivers *Senegal* and *Gambia*; the Duties upon Gum are a Fund for supporting it; a regular Military Force is to be maintained there; and all the Securities against domestic Oppression or foreign Invasion, all the Benefits, in short of a settled provincial Government, are provided for that District. This must be an Encouragement to the present Factories; it will be the Means of encreasing them; it may be the Foundation of future Improvements in Power, in Commerce; and in Settlement, to a Degree, perhaps, of Colonization: But without carrying the Idea quite so far, it will at the least certainly give Stability, Order and Credit, to the *British Trade* upon the Coast, and make our Establishments superior in Strength, Extent, and Influence, to those of any other *European Power*.

But

But of all the Measures which were pursued for the Benefit of Trade, those were by far the most important which respected the Colonies, who have been of late the Darling Object of their Mother Country's Care; We are not yet recovered from a War undertaken solely for their Protection: Every Object for which it was begun, is accomplished; and still greater are obtained than at first were even thought of; but whatever may be the Value of the Acquisitions in *America*, the immediate Benefit of them is to the Colonies; and this Country feels it only in their Prosperity; for though the Accessions of Trade and of Territory which were obtained by the Peace, are so many Additions to the Empire and the Commerce of *Great Britain* at large, yet they principally affect that Part of her Dominions, and that Branch of her Trade, to which they immediately relate. To improve these Advantages, and to forward still further the peculiar Interests of the Colonies, was the chief Aim of the Administration in the Period now before me. Their Whale-Fishery was encouraged by taking off the heavy Duty under which it laboured; in consequence of which *Gratuity* it must now soon entirely overpower our own, and will probably rival that of the *Dutch*; so as to supply not only the whole Demand of this Country, but Part also of the foreign Consumption. The Restraint laid by the Acts of Navigation upon the Exportation of Rice, was at the same Time relaxed, and Liberty given to both the *Carolinas* and to *Georgia*, to carry it to foreign Plantations, where large Cargoes may be annually disposed of. The Culture of Hemp and Flax in *America* was promoted by Bounties; and another Bounty was given upon the native wild Produce of the Continent, the Timber, in such Proportions on the several Species of it, as will enable the Colonists to bring vast Quantities hither. Should the Ends intended by all this Liberality be answered, and the Effect be, as in Time it probably will be, that the foreign Plantations will be supplied wholly with Rice, and this Island in a great Measure with Whale Bone and Oil, with Hemp, Flax, and Timber, from the Colonies, the Encrease of their Trade will exceed the most sanguine Expectations: The Consumption of these Commodities which they

may be able to furnish cannot be estimated at less than a Million a Year : In all they will undoubtedly have a Preference, and in some a Monopoly.

At the same Time that new Branches of Commerce were thus given to them, others which they had before were improved. The Prohibition on the Exportation of *American* Bar Iron from this Kingdom was taken away by an Act passed in 1765. By the same Act the Importer of Rice intended only to be re-exported, is excused from advancing the Duties : The Encouragement given to the Culture of Coffee in the Plantations, by reducing the Duty thereon below that charged on other Coffee, has been taken Notice of before ; and a still further Preference was shewn to the Produce of our *West-Indian* Colonies, by laying heavy Impositions upon the Indigo, Coffee, Sugar, and Melasses of the foreign Islands imported into *North America*, while the same Commodities raised in our own, were lightly charged at the most, and some of them entirely free. It is also of general commercial Utility that the Fees of Custom-house Officers should be fixed ; and that Correspondence by Letters should be frequent, safe, and easy : and for both these, so far as the Colonies were concerned in them, particular Provisions were made by the Acts so often referred to.

Whatever may be the Effects of the Attention thus shewn to the Colonies, the Benefit will be partially felt here, but principally there : To them the Whole is gain ; we on the contrary in many Respects sustain a Loss ; and if the Interests of the Mother Country could be distinguished from those of the Colonies, it would be difficult to justify the Expence she has thereby incurred ; for out of her Revenues, the Bounties upon Hemp, Flax, and Timber must be paid ; and on so much of the *British* Consumption as shall in consequence of this Encouragement be supplied from *America*, there will be a further Loss of the Duties upon foreign Hemp, Flax, and Timber now imported here : The Duty too upon Whale Fins must be taken into the Account, which is another Deduction, avowedly made with a View to give their Fishery a Preference even to our own ; and

and it is obvious that the Amount of the Whole, though it cannot easily be estimated, must be very considerable.

Were there no other Ground to require a Revenue from the Colonies, then as a Return for these Obligations, it would alone be a sufficient Foundation: Add to these the Advantages obtained for them by the Peace; add the Debt incurred by a War undertaken for their Defence only; the Distress thereby brought upon the Finances, upon the Credit both publick and private, upon the Trade, and upon the People of this Country; and it must be acknowledged that no Time was ever so seasonable for claiming their Assistance. The Distribution is too unequal, of Benefits only to the Colonies, and of all the Burthens upon the Mother Country; and yet no more was desired, than that they should contribute to the Preservation of the Advantages they have received, and take upon themselves a small Share of the Establishment necessary for their own Protection: Upon these Principles several new Taxes were laid upon the Colonies: Many of them were indeed, as I have already shewn, rather Regulations of Trade than Funds of Revenue: But some were intended to answer both Purposes: In others the Produce was the principal Object; and yet even the most productive of all, were of that Kind which is perhaps more tender of Trade than any other: The same Sum could not have been raised with so little Oppression by Impost as by Stamp Duties*, for they do not affect some Articles of Commerce more than others; they do not even fall upon Men of any particular Denomination: They are heavy upon none, because they are paid only occasionally; and they are collected with more Ease to the Subject than any; but a Distinction between internal and external Taxes was set up in *America*, and Occasion was from thence taken to raise Disturbances there, the Particulars and the Consequences of which are of such public Notoriety, that it is needless to mention them: The Events too were subsequent to the Period I am now considering; and many of the Questions which they gave rise to,

* It is impossible to speak with Certainty of the Produce of any of the *American* Taxes: I have therefore throughout followed the usual Calculation, and estimated the Impost Duties at 60,000*l.* and the Stamp Duties at 100,000*l.* per ann.

being

being either legal or political, it does not belong to a Work of this Kind to discuss them. But such Considerations of Finance and of Commerce, as were or ought to have been attended to before any Impositions were laid in *America*, are immediately within my Subject: I shall not however dwell upon those which related to the Stamp Act alone, the Repeal of that Act having put an End to them; but whether or how far the Colonies ought to be taxed for the Purposes of Revenue, is still as it was then, a very weighty Consideration, and it will therefore be necessary to take some Notice of the Arguments on either Side of so important a Question.

The Inability of the Colonies, and particularly of those upon the Continent, has been pleaded in a Variety of Shapes; though the Inhabitants of *North America* are reckoned by some to be near 2,000,000 of People, and allowed by all to be 1,500,000 at the least. Taking then the lowest Computation, and supposing that 100,000*l.* had been levied upon them, such a Sum on such a Number could not be an insupportable Burthen; a Capitation Tax of One Shilling and Four-pence *per Head* would raise as much; less than a Day's Labour would provide every Man with his Quota; and the Distribution must be perversely partial, to make that oppressive, which if equally divided would have been so inconsiderable: With respect to the Islands they could well have born their Share, for the *West-Indians* exceed the *North-Americans* in Wealth, as much as they fall short of them in Numbers.

But the Colonies, it is said, were not before free from Taxes, as they always provided for their own domestic Establishments; and does not *Great Britain* maintain her domestic Establishments also? Nor can such Charges in a remote Province ever bear any Proportion to those of the Mother Country, which is the Seat of a mighty Empire, and supports the State of Monarchy, the Splendor of a Court, the Lustre of Nobility, the Dignity of Magistrates, and the Importance of Office, amidst the Profusion of a Capital. The Establishments of all the Colonies at present, do not together amount to 160,000*l. per ann.* adding therefore to these the new Duties, still the Sum to be raised annually

nually in the Plantations would have been little more than 300,000*l.* while the Revenue of this Country exceeds 10,000,000*l.* *per ann.*

The Interest of the Debt incurred during the last War by the *North American* Colonies, is not included in an Account of their permanent Income, because the Debt is small, and will be of very short Duration. At the End of the War it was between 2,500,000 and 2,600,000*l.* It is already reduced to about 767,000*l.* and the greater Part of this Remainder will be paid off in two or three Years, by Funds provided for that Purpose : But our appropriated Funds are rivetted down on our Posterity : Savings of Interest give no Relaxation of Taxes : They are still wanted to discharge the Principal ; and we do not see the Prospect, even in a distant and uncertain Futurity, of a Reduction at all proportionable to that which has been already made in the Colonies : So different are the Circumstances of their Debt and ours ; and as to the amount of each, the Comparison would be ridiculous between the National Debt, and 767,000*l.* daily dwindling into nothing : Or if the Consideration be limited to the Expences only of the last War, and their and our Debt thus contracted in a common Cause put together, the general Burthen, even in this confined View of it, appears to be unequally divided.

But it was never intended to impose on them any Share of the National Debt : They were never called upon to defray any Part of our domestic civil Expences : The Legislature only required of them to contribute to the Support of those Establishments, which are equally interesting to all the Subjects of *Great Britain*. The Charge of the Navy, Army, and Ordnance, of *Africa*, and of *America*, is about 3,000,000*l.* *per ann.* These surely are general ; they are as important to the Colonies as to the Mother Country ; as necessary to their Protection, as conducive to their Welfare, as to our own : If all share the Benefit, they should also share the Burthen ; the Whole ought not to be born by a Part : The *Americans* are in Number a Fifth of the *British* Subjects ; yet the Aid required of them was in the Proportion

portion only of about one in twenty ; and to make it still more easy, the Expenditure was restrained to that Country.

In answer to this it has been alledged, that the *Americans*, besides paying a Duty on the foreign Commodities with which they are supplied from hence, contribute largely to the National Revenue by their Consumption of *British* Manufactures, the Price of which is enhanced to them by the Taxes here ; It is true ; but if such Reasoning be pursued, it will be found equally true that they contribute also to the Revenues of *France*, to those of *China*, and in short of every Country with which we have any commercial Communication. Those Countries likewise may be said to bear a Part of our Charges, for they buy our Commodities ; and it must at the least be acknowledged, that *Great Britain* makes an ample Return to the Colonies in the Consumption of their Produce, with the advanced Price upon it, which their provincial Impositions occasion. Could the Facts be ascertained, perhaps it would appear that we pay in this Manner, if not an equal Sum, yet as large a Proportion of their Taxes, as they pay of ours ; For their Contribution arises chiefly from the *British* Manufactures, and but little from the foreign Commodities, which are, however, a third Part of their Supply : While our Contribution is on the *American* Produce, which is the greater Part of their Return : But the Discussion is intricate, unsatisfactory, and endless, and without entering further into it, thus much is evident already, that the Benefits which the Revenue of either Country receives from the Consumption of the other, are mutual ; that the Ballance between them is unknown ; and that therefore neither Side can avail itself of any important Conclusion to be drawn from Premises so very uncertain.

When these Considerations of Revenue fail, others respecting Trade are urged : We have their All, they say ; all that they can gain, all that they can raise is sent hither, to purchase *British* Manufactures, and we must therefore be content to see their Demand diminished, by so much as any Revenue we require may amount to : But does their All really even center in *Great Britain* ? Their illicit Trade was computed during the last

last Peace to be about a Third of their actual Imports; and the Money diverted from that to the Support of the Establishment, is certainly no national Loss: Of the Supply from hence, a Third is also supposed to be in foreign Commodities; so that upon these Calculations *, the British Manufactures do not amount in Value to one Half of the *American* Consumption; and the utmost Force therefore of the Argument is, that we lose a Vent for 80,000*l.* worth of Manufactures, by getting an Accession of 160,000*l.* to the Revenue. Even this is not true if the Revenue be so much wanted, that unless it is raised in *America*, *Great Britain* must furnish it; for no large Funds can be created here, which will not affect our Manufactures; the Home Consumption, the foreign Demand, even the *American* Supply will be thereby lessened; and the Diminution being general, it may amount in the Whole to a greater Loss than can be apprehended from an *American* Taxation; all such Arguments prove too much; they are as strong against several Duties here; against any additional Duties; against Duties already subsisting; for the Proposition is generally true, that Taxes are detrimental to Trade and Manufactures; but those which are least so, are the best; and burthened as this Country is, I believe none can be devised less prejudicial to either, than Taxes upon the Colonies, when proportioned not to their Numbers but to their Abilities, and adapted to their Circumstances, upon Principles of Justice and Equality.

