

Hon. Mr. FOWLER: The question is whether that will be to the general advantage of the country or not. I doubt that there is much smuggling of cigarettes from the other side, because it is pretty expensive for a man to travel across for 10, 15 or 20 miles to buy cigarettes. Do you not think that the reduction in the sale of manufactured cigarettes is caused by people rolling their own cigarettes? Many people buy the tobacco and the papers, and by rolling their own cigarettes they save the cost of manufacture. They do not delay themselves very much by having to make the cigarette. I do not smoke cigarettes myself, but I believe that some men become so expert that they can roll a cigarette with one hand, while the other is in their pocket. Are you not encouraging extravagance by reducing the duty? The men who on account of the high price occasioned by the higher duty have rolled their own cigarettes will now, because the price is reduced, purchase manufactured cigarettes. Thus you are teaching the youth habits of extravagance.

Hon. Mr. DANDURAND: No doubt, when manufactured cigarettes become somewhat expensive there is a tendency for people to roll their own cigarettes, and that would partly explain the decrease in duties collected on the manufactured article. But the Department has noticed that the decrease in the importation of cigarettes occurs mostly in the Windsor district and other places near the border, and that has created the impression, if not the conviction, that the higher price of the cigarette, caused by the increase of duty, had incited illegal importation.

Hon. Mr. FOWLER: Would it not be better to see that the vigilance of your officers is increased instead of encouraging extravagant habits among the people by discouraging the rolling of cigarettes by the smoker himself? Do you not think that if you stirred up your officers to greater vigilance this smuggling would not take place?

Hon. Mr. DANDURAND: Perhaps the proposed method is a cheaper one than that which my honourable friend suggests, and which might require a considerable addition to the staff.

Hon. Mr. FOWLER: I am glad to have even this slight evidence of care for the finances of the country, shown by the Minister and by the Government, because such evidence is rare. On the other hand we find plenty of evidence of reckless expenditure. It is refreshing to have this one little whiff—

Hon. Mr. DANDURAND.

Hon. Sir JAMES LOUGHEED: Of the cigarette.

Hon. Mr. FOWLER:—of economy.

The motion was agreed to, and the Bill was read the third time and passed.

PETROLEUM BOUNTIES BILL

SECOND READING

Hon. Mr. DANDURAND moved the second reading of Bill 214, an Act respecting the Payment of Bounties on Petroleum.

He said: Honourable gentlemen, the object of this Bill is to limit the period of payment of the bounty on petroleum, with a view to its extinction. The rate for the coming year is the same as heretofore and will continue until the 30th of June, 1924, and the rate for the second and final year will be reduced from $1\frac{1}{2}$ cents a gallon to $\frac{1}{4}$ of a cent a gallon. That is the only object and effect of this Bill.

Right Hon. Sir GEORGE E. FOSTER: And the bounty ceases when?

Hon. Mr. DANDURAND: It ceases on the 30th of June, 1925. It has two years yet to run, but it is on a diminishing scale.

Hon. Mr. FOWLER: Do the government not think that the time has about arrived when the bounty on petroleum should cease to be paid?

Hon. Mr. DANDURAND: That is exactly the policy.

Hon. Mr. FOWLER: Why not let it cease? Why ease it down in this way? Why not cut it out absolutely? When fabulous fortunes are being made in oil, either by the man who owns the well or by the man who manipulates the stock, would it not be advisable to put an end to this?

Hon. Mr. DANDURAND: My honourable friend will see that the payments of that petroleum bounty were not very large. In 1922 the amount was \$93,636. This year it is \$89,223.

Hon. Mr. FOWLER: That is what the lady said when she was caught in default: it was such a very small one it should not count. The principle is the same, no matter what you pay. Cut it out.

Hon. Mr. DANDURAND: Well, we are proceeding to do it, but not brutally.

Hon. Sir JAMES LOUGHEED: What is the total amount of the bounty in a year?

Hon. Mr. DANDURAND: The amount of bounty paid was: in 1916, \$109,177; in 1921, \$312,000; in 1922, \$93,636; in 1923, \$89,223.