

15 cents per gallon, that is to say, a duty of 30 cents per gallon in all, should be imposed. I estimate that the consumption will be reduced from 3,600,000 to 3,200,000 gallons, and I base my estimate for revenue on the last figures. I hope that the consumption will be reduced to the figure that I have just mentioned.

Mr. MACKENZIE—What about the stocks in hand?

Hon. Mr. GALT—The law cannot affect the stocks in private hands. There is no bounding law that will apply.

A MEMBER—Suppose the stock is taken out of bond.

Hon. Mr. GALT—We are obliged to announce the rates of duty in advance of putting them in force. In England the practice is much better; it is to put the duty in force at once, and the House of Commons passing a *pro forma* resolution to sanction this. Then, if in course of debate, the item imposing the duty is rejected, the money is refunded. It would be very desirable to imitate that practice. [Hear, hear.] In the present case, I consulted with the hon. member for Chateaugay on the subject, and we both agreed it should be introduced. In the present case, I believe that making the financial statement in advance of the Ways and Means, unless the Government received the immediate concurrence of the House, the English practice could not be put in force. I am, therefore, obliged, in conformity with the usual practice of this House, to make the statement, before it is in my power to give effect to the tax.

Hon. Mr. HOLTON said the practice of the English House of Commons could be adopted at once.

Hon. Mr. GALT—If the House will allow me to do so I shall only be too happy. [Hear, hear.] The hon. member for Chateaugay is aware I cannot do it myself. It appears to me, however, to be the general wish of this House that this course should be adopted, and I hope the House will consider the matter before the debate closes. But I do not like to spring a mine on the House. I hope, however, they will consider how it is possible to bring the English practice into effect.

Hon. Mr. HOLTON—The House of Commons practice might be introduced to-night.

Hon. Mr. GALT—If the House should wish to adopt the English practice the duty could be imposed by telegraph to-night. If the tax should not be sanctioned when the estimates come up for discussion, Parliament could refund the money, and give the Government an act of indemnity. With respect to beer, I do not view it in the same light as spirits. I think it to a very great extent harmless. With respect to lager beer I think the lines may be strictly drawn between beer perfectly innocuous and strong beer. I do not feel able at this moment, in the new excise bill, to change the whole system of collecting duty on beer. The existing duty on beer is three cents per gallon. In the United States the duty on beer is at this moment \$1 per barrel, which is nearly the same. If we take into account the depreciation in the currency the amount charged is really less than to our consumer. The Government does not desire to ask the House to put any additional excise on beer. We propose to leave it at the same rate as for some time past.

If the House should place in the hands of the Government the power to put an increased excise on spirits immediately, of course the amount I estimate for the period ending the 30th June will be considerably augmented, but will not affect the question of revenue for the whole succeeding year. Every gallon of spirits will be taken out of bond a very short time after the announcement of the doubling of excise, and therefore I cannot venture to estimate the receipts at any very great sum.

Hon. Mr. HOLTON—The House can assist you in putting on the duty on spirits instantly. [Hear, hear.]

Hon. Mr. GALT—I am very happy to hear that. I certainly shall be delighted to be permitted by the patriotic conduct of the gentlemen opposite to impose the duties at once. [Hear, hear.] There will be in this case a very considerable augmentation of revenue satisfactory to all. [Applause.] I estimate that the revenue to be produced from the imposition of 15 cents per gal. extra on 3,200,000, will bring in a revenue of \$960,000. Beer will give us \$180,000, and Tavern and Shop licences will give us \$120,000.

Mr. DUNKIN—Could you not devise some substitute for shop licences?

Hon. Mr. GALT—They only yield \$12,000 or \$15,000 a year.

Mr. DUNKIN—You might the more easily put an end to them.

Hon. Mr. GALT—As the hon. gentleman has been kind enough to give assent to the immediate imposition of the spirits' duties, I will consult with the other members of the Government on the subject.

Mr. DUNKIN—It would a great boon to the Temperance Society, and the community.

Hon. Mr. GALT—The total estimated revenue from spirits, beer and licences for the year ending 30th June, 1865, under the proposed increase in the law, will be \$1,260,000. The increase estimated for the half year is \$53,000.—I now come to another subject, which I look upon—and it will approve itself to the public—as a fit subject for taxation. It is necessary to draw the attention of the House to the falling off that has taken place in the importation and manufacture of tobacco. The House is aware that under the Reciprocity Treaty, unmanufactured tobacco is one of the articles admitted free. We cannot approach that by way of Customs duties. Let us take an example in the falling off of the importation of manufactured tobacco. In 1859, it was 3,493,453 lbs., valued at \$574,943, and paying a duty of \$171,090. In 1860, there were 3,703,677 lbs., valued at \$466,566, and paying a duty of \$139,968. In 1861, there were 2,544,800 lbs., valued at \$315,620, and paying a duty of \$90,975. In 1862, there were 1,121,907 lbs., valued at \$202,664, and paying a duty of \$55,473. In 1863, there were 280,258 lbs., valued at \$64,926, and paying a duty of \$13,834. So here was a falling off from \$171,090 duty paid in 1859, to \$13,864 duty paid in 1863. Of unmanufactured tobacco, there were imported in 1860, 1,987,433 lbs.; in 1861, 1,901,045 lbs.; in 1862, 6,372,441 lbs.; in 1863, there were 8,801,900 lbs. Here the House can see that the imports of unmanufactured tobacco, paying no duty, has increased from 2,000,000 lbs. to 9,000,000 lbs. The to-