The Argument is nearly the same, it is only weaker, when instead of the Consumption of the Colonies, the Consequence of that Consumption, their Debt to this Country, is pleaded, and the new Duties are represented as depriving them of the Means of discharging it: This Complaint would be just, if a Revenue had been exacted from them, without furnishing them with Resources for raising it; but the Peace, and the Measures taken since for improving the Advantages of it, have done

* The Proportions may be different now; but all Conjectures about the Alteration must be very uncertain; and the same Reasoning is applicable to any other which may be thought the present Proportions.

much more : For it would be rating the Cessions made by *France* very low indeed, if the Security which is the Consequence of them ; if the vast Accession of Territory ; if the Intercourse opened with the *Indians*, their greater Demand for Cloathing, Arms, Spirits, and other Commodities, and the Monoply of their Return in Beaver, Furs, and all Sorts of Peltry ; if the Improvements, of the Cod, Seal, and Sea-Cow Fishery ; the Establishment of the Right to cut Log-wood ; the Facilities obtained in the *Spanish* Trade by the Approximation of our Settlements to theirs ; and the other Acquisitions of the Peace ; were not all together valued to the *Americans* alone, at a Sum much larger than the Revenue expected from them. In this Enumeration I have not included such Articles as have lately received particular Encouragement ; the Whale Fishery, the Rice, the Hemp and Flax, and the Timber ; nor the Preference shewn in so many Instances to the Produce of our Islands, over that of Foreign Plantations. By all these Means we have encreased the Abilities of the Colonies, to purchase our Manufactures, to make Returns for the Supply, and to discharge their Debts in *Great Britain* : All Objections therefore to the Taxing them, as affecting their Trade, are resolvable at last into a Complaint, that we have not done more for them. We have opened to them new Funds of Wealth ; and if we apply'd a Part of it to the National Service, the Deduction was only from our Boon, not from their Property : That after all Taxes paid, if all had continued, would have been greater than ever ; and the Commerce said to be oppressed, would, upon the Whole, have been far more flourishing than if no Duties had been laid, and at the same Time none of the above-mentioned Advantages given.

Even without entering into the Value of these Additions to their Trade, the Bounties alone on but two or three Articles, would have enabled them to support the new Impositions ; for should this Country be supplied from *America* with the Commodities upon which they are given, the Sum which the Colonies would thereby entitle themselves to receive from the Government here, would have been a Fund for answering the Demand

mand of Government upon them; and this Sum is of Ready-money, which they may order to be remitted: It is a direct Grant of so much as it may amount to; and ought to be estimated as such, independantly of the additional and much greater Value it acquires with them, as the Means of extending their Trade, and encreasing their Returns.

Nor is this the only Fund lately provided for them: The Encrease of the Establishments there furnishes them with another, which alone would more than ballance the Account: For those Establishments during the late Peace did not amount to 100,000*l.* *per ann.* and at present they are about 350,000*l.* exclusive of the Naval Expence which also is greater than it was, and exclusive of Extraordinaries, which in every Part of that Service are augmented; including these, the Charge must be between four and five hundred thousand Pounds *per ann.* and though the Whole is not spent in that Country, the Cloathing, Arms and other Articles being provided here; yet no Deductions, however liberal, will reduce the actual Expenditure in *America* near so low as 160,000*l.* and whatever the Excess may be above that Sum, it must be remitted thither from *Great Britain*; whatever may be the Amount, it is at the least four Times as much as it used to be: So that on this Ground also the Colonies are enriched; and they are here again upon the Whole in much better Circumstances, than if there had been no additional Taxes, and at the same Time no additional Establishments.

But notwithstanding these Resources, there is a Scarcity of Coin and Bullion in *America*, and it is therefore, they say, impossible to pay the Duties, as they are required to be paid, in Silver; which Objection is founded upon a palpable Mistake; for the Act laying Impost Duties in 1764 only declares, that all the Monies therein mentioned *shall be deemed to be Sterling Money of Great Britain, and shall be collected, recovered and paid to the amount of the Value which such nominal Sums bear in Great Britain; and that such Monies shall and may be received and taken, according to the Proportion and Value of five Shillings and Six-pence the Ounce in Silver.* These also were the Words of the Stamp Act: The Idea is taken in both from the 6th *George II.*; after

all the Clamour which has been raised about it, the very same Provision is made, and the same Expressions used, in the two Acts passed during the last Session, for altering the Duties, and for opening Free-Ports in the Plantations; and I will venture to say, that in every Revenue Law for *America*, some similar Clause must be inserted; for the whole Purport of it is only to fix an equal Standard, not varying as Currencies may vary in different Colonies; but had the Clause stopped here, the Duties must have been paid at the Rate of 5s. 2d. the Ounce, for that is the Sterling Value; the subsequent Words are therefore added in order to give an Indulgence to the Colonies of Fourpence in every five Shillings and Six-pence, and the only Effect of omitting them would be to take that Advantage away; the Rate is thereby ascertained in favour of the Colonies: but the Specie in which the Payments may be made, is no where prescribed: They may be in Gold as well as in Silver, in Bullion or in Coin, and even in Paper, if the Credit of the Paper be like that of Bank Notes, such as will secure the Receivers from a Loss: If it be not, it would be absurd to oblige them to take it. But still it is alledged, that as the Money raised is to be paid into the Exchequer, the Colonies will be thereby drained of all their Cash; which indeed would be the Case, if the Balance between them and the Government were not in their favour: But as the Expence of the Establishments exceeds the Produce of the Duties, no Money appropriated to the Support of those Establishments can ever be brought hither; for the only Use which could be made of it, would be to send it back again: To prevent therefore this double Remittance, Directions were given that when the Paymaster General had Occasion to send a Sum of Money to *America*, he should apply to the Commissioners of the Customs or Stamps for Bills upon their Collectors in the Plantations; the Deputy Paymasters there receive on these Bills the Money in the Hands of those Collectors; the Paymaster here accounts with the Office from whom he has the Bills for the Amount thereof, and the Commissioners of that Office pay the Money so received of him into the Exchequer: By
which

which Transaction the Provisions of the Act are literally obeyed, without drawing a Farthing from *America*.

The only remaining Argument worth Notice; is, that Restraints being laid upon the Trade of the Colonies, they ought therefore to be exempted from contributing to the Revenue: A very general Argument indeed, equally applicable to all Times, and to all Taxes; but which would not be a just Inference even from a Supposition that they had no other Trade than to their Mother Country; and is preposterous when applied to a People, whose Lands through all their various Soils and Climates are luxuriantly rich in almost all the Productions of the Earth, who besides their inexhaustible Fisheries, and besides their Intercourse with *Great Britain*, carry on a most extensive Traffick with the *West-Indies*, with *Africa*, and with all Parts of *Europe* to the Southward of Cape *Finesterre*; and whose Seas are from all these Causes throng'd with Ships, and their Rivers floating with Commerce: This flourishing State of their Commerce contradicts all the Complaints which have been made of the Restraints laid upon it: For such Restraints have subsisted from a very early Period, and under them that Trade has been established and enlarged, which it is now pretended they oppress: They must have been more oppressive upon Infant Colonies; yet they never prevented their Growth; on the contrary they have been found at all Times, and in all Circumstances, to be indispensably necessary; and in reality, the Acts of Trade do no more than express an implied Condition, which is the first Principle of Colonization; for no State would ever have allowed its Subjects to remove into a distant Part of its Dominions, if it were thereby to be deprived of their Services and Usefulness: At home their Consumption and their Labour were all for the Benefit of the Country they lived in; Commodities raised, Manufactures made, or foreign Merchandize imported there, were their only possible Supply: There only, or by Exportation from thence, could they find a Vent for so much of their own Produce as they wished to dispose of; and they were thus by their Situation alone the Means by which Industry, Navigation, and Revenue, were supported. Upon their Migration,

tion, this Necessity ceased: They might then supply themselves from other Places; and give to Foreigners the Carriage, the Use, and the Advantage of their Produce. To prevent such a Perversion, the Acts of Trade confine them in several Respects, and to a certain Degree, only to the same Circumstances in which their Fellow Subjects continue; and compel them by Law to be as serviceable to their Country, as they were before obliged to be by Situation. And that exclusive Trade with their Colonies, which is claimed with more or less Rigour by all the *European Powers*, is not an injurious Monopoly established by Force; but is a due Exercise of that indisputable Right which every State, in Exclusion of all others, has to the Services of its own Subjects. Nor was the Exercise of it ever supposed to imply an Exemption from Taxes: The Fact has been otherwise from the Beginning. The 15th *Ch. II.* strictly forbids the Importation of any *European Goods* into the Colonies except from *Great Britain*; and all such Goods thereby became liable to the half Subsidy retained on Foreign Merchandize exported from hence; which Merchandize, if consumed here, was in general charged at that Time with no more than the whole of that Subsidy. The Intercourse however between our own Colonies being direct, and the Produce of the one when introduced into the other thereby escaping all Customs, a similar Charge was laid upon that also by 25th *Ch. II.* and the most valuable *American Productions* were subjected to the enumerated Duties, on their Exportation from the Places of their Growth to other Colonies. By 7th and 8th, *W. III.* all the Custom-house Laws were extended to the Plantations. By 9th *Ann.* those of the Post-Office were likewise established there, accompanied with the many Prohibitions, which are necessary to secure to Government the exclusive Carriage of Letters, and then charging that Conveyance avowedly for the Purpose of Revenue. By 7th *G. I.* the Importation of *East-Indian* as before of *European Goods* into the Colonies, except from *Great Britain*, was prohibited, and these also thereby incurred the Duties retained on the Exportation of them. By 2d *G. II.* the *American Seamen* were taxed for the Support of *Greenwich Hospital*, and by 6th *G. II.* the Produce

Produce of Foreign Plantations imported into our own was loaded with heavy Duties. From this Enumeration it appears, that there never was an Idea of exempting the Colonies : On the contrary, Restraints upon their Trade, and Taxes on their Consumption, have always gone together : And together compose the System, by which they have been constantly and happily governed. It is true that these Duties were low : So were the Taxes in *Great Britain*, when these were laid ; and light as they may seem at this Time, they were then heavier upon the Colonies, and nearer in Proportion to such as were then levied here, than much higher Duties are now. Our Taxes have been since encreased many-fold : Their Abilities have been enlarged still faster : And the great Augmentation of both was made by the last War : Our Debt is thereby almost doubled : our Establishment is now much greater than it was ; and their Trade and their Territory are at the same Time vastly extended. The Proportion between the public Burthens on the Mother-country and the Colonies, as divided when they were in their Infancy, is entirely lost : And to restore that Proportion, and again to make something like a Partition of those Burthens, is no more than maintaining the System, upon which we have always acted, and to which I own I am partial, because the Colonies have flourished under it beyond all Example in History, and I cannot prefer visionary speculations and novel Doctrines to such an Experience. The *British* Subjects in *America* are a great commercial People : Perhaps, (if this were a Time for the Discussion,) it might upon Examination appear, that they owe their Greatness to the very Laws they complain of : But supposing the Reverse, and admitting that if these Acts had not interfered, their Commerce would have been more extensive than it is : Can it be a Principle that no Country ought ever to be taxed, whose Trade is not carried so far as it might be ? Or if Restraints upon Trade be alone a Reason against Taxing, is it material by what Means those Restraints are imposed ? Surely the Consequences are the same, whether a prohibitory Law, the Situation of the Country, or any other Circumstance be the Cause : And in this Light many Inland Counties of this Island have a better Claim to an Exemption

emption than the Colonies : Even the Inhabitants of *Great Britain* at large have as good a Title : For no Restraint upon Trade is more severe or more effectual, than Accumulation of Taxes ; they are oppressive upon all Branches of Commerce, and fatal to many ; we are actually at this Time precluded from several and in danger of losing more, on Account of the heavy Impositions we labour under : And Inability thus incurred is a better Plea than any other for Favour and Relaxation : But after all, it is totally indifferent to this Question what the Means are by which a People acquires Wealth, or from what Means of acquiring it they are debarred : The Extent not the Cause of their Abilities is the only Consideration : And that the Share of the Public Burthen which was allotted to the Colonies, was not disproportioned to their Abilities, has been shewn already.

If from what has been said it appears, that no Principle of Finance or of Commerce forbids the Taxing of the Colonies for the Purposes of Revenue only ; it must on the other Hand be admitted that the Circumstances of this Country call for every Aid which any of its Subjects can give : And there was a peculiar Propriety in requiring it from the *Americans*, who have contributed so little, and for whom so much had been done : But I will dwell no longer on a Subject, which has carried me already to a Length, which its Importance only can excuse ; and with the Remarks it has suggested, I will conclude the Considerations which have occurred to me on the Conduct of the Administration during the Years 1764 and 1765, with Respect to the Revenue and the Trade of these Kingdoms : That of their Successors will not detain me so long : They have done but little : They have indeed undone much ; but if the former Measures have been proved to be right, the Reverse of them will require no very elaborate Discussion : And a short Examination will shew that the Ministers who made the Alterations, did not deviate in any one Instance from the Plan of their Predecessors, without doing Mischief to the Revenue ; which Examination will be still shorter, and the Comparison of the Measures more easy, if I conform as nearly as I can to the Method already observed in stating the several Particulars.

