

Upon all malt brought into a brewery subject to such allowance or rebate in respect of waste as may be authorized by the Governor in Council, per pound, twenty-one cents."

4. This Act shall be deemed to have come into force on the eighth day of September, nineteen hundred and fifty.

Hon. Mr. Aseltine: What amount of revenue will be realized from these tax increases?

Hon. Mr. Robertson: I do not appear to have that information before me, but the total revenue to be gained under this and the measure to follow, namely the Customs Tariff, is \$10,100,000 for the balance of the current year and \$22,100,000 for the full year. I would point out that the amendments to the Excise Tax Act apply to domestic production only.

Hon. Mr. Aseltine: Did the honourable leader give the amount of additional revenue expected by reason of the tax on candy only?

Hon. Mr. Robertson: I gave the estimate of expected revenue from the additional tax on soft drinks, candy and chewing gum as \$35.3 million for the current year and \$82.4 million for a full year.

Hon. Mr. Aseltine: I am curious to know by how much the tax on spirits, as provided by this bill, would have to be increased to enable the government to eliminate the tax on candy. It would seem to me that an additional 50 cents would about cover it.

Hon. Mr. Robertson: My attention has been drawn to the fact that the Minister of Finance in the other house gave the breakdown of figures which the honourable acting leader has asked about. This is the information he gave: the increased revenue from excise taxes on commodities is \$17,300,000 for the remainder of the fiscal year, and \$34,400,000 for a full year; on soft drinks the increase is estimated at \$8,500,000 for the balance of the current year and \$24 million for a full year; on candy and chewing gum there will be an increase of \$9,500,000 for the current year and \$24 million for a full year.

Hon. Mr. Quinn: I should like to ask the honourable leader why a tax was imposed on soft drinks, and apparently no consideration was given to the imposition of a tax on beer?

Hon. Mr. Robertson: There is a tax on malt.

Hon. Mr. Quinn: True, there is an increase from 16 cents to 21 cents per pound on malt, but the effect of that will be that the brewer will weaken the strength of his beer and the price will remain the same. It seems to me that a tax on beer would have produced more revenue.

Hon. Mr. Robertson: Might he not still weaken his beer?

Hon. Mr. Quinn: I do not know, but I think a greater revenue would result.

Hon. Mr. Robertson: In any event, this is the legislation as it comes to us.

The motion was agreed to, and the bill was read the second time.

THIRD READING

The Hon. the Speaker: Honourable senators, when shall the bill be read a third time?

Hon. Mr. Robertson: Now.

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

CUSTOMS TARIFF BILL

FIRST READING

A message was received from the House of Commons with Bill 10, an Act to amend the Customs Tariff.

The bill was read the first time.

SECOND READING

The Hon. the Speaker: Honourable senators, when shall the bill be read the second time?

Hon. Mr. Robertson: I move that the bill be read the second time now.

This, honourable senators, is the fourth of the bills to which I have referred. Increases in the duty on imported spirits and imported malt corresponding to the increases in the domestic tax on spirits and malt are contained in this bill. It is estimated that the additional revenue from these increases and the tax on alcoholic beverages will produce \$10,100,000 during the current fiscal year and \$22,100,000 in a full year.

The bill is as follows:

1. Schedule A to the Customs Tariff, chapter forty-four of the Revised Statutes of Canada, 1927, is amended by deleting therefrom the following enumerations of goods and rates of additional duties of Customs as enacted by section two of chapter twenty-three of the statutes of 1942-43 and section two of chapter seven of the statutes of 1943-44:

"Whisky, brandy, rum, gin and all other goods specified in Customs Tariff Item 156 and 156b, \$7 per gallon of the strength of proof.

Ale, beer, porter and stout, 30 cents per gallon" and by substituting therefor the following enumerations of goods and rates of additional duties of Customs:

"Whisky, brandy, rum, gin and all other goods specified in the various subitems of Tariff Item 156, \$8 per gallon of the strength of proof.

Ale, beer, porter and stout, 40 cents per gallon."

2. Section one shall be deemed to have come into force on the eighth day of September, 1950, and to have applied to all goods mentioned therein imported or taken out of warehouse for consumption