

I have given some figures respecting the consumption of spirits and intoxicating liquors, but it has occurred to me that, in view of the agitation on the subject of prohibition, which is likely to be continued and to take a more emphatic shape at an early day, there will be frequent references, no doubt, to the amount of duty and the revenue of the various departments of the Government arising from the liquor traffic. I think that, therefore, it might be convenient to include in the Budget a statement showing exactly what are the revenues derived from that source. The statement is for the year 1896-97.

	Quantity.	Duty.
Customs—		
Ale, beer, &c.... Galls.	327,216	\$ 65,245.30
Excise—		
Malt..... Lbs.	68,443,353	1,026,652.13
Customs—		
Spirits and wines. G's.	1,396,136	2,406,529.81
Excise—		
Spirits..... Galls.	2,762,514	4,732,506.19
Or,		
Customs.....		\$2,471,775.11
Excise.....		5,759,158.32

Summing it up, we find that the revenues received from these sources are: Customs, \$2,471,775.11; excise, \$5,759,158.32, making a total revenue from that source of \$8,230,933.43.

So far, Sir, I have dealt with the financial year ending June last. Now, let us turn our attention to the current year, of which nine months have elapsed. With this elapsed period as a basis of calculation, I shall endeavour to estimate what our position will probably be on the 30th June next. Up to 31st March last, according to the latest statements we have obtained, our customs revenue amounts to \$16,111,029.82.

Making due allowance for the increase we have lately been experiencing in the receipts from this source, and keeping in mind that after 1st July the preferential feature of our tariff obtains its full development and consequently there will be a slight check in the imports in May and June, I think I am within the mark when I estimate the customs revenue at \$21,000,000, as against last year's yield of \$19,475,247. From excise, I do not expect to receive more than \$6,000,000, as compared with \$9,170,378 received last year, on account of various disturbing causes. As between the two years, there is no doubt our revenue this year from that source will be less. From miscellaneous sources I anticipate our revenue will be \$10,300,000; or \$59,800,000 in all.

As much for the revenue. On the other hand, the actual expenditure up to the 31st March on account of consolidated fund

amounted to \$22,887,258, which is just on about a level with last year, if we take into account the fact that there is a quarter's post office expenditure of last year which does not appear this year but will come in at a later stage of the accounts. We must add to the outlay against us the expenditure which will be imposed upon us in connection with the opening of the Yukon district and the maintenance of law and order in that territory. So, to be on the safe side, I put the total consolidated fund expenditure for the current fiscal year at \$38,750,000. If this estimate proves correct, and if we receive the estimated revenue of \$59,800,000, the business of this year, closing the 30th June next, will end with a surplus of \$550,000.

My aim and expectation in that respect are that we shall have in this current year a surplus which will wipe out the deficit of last year, and leave a balance, possibly even a larger balance than I would now care to state, on the right side. I feel confident that this is a safe and conservative estimate of the result of the year's operations. Some features of the year's business have been so abnormal, there has developed such buoyancy in trade, that I should not be surprised if the outcome of the year should be more favourable than I have indicated. The total consolidated fund expenditure for the current year I have just estimated at \$38,750,000, or some \$400,000 over last year's actual expenditure. The reasons for this are to be found in the additional interest on the public debt that has to be paid on account of the loan of last autumn, the necessary outlay in connection with the opening up of the Yukon district, an increased outlay resulting from a vigorous policy to be pursued in the Department of Agriculture, and also in the branch of the Department of the Interior which has special reference to immigration. The extension of the Intercolonial Railway to Montreal will also go to swell our gross expenditure, although I am assured by my hon. friend the Minister of Railways that the increased outlay will be offset by increased receipts that will accrue from the working of the extension. Although our borrowings in London, last October, as I shall show, were less than half the amount authorized, and it might be supposed therefore that we should have occasion again to resort to temporary loans at an early day, I am glad to be able to say that, owing to the buoyancy of trade and of revenue, our financial position has become so strong that I do not anticipate that it will be necessary, during the current year, to issue a single Treasury bill or borrow any money in any shape or form.

I desire now to refer to the debt statement for 1896-97. On the 30th June, 1896, our net debt stood at \$258,497,493.77. As a result of the year's operations, it has been in-