The

The Plan for paying off the public Debt has, with Respect to the Articles of it, been the same : But there is a wide Difference with Respect to the Amount of the Debt discharged in this and the last Year ; and less Care has been taken to prevent its accumulating again.

The Liquidation of the *German* Demands was very nearly finished under the former Administration, and the Payment of them also far advanced ; as no more than 106,043*l.* 13*s.* 8*d.* $\frac{1}{4}$ of the miscellaneous Demands were unprovided for ; to which must be added the third Instalment of 50,000*l.* to the Landgrave of *Hesse*, which became due this Year.

The Navy Debt left outstanding last Year was 2,426,915*l.* 7*s.* 9*d.* and on 31st *December*, 1765, it was 2,484,595*l.* 7*s.* 10*d.* $\frac{1}{4}$ but the Difference is much greater than on these States it seems to be, for in the former is included an over-reckoning of 340,344*l.* 7*s.* 9*d.* which is now deducted ; in comparing therefore the two Accounts, either the same Deduction must be made from the former, or the Sum deducted must be restored to the latter ; and either way the Difference between them will be 398,024*l.* 7*s.* 10*d.* $\frac{1}{4}$, which is additional Debt contracted in the Year 1765, consisting partly of *Arrears* of the War, and partly of Exceedings beyond the parliamentary Provision for Re-buildings and Repairs. It is very well known that the Practice of annually accumulating the Navy Debt was strongly opposed by the former Administration : But their Endeavours to restrain it have been ill supported ; a large Sum appears in this Account to have been expended before it was provided for : And though so much has been done towards repairing the Navy ; and notwithstanding the much greater Provision now made for that Service ; still I fear that we do not yet see the End of the Navy Debt, which, for the present is reduced as low as it well can be, the 1,200,000*l.* voted this Year towards paying it off, being sufficient to discharge all that was payable when the Account was made up.

The Prospect is no better with Respect to the Extraordinaries of the Army, which instead of approaching towards an Estimate, are thrown back into a greater Uncertainty than ever. Not that

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they

they will again amount to 479,088*l.* 10*s.* 6*d.* $\frac{1}{4}$, which is the Sum voted last Session for discharging them, a very large Proportion of that Sum being for the Remains of the War: But even the current Expences will be uncontroled, if better Care be not taken of those in *America*; the former Ministers had begun to regulate them: And had given Orders to restrain the discretionary Powers exercised both by the military and civil Officers there, in the incurring of Expence: but lately instead of Assurances that such Orders shall be enforced, the Difficulty of complying with them has been pleaded: And tho' Directions were sent to prepare Calculations of the ordinary Charges, from which Estimates might be formed, and Parliament might know and limit the Services; and those Calculations were received many Months ago; yet no such Estimates have been produced; all the Licence introduced by the War, and which had not been corrected, still prevails; and first by Neglect, and afterwards by Indecision, the Uncertainty has been so increased, that not only the Extent, but even the Nature of the Services is unknown: the Change of Circumstances in the Colonies suggests an Alteration: But is that Alteration to be made? Are we still to protect their extended Frontier? Or are the Troops to be removed into other Parts? Or are they to be entirely withdrawn? The Charge will be very different in these different Dispositions: And though while *America* was obedient, and a Revenue there was in view, this Country might undertake to repel the Hostilities, or to purchase the Friendship of the *Indians*; yet surely we shall not now be so ready to provide for that Service, which the Colonies alone used to bear, but to which they now refuse to contribute: or at the least we have a Right to know, whether the Service is to be performed, what it will amount to, and who is to defray the Expence.

The Extraordinaries of the Ordnance and the *Nova Scotia* Debt do not suggest any particular Observations: The former amount this Year to 35,061*l.* 6*s.* 2*d.* and the latter to 8,008*l.* 12*s.* 7*d.* The Interest also of the 1,000,000*l.* Exchequer Bills which the Bank in 1764 contracted to circulate for two Years, is now brought to account, amounting to 51,763*l.*

The

The Deficiencies of Grants are not in reality so great as they appear to be: For the Articles which properly fall under that Description, *viz.* the Interest of the 800,000*l.* Exchequer Bills, the Deficiency of the Coinage Duty, the Deficiency occasioned by the *French Prize Money* not being settled before the Close of the Year, the Difference between the real and estimated Deficiency of the Land and Malt, and the Difference between the Supply and Ways and Means last Year, all together amount only to 224,124*l.* 7*s.* 0*d.* $\frac{1}{4}$, but then no more than 3,296*l.* 6*s.* 8*d.* $\frac{1}{4}$, of the *African* and *American* Duties were paid into the Exchequer before *Christmas*, not that the Produce had fallen so far short of the 72,000*l.* for which they were given: On the contrary Accounts transmitted from some of the Colonies shewed the Nett Receipt in them only to have been above 24,000*l.* and no Accounts were yet arrived from the *Leeward Islands*, *Dominica*, *East-Florida*, *Georgia*, or *Bermudas*. As to the Duties on Gum Senega, and the Regulations which accompanied them, they did not take Place in Time to catch the Season for that Trade; but both the 12,000*l.* charged upon them, and the 60,000*l.* charged upon the *American* Duties, were given at large out of the Produce whenever it should arise, and not confined to the Year 1765; so that the whole will come in: But as 68,703*l.* 13*s.* 3*d.* $\frac{1}{4}$, was at *Christmas* wanting in the Exchequer to compleat the Sums for which these Duties were given, it was thought proper to vote so much as a Deficiency; and to apply the Monies already raised but not paid in, and those which are still to be raised under the Vote of last Year, to the Service of the present: In Consequence of which the Deficiencies of Grants appear to be 292,828*l.* 4*d.* $\frac{1}{4}$

The Deficiencies of Funds consist of the following Articles:

Deficiency of Annuity Fund 1758	—	45,561	7	10 $\frac{1}{2}$
Deficiency of Annuity Fund 1763	—	29,211	12	6
Navy Annuities	—	139,342	2	4
Charges of Management of said Annuities } for 2 $\frac{1}{2}$ Years	—	4,898	14	9 $\frac{1}{2}$
Navy Annuities from 29th September 1765, } to 25th December	—	8,708	17	7 $\frac{1}{2}$

227,722 15 1 $\frac{1}{2}$

The Amount on this State of them is less by near 10,000*l.* than it was in the preceding Year; and if the *Christmas* Quarter of the Navy Annuities advanced to compleat the Payment of 25 *per cent.* upon them, be deducted, as being no Part of the Charge upon the Sinking Fund for 1765, the Account of which is closed in *October*; then the Difference in the Deficiencies of Funds between the last and the preceding Year, is above 18,000*l.* owing principally to the encreased Produce of the Cyder Tax; and that Duty would have continued, as I have already observed, to be upon an Average a much more efficient Fund than it was at first: But it is repealed; and others less productive are substituted in its stead, as I shall have Occasion to shew more at large hereafter.

The saving on the Head of Deficiencies by the Payment above-mentioned of 25 *per cent.* on the Navy Annuities, will however appear in the next Account: And that wise Plan for reducing the Funded Debt, has been followed exactly this Year, a further Sum of 870,888*l.* 5*s.* 5*d.* $\frac{1}{2}$, being given for that Purpose: Including this, the Account of Debt funded and unfunded which has been discharged and provided for in the Supplies for 1766, stands thus:

	<i>£.</i>	<i>s.</i>	<i>d.</i>
Miscellaneous <i>German</i> Demands —	106,043	13	8 $\frac{1}{2}$
Reasonable Succour to the Landgrave of <i>Hesse</i> ,	50000	0	0
Navy Debt — — —	1,200,000	0	0
Army Extraordinaries — —	479,088	10	6 $\frac{1}{2}$
Ordinance Extraordinaries — —	35,061	6	2
Deficiencies of Grants — —	292,828	0	4 $\frac{1}{2}$
Deficiencies of Funds — —	227,722	15	1 $\frac{1}{2}$
Towards paying off Navy Annuities —	870,888	5	5 $\frac{1}{2}$
<i>Nova Scotia</i> Debt — —	8,008	12	7
Interest of Bank Exchequer Bills —	51,763	0	0
Total Debt discharged and provided for *	3,321,404	3	11 $\frac{1}{2}$

* The Articles provided for cannot in this Account be separated from those discharged: But the Amount of them may be ascertained: As the Loan this Year is for 1,500,000*l.* so much of the Total 3,321,404*l.* 3*s.* 11*d.* $\frac{1}{2}$, has been provided for, and the remaining 1,821,404*l.* 3*s.* 11*d.* $\frac{1}{2}$ discharged.

This

This Sum is less than the Debt paid off and provided for in the preceding Year by 576,164*l.* 6*s.* 8*d.* $\frac{1}{4}$, even allowing that the *American* and *African* Duties not yet received in the Exchequer, are to be considered as deficient; but if that Deficiency cannot strictly be called a Debt, as there was a Provision for making it good, which is now applied to other Purposes; and 68,703*l.* 13*s.* 3*d.* $\frac{1}{4}$ should therefore be deducted from this Account; then the Difference in the Amount of Debt discharged and provided for in 1765 and 1766, will be no less than 644,868*l.* though the Loan is as great, and the Sinking Fund greater this Year than the last.

The same Quantity also of Exchequer Bills are outstanding, and on the same Terms: The Bank are to circulate 1,000,000*l.* at 3 *per cent.* and the other 800,000*l.* will be disposed of in Payments as usual: So that in this Part of the Debt no Advance has been made; there will be as many Bills in the Market, and the Publick will pay as much for Interest as before.

The Deficiency of Land and Malt though separated from the general Account of Debts discharged, is still a Part of the Supply, and is this Year estimated at 360,000*l.* which is the highest it can be on any Calculation, and more than it probably will be, even in the present State of that Revenue: But when the Reduction of Interest upon the Loan which was begun last Year, shall have fully taken Place, a Saving will be thereby made of above 40,000*l.* *per Ann.* and if the Land-Tax were reduced one Shilling in the Pound, above 20,000*l.* *per Ann.* more would be saved*: But this desirable Object is now removed to a greater Distance than it was: Many of the Measures which tended to prepare the Way to it, are over-turned; others are weakened; and some are diverted to different Purposes: The Consequence of which is that the Burthen is continued upon the Land-holders; and the Charge of Interest upon the Publick will, in this Respect, remain undiminished. Thus the Deficiency of Land and Malt, and the Deficiencies of Funds, the Navy and the Army Extraordinaries will all be greater than they would have been

* I suppose in both Instances that the Money borrowed is outstanding a Year and an Half, which is certainly a moderate Allowance.

under

under the former Administration, and surely the Ministers were not intitled to be more free to incur Debt, who had done so much less in discharging it.

That so little has been done, is owing to the Encrease of the Establishment, to the Diminution of the Revenue, and to the Want of Activity or Ability to find such Sums and Funds, as might by proper Management be made applicable to the publick Service. With Respect to the Establishment, the Augmentation is general, as will appear by stating the several Particulars.

The Money voted for Naval Services, exclusive of the Navy Debt, are as follows :

	£.	s.	d.
16,000 Seamen, including 4287 Mariners	832,000	0	0
Ordinary of the Navy — —	412,983	6	3
Buildings, Re-buildings, and Repairs	277,300	0	0
	<hr/>		
	1,522,283	6	3
	<hr/>		

The usual Provision for *Greenwich Hospital* was unnecessary this Year, there being Money sufficient in hand to answer all immediate Purposes : Nor was there any Occasion to apply to Parliament on account of the Lazaret, that Building not being yet begun, and consequently the Money already given remaining unissued : but neither of these are permanent Savings ; the Services are only omitted in the present, and will be restored in subsequent Years : So that the Establishment is in fact larger by 10,000*l.* than on the above Account it appears to be, and exceeds that of last Year by 81,316*l.* 17*s.* 6*d.* The principal Augmentation is in the Re-buildings and Repairs, to which 77,300*l.* are added : An Addition, which seems to me absolutely needless, as there are already between sixty and seventy Ships of the Line in compleat Repair : To man these and a proportionable Number of Frigates, Sloops, and smaller Vessels, would require near 60,000 Men, and if a War should break out, the 16,000 born on the present Establishment could not in several Months be raised to that Number ; all which Time the Repairs would proceed ; and Ships would constantly be ready, before Men could
be

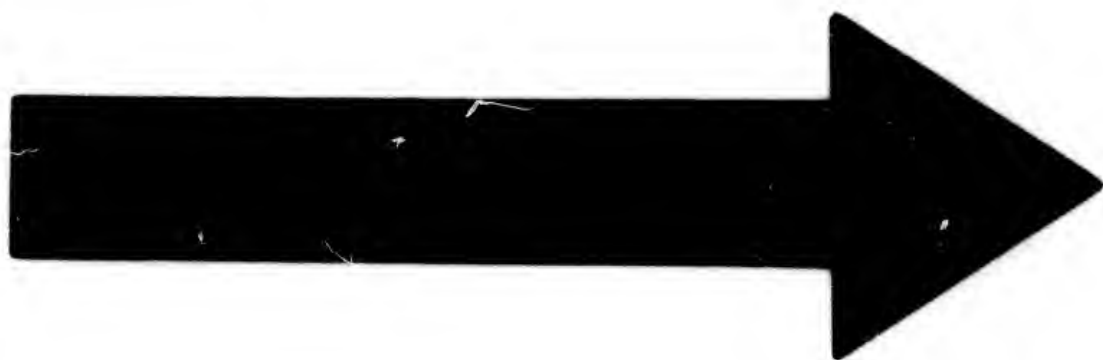
be procured for them. To provide more than can be employed, is not only an immediate Expence which the Occasion does not call for: but an annual Charge is thereby incurred for keeping so many in repair; and the Ordinary of the Navy is also raised by the Number: The Establishment of the last Year was very large: It appears to have been fully adequate to the Service: And I know no Reason for encreasing it.

