

22nd day of June, 1904, being an ordinance respecting the importation into the Yukon territory, of malt and spirituous or intoxicating liquors or other intoxicants and the traffic therein, provision was made that ale, porter, beer and lager beer shall after the coming into force of that ordinance, be admitted free into the territory; and

Whereas on the 30th of July, 1908, the Commissioner in Council of the Yukon Territory expressed by resolution the opinion that it would be a wise and just policy to impose a fee of fifty cents per gallon on all porter, beer and ales, which may in the future be imported into the territory, but that such tax should not only apply to foreign products and not to Canadian or British products;

Therefore His Excellency the Governor in Council, in virtue of the provisions of section 16, chapter 63, Revised Statutes of Canada, 1906, enacts as follows:—

That the ordinance of the 22nd June, 1904, respecting the importation into the Yukon Territory of malt and spirituous or intoxicating liquors or other intoxicants and traffic therein, shall be and the same is hereby amended by providing that on and after the 1st day of November, 1908, a tax of fifty cents a gallon be imposed upon all ale, porter, beer or lager beer imported into the Yukon Territory from any foreign country.

Mr. SPROULE. As that imposes a tax on imported liquors, should not that be done by a custom law rather than by the ordinance passed by the Yukon Council?

Mr. OLIVER. It is a special tax for the benefit of the local revenue of the Yukon Territory over and above the customs tax.

Mr. SPROULE. Would the province of Ontario have a right to impose a tax on imported foreign liquors in addition to the custom tax now levied, and have that ratified here?

Mr. OLIVER. That is a matter for consideration. The government passed this ordinance in the belief that it was a proper ordinance, and that, being in accordance with the wishes of the Council of the Yukon Territory it was sound public policy to do it. It may be a matter for argument whether it is a correct principle or not, either in law or in policy.

Mr. CONGDON. I desire to say a word merely in anticipation of what I think the Governor in Council will be asked to do a little later. The Governor in Council was asked by the Commissioner in Council of the Yukon Territory to pass the ordinance imposing a tax upon imported ale and beer; but it is one of the most unpopular measures in the Yukon, for the reason that it is felt that if men are going to indulge in intoxicating liquors, it is better that they should be permitted to indulge in the lighter liquors, and not compelled to pay increased prices for them, and I have no doubt that the Governor in Council will soon be asked

by the Yukon Council to repeal the ordinance.

Mr. FOSTER. The point raised by the hon. member for East Grey (Mr. Sproule) seems to be a good point. The province of Ontario certainly has greater rights *prima facie* than a smaller division of the country like the Yukon Territory. It is an older and larger province and is more settled in its constitutional privileges and usages. Suppose the Ontario government were to introduce legislation or to pass by order in council a resolution imposing on all imported liquors which came to the border of the province a tax over and above what the Dominion customs tariff imposed upon them, I think it would cause a good deal of surprise and a good deal of question. This seems to be entering upon a course which might lead to any kind of customs imposition by any province of the Dominion, which would be absolutely opposed to that uniformity which the trade of the Dominion requires.

Sir WILFRID LAURIER. There is great force in the point raised by my hon. friend from East Grey, not, however, I think, for the reasons given by my hon. friend from North Toronto. The province of Ontario has no power to legislate at all in fiscal matters. The council of the Yukon territory is not a sovereign body, as the legislature of Ontario is within its own sphere; but that sphere does not include fiscal matters. The Yukon Council cannot legislate; it can only make suggestions. It has suggested that a tax should be imposed on certain beverages. The parliament of Canada alone can deal with that, and it may be that we cannot deal with it in the way suggested. I do not know that it can be dealt with in any other manner than by a tax Bill. I think the point is worthy of consideration.

Mr. R. L. BORDEN. It depends altogether on the terms of the statute under which the ordinance is made. It is entirely different, I think, in the case of a province. This has been done not by the Yukon council, but by the Governor in Council under the provisions of a statute of Canada. The provisions of that statute are very wide, and I am not at all sure, speaking from memory, that they would not embrace this ordinance. That depends absolutely on the terms of the statute. The question of policy which has been spoken of by the member for the Yukon (Mr. Congdon) is of course an entirely distinct question. As we have not the terms of the statute before us, and as the subject will require some discussion, I would suggest that the Minister of the Interior allow the matter to stand for the present,