

Speech to the House of Commons

9 March 1764*

Grenville.** Should not borrow any money this year. Did not choose it now, as the Government would borrow at a great disadvantage from the stocks being so low. The reason for not making a lottery is this, that all that money which had been kept for the public use may go immediately into the fund or into trade. *Hinc concusse fidis et maltis utile bellum.* The disposition of lotteries not an unwelcome task to those who have it. The gaming in the alley for tickets rather prevents the attention to buy into other funds. Hope lotteries may be used at another.

You may take credit up to Lady Day about £2,000,000. The amount of the Customs has increased the sinking fund. What this excess arose from he does not perfectly know. Upon tea about 1,400,000 pound weight this year. Great deficiency in excise and malt, almost equal to the other excess.

His Majesty has been pleased to defray the establishment of the Grenada [...] out of his own revenues arising there. Seldom there has been a Prince who in three years has given not only law and prerogative by also such large sums. That the King has given about £54,000 a year hitherto to his subjects. That the Civil List is administered only to the honour of the Crown, and Ministers should be answerable if any failure. Affection of the people.

Pensions said to be £400,000 a year. Has no directly or indirectly recommended to the King above two pensions a year for Ireland since he has had the honour of serving the King in his present situation. Miss Molesworth and her children, and Mr. Weston. The English pensions have been as sparingly administered as the others, and indeed the King cannot afford it out of £800,000 a year. Has not made this demand with a view of asking a sum to the Civil List. Nothing is in arrears but they payments since Michaelmas Day, and he sees no likelihood of any such demand.

'Sufficient for the day is the evil thereof' is a common maxim and the most tempting to persons in the Treasury, but extremely rare to be practised, and will not follow that maxim now.

Remedy for this great debt by collecting a public [...] by way of excise, which he does not think an adequate or an improper. Another remedy to collect the Customs and prevent abuses by lowering the

* No date given by Ryder. Committee of Ways and Means. The Budget. See also Horace Walpole, *Memoirs of the Reign of George III* (4 vols. 1894), I, 309-310.

** Ryder's notes of this speech begin with some 50 lines of financial figures, derived from the statement

of income and expenditure given by Grenville. These are omitted, as are similar figures later in the speech. rate. Instance: tea, which gives rise to this opinion; it lies due in some instances but not in general.

A beneficial work to review the public taxes and make proper alterations, but it must be done with care. Mr. Pelham attempted this work in some degree and would have gone further if had lived; had begun something of this kind just before he died. Decrease of interest was owing to him, but he would never have effect it if he had not met with assistance even from men who otherwise opposed him. If the conduct as in the late Navy Bills had been pursued, he could not have done it.

This hour a very serious one. France in great distress at present, greater even than ours. Happy circumstance for us, as we are little able to afford another war, we now have peace; let us make the best use of it.

Some remedies have opened themselves to us. The stationing ships has been of service. Customs House laws may be further reformed with time.

The House comes to the resolution to raise the revenue in America for defending itself. We have expended much in America. Let us now avail ourselves of the fruits of that expense. The great object to reconcile the regulation of commerce with an increase of revenue. With this view particularly desirable to prevent intercourse of American with foreign nations. And yet many colonies have such a trade. Such a trade has been opened by three or four colonies with France to the amount of £4 or 500,000 a year. Great attention given to prevent this practice by giving direction to the commissioners to prevent smuggling. This has been attended with success, the proportion from England has increased. But this is not enough; you must collect the revenue from the plantations.

First object would be to permit West Indian trade, at the same time to regulate the other. To allow certain commodities from the French islands which are absolutely necessary, but to give preference to our own colonies' manufactures by paying duty upon the others.

A duty of 6d. per gallon upon molasses by the 6th of the late King was too heavy; this duty to be lowered to 3d. But the quantity so doubtful that he cannot form any certain estimate; perhaps £4, 50, or 60,000.

Molasses and indigo to have a higher tax if coming from foreign colonies. And this to be put on enumerated commodities which are not at present.

Encouragement intended to be given or at least thought of to our northern colonies. Bounty on flax and hemp. Duty taken off on whalebone. Bounty to be taken off on beaver exported from here. Expense of maintaining 10,000 in North America, amount £359,000. The troops £250,000. Victualing. Surveying North America £1818.

That no ships shall be cleared out of North America unless shall unload all her goods and take her clearance out for the whole and pay the duty for the whole.

Wines, to admit the wines from Portugal and Spain to go through with no other duty but the old subsidy of about £3.10.0, and a small duty of 10s. upon its coming to North America. And to lay a duty on Madeira wine importer there which was the only wine they had a right to.

To lay a higher duty on East Indian silks and calico and cambrics exported to North America. Foreign goods exported to North America pay now only half the subsidy; now they shall pay the whole subsidy.

Regulations. One to require a certificate that the goods coming from the West Indian Islands are the produce of those islands. St. Pierre and Miquilon; to prevent the trade with their slaves, as it consists in nothing but smuggled goods.

The difficulty of executing these regulations. Difficult to find good officers who will go to North America. Smuggling therefore will continue, and therefore, as this will diminish the revenue, some further tax will be necessary to defray the expense of North America. Stamp duties the least exceptionable because it requires few officers and even collects itself. The only danger is forgery.

He is convinced this country have the right to impose an inland tax.* Loves the spirit of freedom and its commercial spirit, but would have neither at dependence of this country. If any man doubts the right of this country, he will take the opinion of a committee immediately.

He owns the officers of the revenue must strike in the dark. However, he thinks this is the best plan. He would likewise wish to follow to a certain degree the inclination of the people in North America, if they will agree to the end.

That a duty of £2.19 per pound weight be lain on seal imported from any foreign country into North America.

He spoke 2 hours and 35 minutes.**

*Diary has 'spirit'.

** The Budget resolutions are printed in Common Journals, XXIX, 934-5, 945-6, 952-3, 977-9.