The Bounty to Navy Chaplains, which was a separate Article of Supply, is now included in the Ordinary: And in the Establishment of the Army, the *African* is incorporated into the Plantation Service, and the Horse-guards reduced into the Half-pay. This being premised, the Sums voted for the Army appear by the following State of them to be little different from those of last Year, except that another *Irish* Regiment is taken into *British* Pay, and that the reduced Officers of some particular Corps are on Account of their peculiar Circumstances raised to full Pay. The whole Account stands thus.

	£.	s.	d.
Guards and Garrisons	605,608	19	9
Plantations, <i>Minorca</i> , <i>Gibraltar</i> , and <i>Africa</i>	394,505	1	3½
General and Staff Officers	11,291	8	6½
Reduced Officers	138,674	0	0
<i>Chelsea</i> Hospital	109,875	16	8
Pension to Widows	1,614	0	0
Difference between <i>British</i> and <i>Irish</i> Pay	7,993	11	4
Full Pay to reduced Officers	5,718	6	8
	<hr/> 1,275,281	<hr/> 4	<hr/> 3½

The Reason of the Increase on this Head having been given, no other Observation arises upon it. The Provision for the Ordnance Service is also enlarged; it being now 180,445*l.* 19*s.* 3*d.* the chief Cause of which is some new Works in *Jamaica*, of the Propriety and Extent of which Expence, I can form no Judgment.

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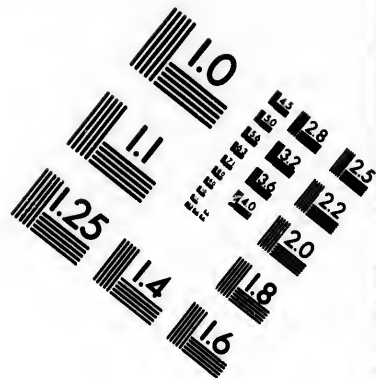
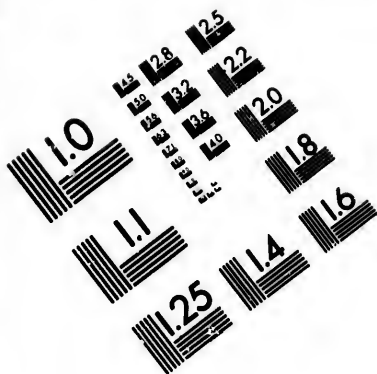
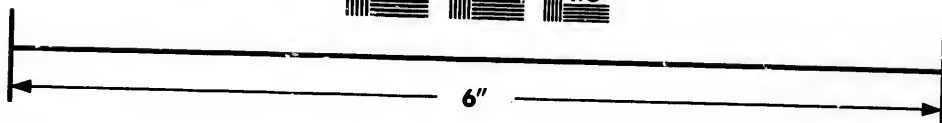
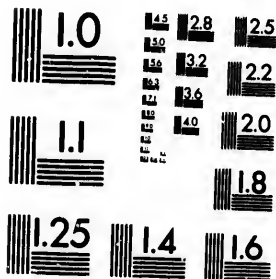


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The other miscellaneous Articles of the Supply are ;

	£.	s.	d.
* Pay and Cloathing of the Militia	-	150,000	0 0
<i>British Museum</i>	-	2,000	0 0
For <i>Nova Scotia</i>	-	4,866	3 5
For <i>Georgia</i>	-	3,986	0 0
<i>East Florida</i>	-	5,250	0 0
<i>West Florida</i>	-	5,300	0 0
General Surveys of <i>America</i>	-	1,784	4 0
To the <i>African</i> Committee	-	13,000	0 0
For the civil Establishment on the Coast of <i>Africa</i>	-	5,550	0 0
For the Foundling Hospital	-	33,892	10 0
		225,628	17 5

In almost every Article of this Account which could be altered, an Alteration has been made for the worse : The Militia and the *African* Committee are settled Services, and remain as they were : The Diminution in the Expence of the Foundling Hospital is in consequence of the Measures taken formerly for getting rid of it entirely : And the only Savings are in that and in the civil Establishment of *Nova Scotia* : On every other Head there is an Increase ; and Room has been found for some poor despicable Pittance of Extravagance in Services which would not admit of a large Augmentation ; the Amount of many such is not indeed very great ; but when this Disposition to swell the national Expence pervades every Branch of the supply, it is an alarming Symptom of a general Relaxation in the whole System, and every Demand, every Pretence, becomes the Foundation of a Charge upon the Publick. The several Additions to the Establishment actually voted in specific Sums, amount to no less all together than 94,270*l.* 6*s.* 4*d.* And in other Articles of annual Expence which cannot be exactly defined, such as the Navy Debt and the Extraordinaries of the Army, instead of Attention and Strictness, Neglect and Concession have prevailed : The Funds will be less productive than they were ; in conse-

* I have throughout stated the Militia at the Sum voted for it, which is the only Rule for me to go by : Though the Expence of that Corps is probably not the same as it thus appears to be : But it cannot be ascertained till a complete Account is made out, which has not yet been done.

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quence of the Repeal of the Cyder Tax; and a Reduction in the Deficiency of the Land and Malt by a Reduction of the Land-Tax, is post-poned to that very distant Day, when the Revenue thus over-charged, and at the same Time, as will presently appear, miserably impaired, will allow of so great a Diminution. Against this Waste of the publick Treasure, it is ridiculous to set in Balance the single saving made this Year in the whole Establishment; there is but one; and that is of only 45*l.* 11*s.* 6*d.* in the Civil Government of *Nova Scotia*. Another indeed was attempted in the Militia: There was an Inclination to be sparing of the public Money for the support of that constitutional Corps, which would have been weakened and discouraged by the intended Reduction of Serjeants, and by depriving the Men of the Perquisite of their Cloathing: But this Attempt happily failed: And in no other Instance did the Ministers last Sessions shew any Symptom of Frugality: The Decrease in some Articles of the Supply being as I have already shewn the Consequence of former Measures, in which they can pretend to no other Merit, than the having in Contradiction to themselves adopted some Parts of a System, the whole of which they condemned.

The several Particulars of the Supply for the year 1766 having been stated, the Account of the whole stands thus,

		<i>£.</i>	<i>s.</i>	<i>d.</i>
Debt provided for	-	1,500,000	0	0
Debt discharged	-	1,821,404	3	11½
Exchequer Bills	-	1,800,000	0	0
Deficiency of Land and Malt	-	360,000	0	0
Navy	-	1,522,283	6	3
Army	-	1,275,281	4	3½
Ordnance	-	180,445	19	3
Miscellaneous Articles	-	225,628	17	5
Total		8,685,043	11	1½

If from this profuse Supply we turn our Eyes to the Revenues which are to support it, we shall not only miss the Improvements which are due, but see established Funds diminished, and further Resources prevented: The Ways and Means for the present Year contain some Instances, and lead the Enquiry to others: I will

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therefore endeavour first to give a State of them, and according to the best Information I can procure, they are as follow.

	£.	s.	d.
Land and Malt	2,750,000	0	0
Exchequer Bills	1,800,000	0	0
Militia Money	80,000	0	0
Part of the Composition for <i>French</i> Prisoners	181,000	0	0
Army Savings	74,777	14	0
Money remaining of the last Year's Grant for <i>African</i> Companies	2,321	14	10½
Ditto of the last Grant for the Foundling Hospital	1,167	10	0
<i>American</i> Revenues	60,000	0	0
Duties on Gum Senega	12,000	0	0
Out of the Produce of the <i>French</i> Prizes	29,000	0	0
From the Sale of Land in the ceded Islands	20,000	0	0
Annuities and Lottery	1,500,000	0	0
Sinking Fund given for	2,150,000	0	0
Total	8,560,266	18	10½

The Land and Malt, the Exchequer Bills, and the Militia Money, require no particular Notice; the Duties on Gum Senega are not liable this Year to the Disappointment of the last. The Savings on the *African* Companies, and on the Foundling Hospital Accounts, are but Overplus of the Grants for those Services in 1765. The Army Savings are only upon the Pay; and the Produce of the *French* Prizes was before in a Course of legal Proceeding; none of the Money expected from thence was paid in last Year; the Deficiency thereby occasioned is provided for in the Deficiencies of Grants: But a Part now actually has been, or at least is ready to be paid: And therefore 29,000*l.* is taken again on that Head in the Ways and Means for the present Year.

The Composition of *French* Prisoners, and the Sale of Lands in the ceded Islands, were Measures of the former Ministry; and the Publick therefore avails itself of those Aids now without any Obligation to their Successors: But it rests upon them to shew why more is not on both Accounts applied to the Service. The Composition made in 1765 did not include the Prisoners taken in the *East-Indies* or in *Germany*; yet the Demands for these do not appear to have been either of them since settled; and there is too much Reason to doubt, that as that was I believe the first,
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so it will be the last Instance of Money recovered from *France* by this Country. With Respect to the Produce of the Lands in the ceded Islands, the first Sale which was held about Twelve Months ago, produced above 127,000*l.* There has by this Time been another: Upon both, the Purchasers pay 20 *per cent.* at the Time of Sale; and 10 *per cent.* within the Year; 30 *per cent.* therefore must have been received on the First, and 20 on the Second; and the Expences of the Commission cannot be so great as to reduce these Instalments to 20,000*l.* at which Sum they are computed.

The Loan of this Year agrees with that of the last only in the Amount: But the Terms upon which it is made are much worse; and the Duties which compose the Fund are far more burthensome. The Plan of it is indeed taken from the former omitting the Option of Survivorships: Three-fifths therefore are in redeemable Annuities, and Two-fifths in a Lottery, all at 3 *per cent.* but the Circumstances of the Publick are better now than they were then, and it is on them that the Merit of a Bargain depends: The Stocks were about 2 *per cent.* higher when the latter was made: And an Advantage of so much on the redeemable Annuities, is a Difference of $1\frac{1}{4}$ *per cent.* upon the whole Subscription. But besides this, the redeemable Annuities bear Interest from the 5th *January* last, by which Means the Government pays a double Interest upon the whole 900,000*l.* for four Months, and upon Part of it for Ten: For this Loan being intended to reduce Debt now at 4 *per cent.* to three, the former Rate must go on, till the Payments enable the Government to discharge the Debt; and the first Payment was not before 8th *May*, and the last will not be till 15th *November*, to which Time 4 *per cent.* is continued on so much of the 1,500,000*l.* as is not paid in, while 3 *per cent.* is incurred from *January* on 900,000*l.* whether paid in or not: by which Concurrence of Charges, the Interest upon the Sum of 1,500,000*l.* will at the End of the Year amount to to 63,406*l.* 17*s.* 6*d.* $\frac{1}{4}$; whereas on the same Sum last Year it was no more than 48,750, because then the 4 *per cent.* ceased and the 3 *per cent.* commenced on the same Day. The Difference of 14,656*l.* 17*s.* 6*d.* $\frac{1}{4}$ is an unnecessary Expence to the Public, when a Diminution rather than an Increase of the Charge might have been expected: And it is at the same Time an additional Profit to the Subscribers of very near 1 *per cent.* which with the Advan-

tage above-mentioned of $1\frac{1}{2}$, makes their Bargain above 2 *per cent.* better than that of last Year, exclusive of the Facilities which the Lightness and the Distance of the Payments gives them, and which the Nature of the former Subscription of Navy Bills would not admit of: The whimsical Mistakes of fixing the second Payment on a Sunday, and the first Payments on the Annuities and on the Lottery upon different Days, have indeed thrown this Part of the Scheme into some Perplexity; but still the Convenience is considerable, and the other Profits are thereby both encreased and secured. In Answer to all this, it is said, that the Terms of the former Loan were too hard, so that the Subscribers lost by it: A Charge indeed of no great Weight, as the making of too good a Bargain for the Publick is not a very common or a very heinous Offence, and in this Instance it cannot be universally true; because the Subscribers were exactly even who sold their Tickets for 11*l.* 19*s.* and Tickets were before the Drawing at all Prices between 11*l.* 12*s.* 6*d.* and 12*l.* 10*s.* 6*d.* if all therefore had been disposed of at the lowest Price, the Subscribers would have lost no more than $1\frac{1}{2}$ *per cent.*; but now; without taking the Profits made by those who sold at the higher Prices into Consideration, and only because some might lose $1\frac{1}{2}$ *per cent.*; an Advantage of above two *per cent.* is given to all the Subscribers of this Year over those of the last: And for that Purpose the Public is put to an extraordinary Expence of near 15,000*l.* in borrowing the same Sum, with equal Aid in both Cases from a Lottery, and when the State of the Finances and of the Stocks were far more favourable to such an Operation at the one Time than at the other.

