

And that Mr. Heward instead of defrauding the revenue (as they claimed) by invoicing the goods under the proper price, was actually paying a higher duty than his rivals. The question at once arose as to whether Mr. Heward's duty should be lowered, or the other should be raised; the Department concluded it would be easier to drop the duty on the new imports than to raise them on the old ones, so that was done. Mr. Heward, however, claimed rebate on duty previously paid, with legal expenses and damages, but the case has now been concluded by the acceptance of \$1,500 by Mr. Joseph Duhamel, Q.C., who has acted for Mr. Heward, who returned from Ottawa this morning after obtaining a settlement."

Well, Sir, this reads very strangely after the figures I have given to the House, taken from the returns furnished from the Customs Department, under an order of this House. Now, if this statement is correct, and I have no doubt it is, that the Customs authorities have discovered that other firms in Montreal were importing sugars and paying a lower rate of duty than Mr. Heward, who, according to the returns, was paying a lower rate than other firms, I should like to know why the Minister of Customs, who had the papers before him, did not make the Montreal firms pay an equal sum with Mr. Heward, instead of paying \$1,500 out of the Treasury, in order to reduce Mr. Heward's amount down to the amounts paid by firms, which he must have known, were really paying a less rate than firms in other portions of the Dominion. I cannot see what excuse the Minister of Customs will offer for this rather extraordinary proceeding, unless he intends to refund to the importers of sugar in Nova Scotia, the excess of duty which they have been paying. Then there is another ground of complaint that the people of Nova Scotia make, and that is, that while sugar is weighed in Nova Scotia by the Customs officials, I am informed that in Montreal it is weighed by the city weighers, and it frequently happens that these men withdraw samples for classifying. Now anybody acquainted with the sugar trade will see that as sugar is graded on color, drawing samples is a very important part of the business, and if the person drawing these samples is anxious to assist the importer, he can make a difference of a quarter of a cent per hundred pounds, and 5 per cent. *ad valorem*, and apparently do the work fairly. I am not in a position to charge on the officials at Montreal that they have acted unfairly, but I am told that the importers consider that the matter requires the consideration of the Government. What I have stated in reference to these matters may, perhaps, account for the investigation which I am told took place here last year, when it was discovered that sugars landed at Montreal paid, as a rule, 15 to 20 cents per hundred pounds less than if landed at Halifax. This may not seem a very heavy sum to those not familiar with the trade, but when I tell the House, that if applied to the total imports of 1883, of 180,000,000 of pounds, it reaches the respectable sum of \$360,000, it will be seen that it is a matter of considerable importance. I may here state a case which occurred a few years ago, which will go a long way towards convincing the House that there is a lack of uniformity in this sugar business, which should be rectified in some way. A Montreal merchant purchased a cargo of sugar in Halifax, most of it grading over No. 14. It was purchased on that basis, duty paid. The sugar went to Montreal, and it was re-classified there, and, strange to say, the bulk of that cargo was graded under No. 14, while in Halifax it was graded over No. 14, and the Montreal importer received the advantage of the difference in the duty, which must have been a considerable amount, because there was a saving of 25 cents per 100 pounds, and 5 per cent. *ad valorem* on the cost of the article. I think that this shows that there is some very different rule in Montreal from what there is in other portions of the Dominion in regard to this matter. I think I have also shown that there is a serious defect in the mode of classifying and grading sugar, and that a great injustice is being done to the Halifax importers,

which requires the attention of the Government. I shall now proceed to show, in as concise a manner as possible, that the present mode of testing sugar is defective, and if continued, will be ruinous to the West India trade, which is a very important trade to the Dominion, and more especially to the Maritime Provinces. Sugar pays both a specific and an *ad valorem* duty, and is graded on color, and any person who has studied the subject knows that color is not an index of the strength or value of sugar. For example, a sample under No. 9 pays  $\frac{1}{2}$  per cent. and tests 97 degrees, and is consequently a valuable sugar for refining purposes; while another sample, over No. 9 and under 14, pays  $\frac{3}{4}$  of a cent, and tests only 82 degrees, although the first sample is worth from \$1 to \$1.50 per 100 pounds more than the latter; and it often happens that two lots of sugar worth the same price, duty paid, pays 25 cents per 100 pounds difference in duty. The *ad valorem* duty being collected on the cost of the article at the place of shipment, enables the refiners to import the low priced beet-root sugar on more advantageous terms than they can import the brighter and clearer sugar from the West Indies, and the result has been to kill out the West India trade, and encourage the importation of low-priced sugar from China and other foreign countries. For instance, I am told that in the early part of last year, and I presume it is the same now, that sugar could be imported from China of the same strength and landed here duty paid for 25 cts. less per 100 lbs., than it could be imported from Demerara, a comparatively near port, only about 3,000 miles from Halifax. This shows the discrimination of the present Tariff in favor of foreign grown sugar as against West Indies sugar. Of the sugar imported in the last half of the year 1883 which went into consumption in Halifax, from 40 to 50 per cent. was imported from foreign countries, and, as a matter of course, West Indies sugar had to be sold at corresponding prices with these sugars made artificially cheap by the operation of the Tariff, or be sent elsewhere, and the consequence was a large falling off in the importation of West Indies sugar into Halifax during the last half of 1883 to one-third the importation of the corresponding half year of 1882. Refiners in competing with each other must buy in the cheapest market, but the Tariff should be so arranged as to encourage the importation of sugar from countries which it is to our advantage to trade with. In fact, sugar refining at present is an injury to the trade of the Dominion, instead of what it should be, and what we in the Maritime Provinces supposed it was intended to be, a means of building up a larger trade with the West Indies and Brazil, and giving us a market for our fisheries, farms, forests and manufactured goods, as well as employment for a class of vessels from 75 to 200 tons, which are especially adapted to the fish trade, a trade which is in itself of far more importance than sugar refining is in itself. The fisheries of Nova Scotia last year yielded about \$8,500,000, nearly all clear gain to the country, and I think an export of this magnitude, which is largely consumed in the West Indies, and paid for in sugar, is entitled to some consideration from the Government. The statistics for the six months ending 31st December, 1883, shows a decrease in the quantity of West India sugar imported into Halifax of 28,000,000 pounds, or 46 per cent. less than for the same period of 1882. In Brazil sugars, during the same period, there was a decrease of 10 $\frac{1}{2}$  per cent., while the importation from China and Germany, countries which take none of our products, was nearly eight times as great as for the same period of the previous year, or 28 $\frac{1}{2}$  per cent. of the whole importation of sugar. Now, in view of all this, one would naturally have supposed the Minister of Customs, when his attention was called to it last year, would have taken steps to remedy this grievance. But, on the contrary, as I stated a few days ago, for some reason which I never could understand, unless it was for the express purpose of crushing out the West India trade, the Govern-