Though more spirits would be drunk they would probably do less harm, as the consumption of neat spirits at 30° under proof would be greatly reduced by the high taxation.

The effects of the increased differentiation in the tax on beer would probably take some years to develop fully. The average beer drinker is a very conservative person, and he would be loth to forgo any of the strength to which he had grown accustomed. We discovered this from the bitter outcry produced during the war by the issue of beer at a gravity of 1028°. Still, he is bound to be influenced by the fact that if he kept to the more dilute beers he would be getting much more for his money. If we consider as a basis that beer containing 4·6 per cent. of alcohol (approximately of 1043° gravity) sells at 6d. a pint, it follows that $2\frac{1}{2}$d. of this price goes in taxation and $3\frac{1}{2}$d. goes in costs of production, etc. The corresponding fractions of cost per pint for very weak beer and for strong beer work out roughly in the manner indicated in the Table.

| Liquor. | Per Cent. Alcohol. | Present System. | | | Suggested System. | | |
|---|---|---|---|---|---|---|---|
| | | Tax. | Pro-duction. | Total. | Tax. | Pro-duction. | Total. |
| | d. | d. | d. | d. | d. | d. | d. |
| Very weak beer | 2·9 | $1\frac{1}{4}$ | $2\frac{1}{4}$ | $3\frac{1}{2}$ | $\frac{1}{2}$ | $2\frac{1}{4}$ | $2\frac{3}{4}$ |
| Average beer .. | 4·6 | $2\frac{1}{2}$ | $3\frac{1}{2}$ | 6 | $2\frac{1}{2}$ | $3\frac{1}{2}$ | 6 |
| Strong beer .. | 5·7 | $3\frac{1}{4}$ | $4\frac{1}{2}$ | $7\frac{3}{4}$ | 4 | $4\frac{1}{2}$ | $8\frac{1}{2}$ |

We see that under the proposed scheme of taxation weak beer will cost $2\frac{3}{4}$d. a pint instead of $3\frac{1}{2}$d., whilst strong beer of twice its alcoholic content