The Difference between the two Transactions appears still more conspicuously upon comparing the Funds created on each Occasion: The Duties which composed the Fund of last Year have been already shewn to fall chiefly upon Foreigners, to be rather beneficial than detrimental to Trade, and there has not been a Surmise of their being deficient, when they shall have fully taken Place: but the additional Tax upon Windows is an Imposition upon those who had a better Claim than any others to an Exemption from further Burthens, and the Produce will certainly be greatly short of the Annuities charged upon it: To prove this
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and to prepare the Way for such other Observations as the subject suggests, I will first shew in one View the Number of Houses and of Windows, and the Amount of the Duties upon each, both before and since the passing of the Act of this Sessions. The following is a State of them.

Number of Houses.	Number of Windows per House.	Charge under the former Act per Window.		Charge at present per Window.		Increase.	Decrease.	Charge under the former Act per House.			Charge at present per House.			Increase.		Decrease.	
		s.	d.	s.	d.	d.	d.	l.	s.	d.	l.	s.	d.	s.	d.	s.	d.
400,273	7	0	0	0	2	2	0	0	0	0	0	1	2	1	2	0	0
9,336	8	0	0	0	6	0	6	0	8	0	0	4	0	0	0	0	4
29,378	9	0	0	0	8	0	4	0	9	0	0	6	0	0	0	0	3
15,564	10	0	0	0	10	0	2	0	10	0	0	8	4	0	0	1	8
48,247	11	0	0	0	0	0	0	0	11	0	0	11	0	0	0	0	0
6,358	12	0	6	1	2	0	4	0	18	0	0	14	0	0	0	4	0
9,230	13	1	6	1	4	0	2	0	19	6	0	17	4	0	0	2	2
25,384	14	1	6	1	6	0	0	1	1	0	1	1	0	0	0	0	0
6,994	15	1	6	1	6	0	0	1	2	6	1	2	6	0	0	0	0
6,951	16	1	6	1	6	0	0	1	4	0	1	4	0	0	0	0	0
7,159	17	1	6	1	6	0	0	1	5	6	1	5	6	0	0	0	0
8,070	18	1	6	1	6	0	0	1	7	0	1	7	0	0	0	0	0
14,213	19	1	6	1	6	0	0	1	8	6	1	8	6	0	0	0	0
4,135	20	1	6	1	7	1	0	1	10	0	1	11	8	1	8	0	0
3,262	21	1	6	1	8	2	0	1	11	6	1	15	0	3	6	0	0
3,100	22	1	6	1	9	3	0	1	13	0	1	18	6	5	6	0	0
2,951	23	1	6	1	10	4	0	1	14	6	2	2	2	7	8	0	0
3,091	24	1	6	1	11	5	0	1	16	0	2	6	0	10	0	0	0
2,964	25	1	6	2	0	6	0	1	17	6	2	10	0	12	6	0	0

The Number of Houses having 26 Windows and upwards does not appear: But the Number of Windows in such Houses is known to be 1,340,292 which are all raised alike to 2s. from 1s. 6d. *per* Window: In Houses below that Point, the Rates generally vary according to the Number of Windows, and therefore in most of them the stopping up of one Window will be the Means not only of saving the Duty upon that one, but also of lowering the Rate upon all the others: The Temptation has been found to be irresistible upon every additional Window Tax, wherever the Line has been drawn, those immediately above have endeavoured to get below it; and this is the Reason that the Houses containing seven, nine, eleven, fourteen and nineteen Windows are so much more numerous than those of eight, ten, twelve, fifteen,

fifteen, and twenty, the Lines having been drawn at different Periods between those several Numbers : But by 2d G. III. this Multiplicity of Divisions was taken away, and only one left between Houses of eleven and of twelve Windows, all below paying 1s. and all above 1s. 6d. *per* Window: The Disproportion therefore in the Number of Houses on each Side of that Line is as 48,247 to 6,994 : At the same Time, as the Tax then stopped entirely at Houses of eight Windows, all that could be were brought down below that Point, and therefore the Number of Houses having seven was encreased to 400,273. By the Act of this Sessions, those of seven are included; the consequence of which will be that the major Part of them will be reduced to six : And the Temptation is also extended to a great Variety of Persons, who before could not attempt to get below the only Line then drawn, and therefore could avoid the Charge only upon such Windows as they closed; but now that fourteen Classes are established instead of two, most of the Houholders in *England* may by stopping up one Window descend to a lower Class, and thereby make a Saving upon all the others: Thus by shutting one in ten, 3s. 8d. instead of 1s.; or one in twenty-five, 4s. instead of 1s. 6d.; or two in eleven, 5s. instead of 2s.; or two in twenty-four, 7s. 6d. instead of 3s. may be saved; and in the same Manner through all the others proportionably: Past Experience of the Extent to which such Oeconomy will operate, forbids us to flatter ourselves that when the Temptations are multiplied they will be less attended to, and whatever the Effect may be, it is in Diminution of the Produce not only of these, but also of the former Duties: These are calculated at 53,310*l.* 17*s.* 2*d.* on a Supposition that not one Window will be closed to evade the additional Charges: But if on the contrary one Window in every House should be stopped, the whole Tax will be annihilated, as such a Saving will altogether amount to 53,813*l.* 15*s.* 10*d.* and though the Practice should not be universal, it will certainly prevail so far as to cause a great Deficiency; to what Extent, I must leave upon the above Calculations to the Conclusions which every Man will form, who remembers former Occasions. But it is said that some of the Rates being reduced, many Persons will now open those Windows which they had shut before; this is to suppose that men, who have been at some Expence in
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order to avoid, will now be at a greater on purpose to incur an annual Charge: For still no Man can open a Window (except in Houses having from 14 to 19 or above 25) without raising the Rate on all the others: And none will chuse to pay 4s. because he must pay 1s. 2d. or raise his 11s. to 14s. rather than reduce it to 8s. 4d. for one Person who will thus thrust himself into a higher Class by opening, there will be hundreds who will retire into a lower Class by stopping up a Window.

By this Specimen of their Abilities, the Talents of the last Ministers in finding Ways and Means, seem equal to those which they shewed in planning the Supply: It was Extravagance in the one: Deficiency in the other. And this Tax so far as it may be productive, though always advanced, and sometimes born by the Tenant, yet will often be ultimately paid by him who pays Four Shillings in the Pound already: Those who live on the Interest of a personal Estate, or on the Earnings of their Industry, are generally free from Charges upon the Means of their Subsistence: while the landed Men are taxed not in their Consumption only, but also in their Income; they bear a burthen now heavier than usual in Times of Peace: They have born it long; the Prospect of a Diminution is more uncertain than it was: And at the very Time that the expected Relief has by Mismanagement been removed to a greater Distance, another Imposition is laid upon them; a perpetual is added to an annual Land-Tax; and the latter is more unequal than the former, as it falls principally upon those whose Estates are in Houses, which are in themselves the worst Estates of any, and the Support of which is already under sufficient Discouragements: The Expences attending them, and the accumulated Load upon landed Property, and upon this Species of it particularly, co-operating with the other Taxes, have been in a great Measure the Cause of uniting Farms, depopulating the Country, and enhancing the Price of Provisions. The Effect has been so great, that instead of 986,482 which was the Number of Houses in *England* and *Wales* no longer ago than the Year 1759, there are now but 980,692, and the Destruction of 5,790* in so short a Space as eight Years, is.

* The Destruction in the Country must be greater than on this Account it appears to be; Part of it being ballanced by the new Buildings in *Westminster* which are

is such a Symptom of Distress and Depopulation, as to require every Attention to check the Progress of the Evil, and to avoid any Measures which may accelerate or encrease it: Relief to the landed Interest is now no longer the Concern of the Individuals only who are to receive that Relief, but is become an important national Consideration.

If however a Window Tax, because payable by the Tenant, is to be considered as actually born by him, then the additional Duty falls upon the Inhabitants of Houses having seven or more than twenty Windows: Near half of it is intended to be raised upon the former: That therefore will be paid by Labourers and Handicraftsmen: And as Manufactures are either carried on in large Buildings erected for the Purpose, or in the private Houses of the Workmen, which are very generally those of about seven Windows, the new Duty will in the one Place or the other, and perhaps in both, light upon Manufactures: In this Respect it differs from the Duties imposed last year, which were even beneficial to them: It differs too in another, that instead of affecting principally Foreigners, and none but the rich, a large Proportion of the Burthen is thrown upon one of the lowest Ranks of the People: And it is fallacious to set the Alleviation given to others by diminishing some of the former Duties, as a Ballance against this new Imposition: For in the whole Kingdom no more than 69,866 Houses will be benefited by all the Reductions, 117,016 remain as they were: The Rate is higher than it used to be on all the rest: And of the Revenue expected from the whole, 23,349*l.* 5*s.* 2*d.* is intended to be levied upon a Class of Men, who are poorer than any of those relieved by the Alterations, and who have never been before comprehended in this Species of Taxation.

All the *American* Revenues now left do not much exceed the new Duty thus laid upon the Poor of this Country; for though 60,000*l.* be given out of those Revenues in the Ways and Means for the present Year, yet that is not the supposed annual Produce, but is a Sum made up of all such Monies remitted from the Colonies as were remaining in the Exchequer for the Disposition of

are taken into a general Account of the Houses in the Kingdom: If these were deducted from the Ballance, the Number destroyed in the Country would be seen to be much more than 5,790.

Parliament,

Parliament, and as shall be paid into the said Receipt before 5th April 1767. It has been already observed that above 24,000*l.* nett were received in *America* before 10th October last, exclusive of all which might have been raised in the *Leeward Islands, East Florida, Georgia, the Bermudas and Dominica*: When the Accounts from those Places come in, the Produce of 1765 will probably appear to have been about 27,000*l.* or 28,000*l.*; of which little more than 3,000*l.* were applied to the Services of the Year in which they were raised; above 23,000*l.* are made over to the Ways and Means of the present Year, and are part of the 60,000*l.* above-mentioned. The rest of that Sum is at the least five Quarters further Receipt, supposing that none received in the Plantations after *Christmas* 1766, will be paid into the Exchequer before 7th April 1767; the annual Produce therefore is not now estimated at 30,000*l.* which is little more than was raised by the impost Duties in the first Year, which is always deficient;* and there can be no Reason for stating them so low now, unless on a Supposition that they will be diminished by the Alterations made in them: A Supposition, which however denied in Words is by this Estimate in reality avowed, and which will be easily accounted for by considering those Alterations: The principal Reduction is in the Duty upon foreign Molasses, which is lowered from 3*d.* to 1*d.* per Gallon: When it was laid two Years ago, the *West-Indians* urged an Imposition of 4*d.* as necessary to secure the Preference due to *British* Molasses: The *North Americans* desired it might be no more than 2*d.* which they thereby acknowledged their Trade could bear: A Medium was therefore taken between the two: But now the Duty is reduced below the lowest of them: More is given than was asked for before; and on the other Hand, the Preference intended to the Produce of *British* Plantations is totally taken away, the present Duty of one Penny being laid indifferently on all Molasses whatsoever. The Reasons assigned for so great a Diminution of Revenue, are commercial Considerations: But be they ever so cogent, admitting all the Inconveniencies to Trade which can be supposed to attend the Three-penny Duty, it does not follow that Two-pence would have been too much: No Experience is against it; on the contrary, the Trade has increased and flourished under a Charge exceeding a Penny, for so much

* The Deficiency upon these must have been greater than usual in the first Year of a Tax, from the Nature of the Duties, and from the Discontents and Disorders in *America*.

the Expence of Smuggling always amounted to ; and surely now that it is established, Two-pence would not be oppressive.

