

The following is the section of the act out of which the discussion grew :

14. All wines and distilled liquors and brown sugar, flour, bread, cheese, oatmeal, peas, &c., imported for the army or navy, or naval yard, or any commissary or government contractor, and all prize goods purchased for their use, and all spirituous liquors distilled in the province and supplied for their use, shall be exempted from duties, but they shall be warehoused. And when they are intended to be delivered from the warehouse the entry shall be made as for home use, and shall state that they are solely for the use of the army or navy, or naval yard; and a bond, with two sureties, and in double the duties, shall be given to deliver them to the persons authorized to receive them for such use, or otherwise account for them to the satisfaction of the board.

Mr. BLANCHARD said—It will be remembered that on the first day of the session I asked for a return of all articles admitted duty free for the use of the army, and I regret that it has not yet been forwarded me. I may, however, bring to the notice of the House that up to 1857, in the appropriation act of every year, the sum of £300 was voted as a drawback upon officers' wine. In 1858 that was thrown out by the House, and since that period the Legislature has steadily refused to grant to the officers their wines duty free. But under the section of the law before me the principle sanctioned by the House, it appears, may be evaded. Any officers of the army can go to a warehouse and obtain any of the articles here specified and by giving bonds and filing a certain affidavit that they have been consumed by the army they are admitted duty free. Therefore under this statute the consistent action of the House is completely set aside. Not only does it enable officers to get their wine free, but a short time ago a contractor in this city, through it, obtained great advantages as I shall show. Until very recently the contractors paid duty on their groceries, but this year the contract was taken by a person who got all his supplies, under this statute, free of duty. I contend the articles in the warehouse were not imported for the express supply of the army and navy—as it should be, if they are to be duty free—but by private merchants. It will be recollected that at the time of the *Trent* difficulty coffee and other articles were imported expressly for the army, and put into the warehouses, and after the difficulty was over it was sought to put this article free of duty into the market; but it was not allowed by the Government of the day. Up to the last six months you cannot find an instance of articles entered free of duty unless expressly imported for the use of the army and navy. A sergeant can go to the warehouse and get a cask of rum free of duty, and at this moment a glass of liquor is sold at the barracks for half the sum it costs in the city. Now I wish to have this matter made quite clear—not to allow any chance of imposition by any contractor or any one else.

Hon. PRO SEC.—There is no doubt if it is the policy of this House to tax the articles enumerated in this clause, when intended for the use of the troops, the law will require to be al-

tered. The practice has been correctly stated by the hon. gentleman who has just sat down, but when the matter was brought under the notice of the Board of Revenue they were of opinion that, under the law as it now stands, the Government had no power to tax such articles. I entertain the opinion that the law is right as it is now. I believe it should not be altered because it has been the policy of Great Britain and of all her colonies to give to the persons comprising Her Majesty's army and navy such advantages as this law embraces; and if there is a part of the British dominions in which these restrictions should not be imposed it is this city. Those who reflect upon the immense advantages conferred by the army and navy—upon the benefit they are to trade—upon the immense sum of money they put in circulation annually, must be convinced that it would be most unjust to refuse them all the privileges in our power to grant. It would be neither just nor politic to take any step that would be looked upon as indicating that the Legislature did not appreciate these advantages to the fullest extent. Successive Colonial Secretaries have written out to this province, making the strongest possible representations concerning the imposition of taxes upon her Majesty's army and navy, and urging the propriety of doing away with them at the first opportunity. I know that the question may be differently viewed by some gentlemen, but I feel it is my duty to express what I am convinced is the proper policy of this Legislature.

Mr. TOBIN—If the trade imports these goods, and they are bought by contractors, and supplied to the army and navy, the mercantile community is clearly benefitted. The Contractor, in the present instance, appears to have been sharper than some others who of course feel aggrieved. He found out that this law offered him a great advantage, and he availed himself of it as he had a perfect right to do. I have always advocated the principle that the officers' wines should be admitted duty free, and I sincerely regretted when the former practice was destroyed by the action of a combination in the Legislature. I believe that the law is as it should be, and that it should be retained on the statute book. I believe that the army and navy should have all necessary articles free of duty, as some slight return for the great benefits their presence confers upon us.

Mr. McFARLANE briefly expressed himself in favour of making all proper concessions to the army and navy.

Mr. ARCHIBALD said: It is very extraordinary that the hon. gentlemen never discovered until now that the officers of the army and navy had a right, under the existing law, to receive such articles free of duty. Without dwelling, however, on this point, I may state that I do not agree with the hon. member for Halifax (Mr. Tobin) as to the manner in which the old practice was done away with. It was not considered as a question of administration but invariably as an open question. The reason why the £300 was struck off was because a great number of gentlemen believed that it was only giving a bounty for the distribution of spirituous liquors. If I recollect aright it was struck off when the