

**Alcohol and Tobacco Taken Out of Bond.**—In Table 20 are shown the quantities of spirits, malt liquor, malt, cigars, cigarettes, and tobacco taken out of bond for consumption in the fiscal years ended 1920 to 1938.

Between 1920 and 1938 the number of cigars taken out of bond fell from 270,089,761 to 136,275,443 and the quantity of tobacco, which was 23,049,012 lb. in 1920, had fallen to 20,870,651 lb. by 1925, since when there was a steady increase to 25,155,143 lb. in 1938. The consumption of cigarettes increased from 1,553,468,890 in 1919 to 5,082,314,590 in 1931 but thereafter showed a decline. After 1935, however, consumption reached new records.

Between 1923 and 1929 spirits taken out of bond (exclusive of imported spirits) rose from 729,678 gal. to 2,016,802 gal., but there was a decided and steady drop to 769,527 gal. for 1933. Since 1933 substantial increases have been shown. Malt liquor showed an increase from 36,789,195 gal. in 1923 to 65,719,129 gal. in 1929 but there was a decrease to 40,105,883 for 1934; since then there has been a steady increase to the high point of 67,019,336 gal. in 1938.

## 20.—Quantities of Spirits, Malt Liquor, Malt, and Tobacco Taken Out of Bond for Consumption, fiscal years 1920-38.

NOTE.—For years prior to 1900, see 1916-17 Year Book, p. 528; for 1901-10, see 1933 Year Book, p. 840; and for 1911-19, the 1938 Year Book, p. 855.

Fiscal Year.	Spirits.	Malt Liquor.	Malt.	Cigars.	Cigarettes.	Tobacco. <sup>1</sup>
	gal.	gal.	lb.	No.	No.	lb.
1920.....	3,816,134 <sup>2</sup>	36,863,867	69,975,631	270,089,761	2,440,982,912	23,049,012
1921.....	2,816,071 <sup>2</sup>	35,509,757	82,210,351	214,262,197	2,439,832,278	19,389,268
1922.....	730,474	39,404,346	87,561,176	181,255,533	2,450,397,154	20,528,228
1923.....	729,678	36,789,195	84,922,024	183,965,151	1,917,773,908	22,072,708
1924.....	899,291	43,717,823	105,446,169	198,042,909	2,420,052,731	21,172,307
1925.....	910,316	48,106,177	118,337,385	168,097,387	2,531,693,150	20,870,651
1926.....	1,082,785	52,443,505	127,789,729	174,363,188	2,883,448,160	21,595,483
1927.....	1,404,111	51,726,351	126,967,976	175,335,838	3,323,999,860	21,989,772
1928.....	1,896,357	58,391,360	142,543,947	181,730,614	3,927,022,325	21,507,747
1929.....	2,016,802	65,719,129	158,490,019	190,981,166	4,607,500,425	21,973,221
1930.....	1,926,063	62,992,156	149,746,711	196,251,957	5,035,878,655	22,195,455
1931.....	1,180,536	58,641,404	137,997,652	177,841,987	5,082,314,590	22,520,345
1932.....	781,612	52,001,768	121,257,234	152,159,301	4,401,628,765	22,801,035
1933.....	769,527	40,832,084	95,604,054	122,664,715	3,728,832,089	22,815,839
1934.....	933,948	40,105,883	92,319,763	115,988,080	4,342,728,835	22,315,295
1935.....	1,063,928	51,703,731	117,985,480	125,819,841	4,958,250,855	22,891,129
1936.....	1,621,286	56,913,069	128,204,424	124,570,870	5,310,132,016	23,113,501
1937.....	1,900,714	59,920,298	134,154,965 <sup>3</sup>	123,956,872	5,855,935,609	24,122,763
1938.....	2,302,210	67,019,336	147,598,751	136,275,443	6,848,693,442	25,155,143

<sup>1</sup> Including snuff. <sup>2</sup> Exclusive of imported spirits but inclusive of non-potable spirits. <sup>3</sup> Revised since the publication of the 1938 Year Book.

### Subsection 5.—Subsidies and Loans to Provinces.

**Subsidies.**—By the provisions of the British North America Act and subsequent arrangements entered into from time to time, the Dominion is required to make certain annual payments to the individual provinces. These payments fall into the following classes:—

**Interest on Debt Allowances.**—By the terms of the union of the provinces at Confederation in 1867, the Dominion assumed all the outstanding debts and liabilities of the provinces and undertook to pay, except in the case of Ontario and Quebec, interest at 5 p.c. on the amounts by which the actual per capita indebtedness of the provinces fell short of a basic debt allowance calculated at approximately \$25 per capita. On the subsequent entry of additional provinces into Confederation, similar arrangements were effected regarding the assumption of their pre-Con-