This Indulgence to the *North Americans* is accompanied with another to the *West-Indians*, to which, almost from the first Settlement of their Islands, they have been Strangers; the old enumerated Duties laid in the Time of *Charles* the Second upon Sugars exported being now taken away : And whatever the Amount may be, it is so much Loss to the *British* Revenue. There have been also other Alterations made, which so far as they extend, are all in Diminution of Revenue : I mean the taking off the Duties upon Coffee and Pimento of *British* Growth, and upon foreign Coffee, Indigo and Sugar, imported into the Colonies with a View only to be exported ; but the Loss on these will, I apprehend, be very inconsiderable, because I do not expect that any great Quantities of such Commodities will be conveyed to *Europe* through the Channel thus intended to be opened for them. The Produce of our own Colonies which will be carried to other Colonies of our own, in order to be brought hither, must be very trifling ; As to the Produce of the foreign Islands, if we could get the Carriage of them, it would be a valuable Acquisition : But the *French* know the Importance of it : They are in Possession ; they will endeavour to preserve it ; and they have the Means of preserving it. The procuring of Cotton by the same Means is of still more Consequence, as that is a material of Manufacture ; and therefore every Encouragement which can be should be given, to encrease the Importation, and to lessen the Price of it. The Exemption from Duties granted last Session have a Tendency to that End : But the Plan hitherto produced is very imperfect, because though it procures a temporary Supply to the immediate Want, yet it retards at the least, if it does not entirely prevent, the permanent Security which might be provided against it ; and while it assists the Manufactory at home, is prejudicial to the Colonies : for all facilities given to the Consumption of foreign Cotton, discourages the Culture of it in the *British* Plantations : The Soil and Climate of the ceded Islands are peculiarly proper for producing it ; and the Circumstances of first Settlers naturally lead them to raise such a Commodity : But the neighbouring *French* Islands have got the Start of them in the Growth, and have now Advan-
tages.

tages over them in the Sale, by having more Markets open to them: To rectify so undue a Preference, a Bounty should be given on the one at the same Time that the Duties are taken off the other: But that must be the Work of some more provident Administration.

To compleat the State of the *American* Revenues, the Repeal of the Stamp-Act must be taken into Consideration: A Subject which for the Reasons I have already given I shall not enter into: which if properly treated, would require a very large Discussion; and which has been of late discussed so often; the only Circumstance to be taken notice of at present is the Loss of the 100,000*l.* designed to be raised by it, and which being added to the Diminutions above-mentioned in the Impost Duties, sufficiently accounts for the Reduction of the *American* Revenues from 160,000*l.* which they were intended to be, to less than 30,000*l. per Ann.* A Sum greatly short of that proposed to be raised on the Inhabitants of this Country by the new Window Tax only, in Addition to all the former Burthens, which they have so obediently, tho' so hardly, and so long born, and which they must continue to bear. Such a Distribution cannot be supported on any Principles of Commerce or of Policy: Glaring Inequalities not only indispose the Minds of Men, but really lessen their Powers: One Part is thereby over-whelmed, not for the Benefit of the whole; for if the Charge were justly divided, none would be very sensible of it: And generally not for the Benefit even of those who are favoured, who perhaps cannot follow the Pursuits which the others may be forced to abandon, cannot succeed to the Labours, the Services, and the Usefulness, which by the Partiality shewn to them, are lost to their Country. In the Empire of *Great Britain* for Instance, all the Taxes fall upon that Part of her Dominions where the Manufacturers reside, and the Markets are held: Her staple Commodities are loaded; all the Branches of her Trade are hurt; and many of them ruined: The *Americans* cannot supply the Loss: They might indeed assist to prevent it, by defraying a Part of that national Expence which occasions the Distress: And in this View it appears to be a commercial Object, that the Burthens of a State should be equally spread over all the Subjects of it, according to their Abilities: But the last Administration entirely deserted so wise and equitable a System: They might

have supported it, though they had given way to the Objections taken, whether with or without sufficient Grounds, to the Mode or the Subjects of any particular Tax; they ought to have provided that their Concessions should not be in effect partial Immunities: And when they promoted the Repeal of the most productive *American* Duties, it was incumbent particularly upon those to whose Department the Management of the Finances belonged, to propose others which should have preserved the proper Equality: The Colonies themselves it has been said always professed that they were ready to contribute in that which they called the accustomed Method, by Requisition of certain Sums from each Province, to be levied by their own Assemblies; it has even been urged as an Objection to the Stamp-Act, that it was chosen as a Mode to raise Money in preference to another which would have met with no Opposition: And why is not that other substituted now? It will at no Time be received so favourably as when a subsisting Charge is removed to make room for it? If there be a Difficulty in taxing the Colonies, that Difficulty is encreased by the Delay: The *Americans* will not be reconciled to the Payment of Duties, by a longer Exemption from them; nor will future Ministers ever have such an Opportunity of raising a Revenue there: The very Mode of Requisition which upon this Occasion has been recommended as so much more eligible than the Stamp Duties, will not hereafter have the Advantages it is supposed to derive from the Comparison: The Choice will not seem an Indulgence: It will be unaccompanied with any Favour: but will be considered as a new Charge, instead of a Relief, and be obnoxious to all the Clamour which they will raise whose real Opposition is to all Taxes upon the Colonies: Many have been taken off this Year; and every Reduction was a Call upon Administration to propose some other Imposition: Every Deficiency which their Measures occasioned, demanded a Supply: And their whole Conduct with Respect to the Colonies, laid them under stronger Obligations than ever pressed upon any other Ministers, to find the Means of raising a Revenue in *America*.

Another Instance of the same Kind, though to a less Extent, was the taking off from the Cyder Counties the Share of the public Burthens which had been allotted to them, without replacing it by any other Charge upon those Counties; a Principle
of

of Equality first suggested a Tax upon them; for all the former Duties upon Cyder were levied on the Dealers and Retailers: The Growers and the Makers were exempted: The Revenue therefore arising from thence was in a great Measure paid by the Consumers of the Commodity in Places which do not produce it: And the high Duties on Beer, on Malt, and on Hops, lay almost entirely upon them: They could drink no Liquor which was not taxed; while the common Beverage in the Cyder Counties was free. This Inequality had been encreased by the Addition in 1760 of a perpetual Duty of 3*d.* to the annual Duty of 6*d.* upon Malt, and of 3*s.* *per* Barrel on strong Beer which was charged with 5*s.* *per* Barrel before. The Sum to be raised by these Duties was no less than the Interest of 20,000,000; any additional Load upon the Beer Counties would have been Oppression: And a general Tax would have left the Inequality subsisting: When therefore a further Loan of 3,500,000*l.* became necessary, it was thought reasonable, that the greater Share of the new Impositions should be laid upon those who had contributed least to the Expences of the War: But still they were not particularly charged with so much as one half of the Burthen: The Wine Duty bears the rest, and that is a general Tax: They were still greatly favoured; for though the Cyder Counties are not equal to the Beer Counties in Number, Extent, or Abilities, and the same Revenue cannot therefore be expected from them; yet the Difference is not so great as between 70,000*l.* which is all that the Cyder-Tax was at first given for, and more than it ever produced; and above 830,000*l.* which is the Amount of the Annuities and Charges of Management to be paid by the new Duties upon Malt and Beer. But without entering into an uncertain Calculation of the Proportion they bear to each other, the Lenity shewn to the Cyder Counties will appear from another Mode of Comparison: Whoever makes his own Malt is allowed to compound for the Duties at the Rate of Seven Shillings and Six-pence for every Person in his Family: Whoever makes his own Cyder was allowed to compound at the Rate of Two Shillings for every Person above eight Years old: Children under that Age are a numerous Part of the Inhabitants of the Country, and they were in the one Case excused, while in the other, the Infant at the Breast is counted: And at the same Time the actual Poor in the Cyder Counties, whose Tenements were not rated at
above

above 40*s. per Ann.* and who did not make above four Hogsheds in a Year, were excused both from the Duty and the Composition; but in the Beer Counties the neediest Poverty gives no Claim to an Exemption: So very great is the Difference between the supposed Values of the respective Duties upon each Man's Consumption! so much more favourably was the Composition collected on the one than on the other! and so very small a Share of the public Burthen was born by the Cyder Counties, even while the Tax subsisted! now that it is repealed on Account of the * Inconveniencies attending the Mode of collecting it, the former Disproportion between them and the Beer Counties returns: For the common Beverage of the Inhabitants of the former; that which they grow or make themselves, is totally exempted: the Duties substituted in the Lieu of that which is taken away, are 16*s. 8d. per* Hogshed on all Cyder consigned for Sale to a Factor or Agent: 3*l. per* Ton on all which shall be imported, and 6*s. per* Hogshed on all which shall be made in *Great Britain* and sold by Retail, or made and sold by Dealers from Fruit of their own Growth: The first and the last of these can hardly be deemed new Duties: They are rather Provisions to

* The Compounder was free from the Visitation of the Officers of the Excise: And therefore the Maker, unless he was also a Seller of Cyder, was not exposed to any of these Inconveniencies; but to prevent his evading the Duty due on so much as he might think proper to dispose of, he was required to give Notice of his Intention to sell, and in that Case only was the Excise Officer authorised to come upon his Premises; but he could enter no Room besides that into which he was conducted: He could gauge no other Cask than that which was pointed out to him: He could on no Pretence come again till again sent for: And he was obliged to give a Certificate of the Vessels he had examined, which was a Sanction for the Removal of them. The Necessity of procuring such a Certificate might Occasion some Trouble, and Delay: Other Inconveniencies might accidentally arise: But none of them were vexatious or oppressive: And when aggravated to the highest, they were not nearly equal to those to which the Grower of Hops must always submit; he must give Notice both of the Places where his Hops grow, and where they are to be cured: He must give a second Notice of the Time when he intends to bag them: And his Oust and his Storehouses are at all Times exposed either by Night or by Day, to the Search of the Officer: No Composition is allowed to screen him from the unwelcome Visits of the Excisemen: Whether he does or does not sell he is equally liable: All Malsters, all common Brewers, all Distillers are in the same or a worse Situation: The Maker of Cyder was the only Seller of an Exciseable Liquor, who could prescribe a Time for the Visit, and Limits to the Examination of the Officer; and an Exciseman thus stripped of his Power of Search, is almost as inoffensive as any other Collector of the Revenue.

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fix the former Duties upon those who have hitherto avoided them, because not literally within the Description of Persons in whose Hands the Commodity was chargeable: The two others are additional Duties, and like all other additional Duties will diminish the Consumption; especially as the Liquor is rather a Luxury than a Necessary in those Countries which do not produce it; and being laid upon Cyder sold, and most of that which is bought being for the Use of the Beer Counties, the Charge is transferred from the Cyder Counties to them, and the Disparity is thereby rendered greater than ever. Nor will the new Duties yield upon the whole near so much as that which has been taken off; which on the Experience of the two Years that it subsisted, must be reckoned 45,000*l.* at the least: Whereas of the new Duties, the 6*s.* *per* Hoghead retailed though the most productive of them, will not at the utmost produce 23,000*l.*; for that is more than the Amount of such a Charge upon 76,602 Hogheads which has been upon an Average the Number annually charged with the former Retail Duty: But that Number will be diminished by the Decrease of the Consumption; and both the new and the old Duties, will be thereby affected: The additional Duty upon Cyder imported will have a like Effect: The other two will hardly ballance this Loss; and therefore the Diminution of the Revenue, by the Change of the Cyder Tax, cannot upon the whole be so little as 20,000*l.* at the lowest Computation.

The several Alterations made in the Revenue, during the last Administration having been now mentioned, the State of them altogether is as follows:

	<i>£.</i>	<i>s.</i>	<i>d.</i>
By the Encrease of the Establishment -	94,000	0	0
By the Diminution of the <i>American</i> Revenues	130,000	0	0
By the Repeal of the Cyder Tax -	20,000	0	0
	<hr/> 244,000	<hr/> 0	<hr/> 0

These are all set down at less than they probably will be: Together they amount to a Sum equal to the Interest of Eight Millions: And the Effect is the same as if an additional Debt of so much had been incurred, without providing Funds for paying the Interest upon it; so that the Nation has been in one Year, and in

in a Time of profound Peace, impoverished, (if considered in one Way) 8,000,000*l.* in its Capital; or (if taken in the other) above 240,000*l.* *per Ann.* in its disposable Income; by the Measures which the last Ministers are entitled to call peculiarly their own: For the Savings which may be brought against this Loss, were made on the Plan left them by their Predecessors: Wherever that has been followed, the Revenue has been improved; as in paying off another 25 *per cent.* of the Navy Annuities; and providing again for 1,500,000*l.* Navy Bills; by the former of which 34,835*l.* 10*s.* 7*d.* $\frac{1}{2}$ by the latter 15,000*l.* * Interest has been saved, and both are upon exactly the same Sums, in the very same Species of Debt, and by the same Mode of Proceeding, as in the preceding Year. But even allowing to the last Ministers all the Merit they can claim for not having deviated in these two Instances from the Measures of the former Administration; and adding to such Savings, all that the Window Tax may produce, which cannot be a great Accession, though it is impossible to say how little it will be; yet this only proves that the Revenue which ought to have been improved by 50,000*l.* is worse by near 200,000*l.* than it would have been in other Hands: Which is in Effect the same as a Diminution of 244,000*l.*; whereas under the former Administration it was visibly encreased above 400,000*l.* in two Years, which is at the Rate of above 200,000*l.* *per Ann.* so that the Difference between the two Administrations in their Management of the Revenue is more than 400,000*l.* a Year.

By so much as the Establishment is encreased, or the Income of the Public lessened, the Ability of the Sinking Fund to clear off the national Debt is impaired, as there will be so much less applicable to that Purpose, though the actual Produce should continue to be as great as it is: In the last Year it exceeded what it had been in the former; for though the disposable Money on 10th October 1765 was no more than 1,951,769*l.* 9*s.* 5*d.* $\frac{1}{2}$, yet two Sums having been advanced for the Purchase of the *Isle of Man*, and for the Alteration in the Pay-days of the consolidated 4 *per Cents.* together amounting to 275,246*l.* 5*s.* which are only an occasional Application of Part of the Produce, so much must be restored to it, and then the real Surplus of 1765 above the

* From this as from other the like Sums a small Deduction must be made for Non-Interest Bills, and for the Interest accrued on the others.

proper Charges upon the Sinking Fund, appears to have been 2,227,015*l.* 14*s.* 5*d.* $\frac{1}{2}$, which is more than that of 1764, even including the accidental Advantage of a Quarter's Produce of the Beer Duty in the Account of that Year; but deducting that Sum, the Difference will be near 150,000*l.* in favour of the latter Year. The disposeable Money was however no more than 1,951,769*l.* 9*s.* 5*d.* $\frac{1}{2}$, and the *Christmas* Quarter yielding less than usual, about 30,000*l.* was wanting of the 2,100,000*l.* intended to be raised by that Time: And as this Deficiency must be supplied out of the first Monies arising in the *April* Quarter, so much must be added to the 1,150,000*l.* which the Sinking Fund is given for this Year, and 1,180,000*l.* therefore appears to be the estimated Produce to *Christmas* next, that Quarter being again included in the Computation.

But there is great Reason to fear that under such Management as has lately prevailed, the several Branches, which compose the Sinking Fund, will be less productive than they would have been under the former: And if there were no other Ground for the Apprehension, than that a general Relaxation may be observed in almost every Article where it is open to Discovery, that alone would justify the Supposition of its extending to others, in which it may not be so apparent: And the Attention, Vigilance and Activity, by which the Revenue was improved, and without which it cannot be preserved, do not seem to have belonged to an Administration, who were distinguished by many Concessions, and many Omissions, but not by any Act of Vigour. The Surmise grows still stronger when we see no one Step of Consequence taken for the Improvement of the Revenue, in any of its various and extensive Branches, though the Ministers were called upon to exert themselves by the Example, and urged to it by the Reproach, of the many Regulations made for this Purpose by their immediate Predecessors: But the Symptoms are still worse, when the Plans begun are deserted, or those which were established are impaired; and of these there are many Instances: Several have been mentioned already, where they avoided to bring in aid of the Revenue certain gross Sums, as Compositions for Prisoners, Ballances of Accounts, &c. which were not only suggested, but expressly named to them, and the very Mode of recovering them clearly mark'd by the preceding Measures: Others

were equally notorious ; and have been equally neglected : When the Purchase of the *Isle of Man*, and the subsequent Provisions were made, the Design was to follow them with similar Regulations of the Intercourse between this Kingdom, and the Islands of *Jersey* and *Guernsey* : No Parliamentary Interposition was necessary. The King in Council being vested with sufficient Powers over those Remnants of the Dutchy of *Normandy* : And the vast Influx of clandestine Importation from thence calls for the Exertion of those Powers : It was intended by the former Ministry ; that Intention was declared ; and the Means of accomplishing it under Consideration ; but nothing has been done : And the Plan for distressing all illegal Importation, by taking away the Facilities which arise from the Situation of neighbouring Islands, is not only left unfinished ; but even the Effects of the Progress which had been made in it is to a Degree defeated, while Smuggling though shut out at one Entrance, finds Admittance at another. The Manner in which the Establishment of Cutters has been treated, is another ill Omen to the Revenue : They have been reviled, ridiculed, and continued : The Expence attending them is as great as ever : The Operation of them less : The Ministers have acknowledged the Measure to be right, by continuing it ; but the Dislike they shewed to it, discouraged the Service : As the Persons employed therein, could not hope to recommend themselves by Activity, nor fear to suffer for Remission, in a Service, which the Administration wished to expose and to condemn. The Doctrines too, which have been lately broached with Respect to the Colonies, and which portend still further Relaxations of the Acts of Trade, and other Diminutions of Revenue, will have a like Effect there : All Vigour in exacting Obedience to the one, and collecting the other, must be at an End under such a System as the present : The pernicious Clandestine Trade which was almost suppressed, is said to be reviving very fast : And it will encrease, while the Execution of the Laws is attended with Danger ; Infractions of them escape with Impunity ; and the Officers of the Crown who faithfully discharge their Duty, are exposed to Insults, and doubtful of Support. I have heard of other Instances of Neglect and Remission : But these are notorious, and the Effects of them extensive. And these alone make the Prospect of finding other Diminutions and

and Deficiencies in the Revenue, more than meer Matter of Apprehension.

They cannot have consulted the commercial Interests of this Country, who have been thus careless of its Income, and prodigal of its Treasures: For Trade and Revenue are in many Respects nearly connected; and a judicious Management of the one, tends to the Improvement of the other. Discharge of Debt, and Reduction of Expence, prepare the Way for Alleviation of Duties: But less Debt was discharged, and much greater Expences were incurred, by the last than by the former Administration: And the late Alterations in the Revenue have been shewn to produce the same sensible Effects, as if eight Millions had been expended, and the Publick were charged with the Interest: Trade and Manufactures must feel the Consequences: Even if the procuring of commercial Advantages had been the Object of them, those Advantages ought to be very great, to compensate for such Losses and such Charges incurred to obtain them; but in fact a very small part of the Whole 240,000*l.* has the least Relation to any commercial Considerations. It is not pretended that the Encrease in the Establishment was made for such Purposes: The Repeal of the Cyder Tax has as little Connexion with Trade: As to the Stamp-Act; one of the principal Motives assigned for the repealing it, was to remove the Distress occasioned here, by the Reception of that Law in *America*; but that Distress did not arise out of the Act: It was owing entirely to the refractory Spirit which had gone abroad in the Colonies; and which the Ministry (to say the least that can be said of them) had neglected to quell: No Tax was ever laid upon the Subject with more general Approbation; none was ever opposed with less Reason, or with so much Violence: Sedition never met with so little Resistance from Government: And the Repeal, upon whatever Grounds it was made, was at the most but an occasional Measure. The only Alterations therefore in the Revenue which can be claimed as general permanent Measures for the Benefit of Trade, are the other Reductions of the *American Duties*, particularly of those upon Sugar, and upon Molasses. The taking off the enumerated Duty upon Sugar, leads to no great Object, as the Commodity has born the Burthen near a Century, and it was never supposed to be a very heavy Grievance. The Reduction of the Molasses Duty

is a more considerable Alteration : And though Three-pence on a Gallon of Rum (for the Charge amounted to no more) does not seem to be an intolerable Load upon such a Commodity, and the Effect of it could not be thoroughly known by one Year's Experience only, yet as a Duty of one Penny must incontestably be less inconvenient to the Trade, which the *American* Distilleries supply, the Importance and the Extent of that Trade become the principal Considerations : And so far as this Manufacture, (for it is an *American* Manufacture to which the Indulgence has been shewn, and so far therefore) as it interferes with the Produce of the *British* Distillery, either on the Coast of *Africa*, or in the Fisheries, it certainly ought not to be favoured ; so far as it is supported by Molasses purchased with Money, or as the Consumption of their own Corn in the Distilleries is prevented by the Importation of Molasses, it is not advantageous to the Colonies : And the excessive Use of Spirits among themselves, has been found to be so pernicious to the People, that the Imposition of a Duty as the Means of checking it, has been often under Consideration in the very Provinces which are most concerned in the Manufacture. That Part therefore of the Trade which does not fall within any of these Descriptions, is alone deserving of Encouragement ; and the Benefit which it is said may arise from lowering the Duty upon that Part, is the only commercial Advantage supposed to be obtained, by a Diminution of 240,000*l.* per *Ann.* in the disposable Revenue.

I pass over here the other less important Articles which have been mentioned before ; and to these must be added the opening of Free Ports at *Jamaica* and *Dominica* ; of which little can be said with Certainty, as it is a Concession which may be beneficial or may be dangerous to Trade : I can see Advantages arising from it, if proper Precautions be taken against the Mischiefs which may attend such a Relaxation of the Acts of Navigation : But I confess myself not a competent Judge of the Plan which has been adopted. It is a Subject which requires the most mature Deliberation, much previous Enquiry, a watchful Jealousy, and extensive Provisions : The Ministers themselves once thought they were not prepared for such an Establishment this Year : They suddenly changed their Opinion ; but I have not altered mine : I still wish it had been postponed, till the whole Extent of the Indul-

Indulgence and all its Consequences could have been examined, and Care taken that no Detriment should mix itself with the Benefits proposed to the commercial Interests of *Great Britain*.

But even supposing the Plan to be perfect; supposing the Repeal of the Stamp-Act to have been expedient; and allowing all the Merit which the last Ministers can arrogate to themselves from all their Measures: They still must not pretend to have promoted the Interest of the Colonies so essentially or so extensively as their Predecessors had promoted them: The new Funds of Wealth and of Trade which were opened by the former Administration, exceed in Value all the Hopes ever entertained from the Promises given by the latter: And the Advantages expected from each differ so widely in the Circumstances attending them, that if they were equal in amount, they would still not be of equal Importance: The former are Grants: The latter are Concessions; and the Consequences must be very different from Beneficence and from Compliance. But not to dwell upon this though a material Distinction, the Mode in which the Trade of the Colonies was encouraged by the one Administration, must have far more extensive Effects than that adopted by the other: For when Taxes are taken off meerey that the Sum which would have been raised by them, may be thrown into Trade, the Value of that Benefit can be no more than the Amount of those Taxes: And therefore if I were to admit that all that the Revenue loses by the Repeal of the Stamp Act, will be applied to commercial Purposes, the Advantage to Trade is but 100,000*l*. Whereas such a Sum judiciously given in Bounties might produce Millions: In the one Case, the Expence and the Acquisition are exactly the same: In the other a small Expence purchases a large Acquisition: But of all the Benefits done to the Colonies in 1766, none belong to the latter Description, except the Alleviation of the Molasses Duties, the Alterations made in the lesser Duties, and the Establishment of the Free Ports: Allowing again to these all the Effects which are barely possible, still the warmest Advocates for them will not be hardy enough to compare the Returns, which by such Means may be made from the Colonies to this Country, with those which the Encouragement given by the former Administration to the Fisheries, to the Culture of Rice, Hemp, and Flax, to the Sale of Timber, and to the many other Articles of *American Produce*, will furnish. Besides the Object of most of these is to promote
and

and extend Cultivation, which is the proper Business of Colonies; but the later Regulations have no such Tendency, except in some trifling Particulars: On the contrary, the Alteration of the Molasses Duty was avowedly made for the Benefit of a Manufacture: And Manufactures more peculiarly belong to the Mother-Country: But even an Equality, which is the least that the *British* Distilleries are entitled to, is not secured to them under the present very low Duty on Molasses: And the Preference due to the Produce of *British* Plantations is lost, in the Molasses, the Cotton, and other Articles. In Addition to all these, another obvious Difference presents itself in the Conduct of the two Administrations: The Measures of the latter are founded almost entirely upon Speculation: They have been defended upon Principles repugnant to those which have been always esteemed to be the best adapted to the Management of Colonies: They are Experiments substituted in the Place of Experience; uncertain in their Event; and perhaps dangerous in their Consequences. For there can be no Assurance of the Effects immediate or distant, which may ensue from Concessions made to Colonies in a State of actual Resistance: By the Establishment of Free Ports, an opening may be made for bringing the Produce of foreign Settlements into our own; or on the other Hand, for the Introduction of *European* Manufactures into the *British* Plantations: This and the other Regulations which are intended to procure the Carriage of Commodities raised in the *French* Islands, may encrease the Consumption of those Commodities on the Continent of *America*, to the Prejudice of our *West-Indies*; or facilitate the Exportation of our enumerated Commodities to other Places than to the Dominions of *Great Britain*: And the Facilities given to the Intercourse between our and their Settlements, may either furnish the Colonists with the Means of making Returns to this Country, or of diverting the Returns they were before provided with, to other Countries. The Event in all these Instances is at least doubtful: Whereas the Measures of the former Administration were certain of their Effects: To open a Vent for the Produce of the Plantations, to encourage Cultivation there, to extend their Fisheries, to prevent their clandestine Trade, and to confine their Consumption to the Manufactures of *Great Britain*, were Measures equally beneficial to the Mother-Country, and to the Colonies,

Colonies, and cannot in any Event or by any Abuse become detrimental to either.

There was but one of Importance amongst them from which any bad Consequences to Commerce were apprehended, which was the Duty upon Molasses : But as I have had Occasion to mention that Subject more than once, and it would carry me too far were I to enter into all the Considerations which arise upon it, I will leave it to rest upon the Observations which have before occurred, and upon that general Knowledge which the Publick is possessed of, from its having been so long the Topic of Conversation. There was another Measure of the same Administration, which it would be also tedious to dwell upon at present, and which, if the Interests of this Country had been consulted, would not have been made an Object of so much Attention : I mean the Stop supposed to have been put by Orders from hence to the Importation of Gold into the Colonies. That no Orders were given for that Purpose, that on the contrary Orders were dispatched to prevent any Interruption of the Trade, and that the Merchants concerned were consulted and satisfied, are Facts which have been proved, and are now universally known : But the Clamour raised upon the Occasion may have mischievous Consequences, which they who encouraged it, must answer for. As groundless a Complaint though of a different Kind was made in Relation to the Admiralty-Courts, as if the Establishment were an Innovation ; or the Use of them in support of Revenue and commercial Laws were a Grievance ; whereas in fact they are coeval with the Colonies, and the Appointment of Judges to preside in them, is reserved to the Crown in the original Charters. The Trial of Offences against the Act of Navigation, and against the Act of Frauds is expressly given to them by those Acts, passed in the Reigns of *Charles* the Second and King *William* : The Jurisdiction of Justices of the Peace in *America* under the Statutes of Queen *Ann* for the Preservation of the King's Timber, is by the 8th G. I. transferred to the Courts of Admiralty, as being more proper Judges in Crown-Causes than Magistrates elected by the People : And in the same Courts, the Penalties under the Sugar Act of 6th G. II. under 12th G. II. for allowing the Exportation of Sugars, and under 21st G. II. for encouraging the Growth of Indigo, are recoverable, from all which it appears

appears that the Jurisdiction given to them in Offences against the Stamp-Act was agreeable to a constant Series of Plantation Laws: And with Respect to this particular Branch of Revenue, the Proceedings are not very different here: For except in two Instances only, which affect none but Lawyers, the like Offences against the Stamp Acts in *Britain* are triable in a summary Way, without Jury, before Justices of the Peace: These are far better Magistrates than provincial, annual, elective Justices; and yet cannot be thought as respectable as a Judge of an Admiralty Court, who has had an Education suitable to the Office he fills, and enjoys a Salary adequate to his Station. Provision was made for such a Magistrate in the Colonies in the Year 1763, when one Court of Admiralty was established at *Halifax* for all *America*, having concurrent Jurisdiction with those which subsisted before, but which were fallen into disrepute, on Account of the Incompetency of the Judges; as it was impossible to find Persons qualified to preside in every distinct Court, the only Remedy to this which was the principal Grievance, was to make the Number unnecessary, by vesting in one Judge equal Powers with all the others, and annexing to the Office such liberal Appointments, as should induce Men regularly educated here, to accept of it: But another Inconvenience arose from the Distance at which many of the Provinces were from this new Seat of Justice; and therefore a Plan was formed in 1765 for removing the Court from *Halifax* to *New York* or *Boston*, and for establishing two others at *Philadelphia* and at *Charles-Town*: Each of them to have certain Provinces within its District, and all the Judges large Salaries: By which Distribution every Part of the Continent would have been as near to its supreme Court of Admiralty, as some Parts of *England* are to *Westminster-Hall*; and with this View a Clause was inserted in the Stamp-Act, directing that all Offences against the Laws relative to Trade and Revenue, which by the Act of the former Year were triable in the general Admiralty Court, should be prosecuted either in that of the Province, or in any appointed or to be appointed which should have Jurisdiction in the District where the Offence should be committed. But this Plan which was calculated for the Ease and Satisfaction of the Colonies, not having been compleatly carried into Execution by the Ministers who formed it, no Progress was made in it by
their

their Successors : The Grievance was left to rankle in the Minds of the People ; and now that the Stamp Act is repealed without excepting the Clause above-mentioned, the intended Alteration is defeated, and every Matter, however trifling or however tedious, which can possibly arise from one Extremity of the Continent to the other, out of any of the Acts of Trade, or the whole Body of the Custom-house Laws, may be carried at the Will of the Prosecutor to *Halifax* : All therefore that the last Ministers did with Respect to the Admiralty-Courts, so far as the mercantile People may be affected by them, was to frustrate the Relief which had been held out, and to revive the Inconveniences which the former Administration had endeavoured to remove.

In this then which has been called so important an Object, the present Year is far from being marked with favour to the Colonies : With Respect to their other commercial Interests, whether peculiar to themselves, or common to them and to their Mother-Country, many Proofs have been already adduced to shew, how much more liberally and more effectually they were consulted in the preceding Years : And it must further be acknowledged that the Trade of the Colonies will suffer greatly by the total Prohibition of their Intercourse with *Ireland* : For by an Act of the last Sessions it is provided, that on taking any non-enumerated Goods on board, Bond shall be given in the same Manner as for the enumerated Commodities, not to land the same in any Part of *Europe* to the Northward of *Cape Finisterre*, except in *Great Britain*. *Ireland* is not within that Description, and great Quantities of Corn used to be annually imported into that Kingdom from the Plantations ; the Linen Manufactories there almost depend upon the Supply of Flax Seed which they procured from the Colonies ; the Consumption of Pipe Staves, and other Articles of *American* Produce was very large : The Trade was necessary to *Ireland*, and of the utmost Importance to the Colonies, who there found an extensive Vent for their Commodities, and thereby made Returns for their Demand of *British* Manufactures : And the Loss therefore which in Consequence of this Interruption they sustain, will be a heavy Ballance against any Advantages which may have been given to them.

And if upon the whole Account the last Ministers have not equal Merit with the former, even in Regard to the Commerce

of *America*; in other Branches of Trade, they will not pretend to a Competition: For excepting the Bounty upon *British-made* Cordage, and a few minute and official Regulations, I do not recollect any Steps taken by them for commercial Purposes, or for the Encouragement of Manufactures; for the Prohibition of Foreign Silks was not I understand a ministerial Measure; and I have therefore passed it unnoticed. * Against this single Bounty then when the Comparison is drawn, stand all those many and important Measures of the preceding Ministry, which are not partial, or local, or speculative, but extensive as our Commerce, various as our Manufactures, and certain of their Effects, upon Principles and Experience.

But the different Management of the Finances during the two Periods will not even admit of Comparison: They are direct Contrasts: The one as distinguished for Oeconomy as the other for Profusion: The former was all Activity and Vigour, exerted to oppose Encroachments on the Revenue, to detect Frauds, and to rectify Abuses: And Researches were made on every Side for encreasing the Capital or the Income of the Nation: During the latter there was not Energy enough in Administration to enable the Publick to avail itself of its own Property; but universal Relaxation, Concession, and Negligence prevailed: And the Revenue, wherever they touched it, shrivelled before them: The Resources which had been lately opened, were cut off: Means already provided, were diverted from their proper Application: Others immediately in view, and distinctly pointed out, were overlooked; and Sums which might have been brought in Aid, were disregarded; Improvements which had been begun, were checked; and all Expectations of more, were disappointed; the Endeavours which had been used to prevent a licentious Dissipation of the public Money, were frustrated: Though Estimates were swelled, Debt was accumulated: And the Sinking Fund which had been fostered with so much Care by the preceding Ministers, which was raised to such a Produce, and promised still more while it continued under their Management, now, incumbered with additional Establishments, deprived of collateral Support, and wasted by Diminutions in the Revenue, is labour-

* For the same Reason I omitted the Prohibition laid on foreign Silk Stockings, Mitts and Gloves in 1765, the then Administration having only consented to, not plan'd that Measure.

ing under Charges and Deficiencies, which spight of all Reductions of Interest, and Operations of Finance, will remain inherently fixed to prey upon it for ever.

The Depression of Public Credit is the necessary Consequence of such Measures; and accordingly we see that the Stocks do not now shew that Disposition to rise which they did a Twelvemonth ago, notwithstanding the Order restored to the Finances by the Administration which was then dismissed, and the large Produce of the Sinking Fund, and the Provision made for the Amount of the whole unfunded Debt, (for though the Exchequer Bills are still out-standing, yet the funded Navy Annuities which have been paid off are almost equal to them;) yet notwithstanding all these Circumstances, which prove the Abilities of this Country, and the natural Effect of which would be to raise its Credit, yet the Funds at the End of a Year of profound Peace feel now the Abuses of that Time, and though a little higher, are in a more uncertain Situation than they were at the Beginning, and lower than they have been in the Course of it: I do not judge of them from accidental Circumstances which may have affected them, but the general State of them for some Time past marks Doubt and Apprehension, instead of that Confidence which they had begun to assume. When the Ministers who had done so much for the Recovery of the Finances were dismissed in *July 1765*, the Price of the *Three per Cents.* was about * 87½. That Event was not marked by any material Alteration in the Stocks; but as the Effects resulting from the Measures of those Ministers did not cease immediately with their Powers, the natural Inclination of the Stocks to rise in Time of Peace continued as long as those Measures had any Operation: The Sinking Fund could not sustain any great Prejudice before the Beginning of *October*, when the Account of it was to be made up; and nothing could prevent the Payment of 870,000*l.* upon the Navy Annuities at *Christmas*; till that Time therefore the Stocks kept up to an advanced Price: And all the Disturbances in *America* did not lower them; they were still at 91 to the End of *December*, when the whole Extent of those Disorders was publick: But as soon as the new Year commenced, and the Abilities and the Measures of

* To prevent Confusion in comparing the Prices, at different Times, I shall in stating them always deduct the Dividends due upon them: And I shall keep to the *Three per Cents.* as the best Measure of the real Value of the Stocks.

the then Administration began to be known, they immediately fell; nor was this occasioned by Suspence about the Fate of the Stamp-Act; for they continued after that was decided much below the Point they had before arrived at, they remained so to the End of the last Administration, and they are now that *America* is quiet, Two *per Cent.* lower than they were when it was known to be throughout in Confusion: From hence a certain Judgement may be formed of the real Merits of those Ministers: Though such Pains were taken to persuade the Nation that they were popular; yet the monied Men, they whose Property was affected by their Conduct, saw that Property depreciated under such Management, and lowered the Price they expected for it: They knew the Consequences of allowing Extravagance to ravage, while Deficiency was let in to consume the Revenue: At the Close of the Account they found that the Losses and Charges of a Year of Peace, were equal to a Fund sufficient to provide for a *German* Campaign: And they feared that further Depredations were impending: They observed that the Relief expected by the Landed-Interest was removed out of Sight; and that Trade and Manufactures were not even flattered with the Hopes of any Alleviation: They could perceive no Advances made towards any great Operations of Finance, but on the contrary, the preparatory Means which arise from Oeconomy and Improvement, abandoned, or diverted, or destroyed: And they dreaded the Possibility of a War, while the Opportunity of Peace, the Season to provide for it, was unprofitably passing away.

Nor is their Confidence restored by the late Changes in the Administration, as no Assurance of a Change of Conduct can be derived from them, all the present Ministers having been Parties to or having supported the Measures of the last: Publick Credit therefore is not revived by such an Arrangement, it even seems to decline still more, for it feels that the Evils which have affected it will grow inveterate by Continuance, and shrinks under the Apprehensions of further Aggravations of them. These Evils are the more hardly born, because they are not necessary; and because they have dashed the Hopes which were entertained, when six Millions and a Half of Debt discharged or provided for, and an Addition made of above Four hundred Thousand Pounds to the national Income, in the Space of two Years only, had proved the
Extent

Extent of the Abilities, and the Number of Resources still left to this Country : The Stocks then rose ; and they would have risen to a much greater Height than they are at now, if the same Measures had been pursued ; but a different System has check'd the Progress natural to them in Times of Peace ; and so long as that System prevails, we can pretend neither to an Independency of Trade, nor a Permanency of Power. Drooping Credit, and Revenue continually crumbling away, in a Season of perfect Tranquility, are alarming Circumstances to a commercial People : And frustrate the Provision necessary to be made against that Day, when we shall be called upon to maintain the Ascendancy we have acquired in *Europe* : It will not remain with us long, our Trade cannot be protected, our Colonies cannot be preserved, our very Existence cannot be secured, if the Finances of the Kingdom be ruined : In vain may we discipline Armies, build Fleets, or form Alliances, while the Means to make use of them are wanting ; and by a steady and judicious Management of the Revenue, and by that alone, can those Means be procured. We have seen how much may be gained in a short Time by such Management ; we have seen how much may be lost in less Time by a contrary Conduct : Let us judge then of the Measures by their Effects : And of the Ministers by their Measures : The Decision is important ; For the State of the Nation depends on the System which is chosen for the Administration of the Finances.

F I N I S.

E R R A T A.

Page 24, Line 26, after *to* insert *be*.

54. 16, after *much* dele *the*.

50. 9, for *brought* read *bought*.

57. 7, for *Composition* read *Compensation*.

71. 4, for *then* read *than*.

95, Column last, Line 2, for *4d.* read *4s.*

————— Line 3, for *3d.* read *3s.*

