

chant has a discriminating duty of ten per cent in his favor in bringing his cargo direct to the United States, and my hon. friend seems content it should be so!

Hon. Mr. GALT—Would you like to have that feature brought into our tariff?

Hon. Mr. ROSE—I do not think it wise as a general rule to establish discriminating duties, but it shews how the United States encourage foreign trade.

Hon. Mr. GALT—But he admits they are wrong.

Hon. Mr. ROSE—Well, they pursue a very different course from us, and they appear to flourish under it. But leaving this matter, I contend that the change in our tea duties must create a paralysis in the direct foreign trade in that article during the next twelve months.

Hon. Mr. GALT—No, no.

Hon. Mr. ROSE—But I am sure of it. Ask such large tea merchants as Torrance & Co., Gillespie & Co., Foster & Co., Isaac Buchanan & Co., Law, Young & Co., or others. No one importing teas into this country with the uncertainty respecting the continuance of the duties, with the twelve and a half cents per pound import staring him in the face, and in view of our union with countries whose duty is from four to eight cents, will engage in direct importations to Canada for some time. Let me now advert to another very important article—namely, sugar. I confess I am placed somewhat in a strait as regards this; in fact in the position of being exposed to a cross fire. The importing merchant says that the importation of refined sugar cannot take place under the existing laws, because there is too great a bonus to the refiner; while the refiner says, I am ruined under the old tariff, and shall be doubly ruined under this. Now, having so many conflicting interests to consider, and desiring to do right by all of them, I think it is much better that I should state my views openly before the Government and the House, than make any private suggestion, or urge departmentally any concession in favour of any interest. The attempted exercise of any such private inference would place both the Finance Minister and myself in a false position. [Hear, hear.] Well, in reference to this perplexing subject of sugar—[laughter]—the proposed changes are also the very reverse of an advance in the direction of assimilation with the Lower Provinces. It is no doubt very necessary that there should be changes in the present sugar duties, but though they are faulty, the trade have borne with them for three years, and would rather put up with them six or eight months longer, especially as they know that the proposed alterations carry us further from, instead of nearer to, the scale of the Lower Provinces, and that these changes will not be complete or final. I believe that the

Finance Minister will give more satisfaction to the country and do far better by its interests, if, instead of making sweeping changes now, he contents himself with declaring that it will be the policy of the Confederation to pursue a policy in the direction he has indicated after union is consummated.

Hon. Mr. GALT, who was not distinctly heard in the gallery, was understood to say that the trade held the duties on sugar were unjust to every interest.

Hon. Mr. ROSE—I might concede that, and I entirely approve of the principle on which you propose the changes. But then comes the question—first, do the proposed scales and the specific duty you impose on each grade carry out your principle? And secondly, is the change going to be permanent? My hon. friend can hardly forget that his views on the sugar duties have undergone rapid and important changes. What were the duties proposed by my honorable friend four years ago? He proposed a specific duty of two cents per lb on refined and two cents per lb on raw sugar. He urged it with all the earnestness and ability he could master—and there are none in this house who can state their case in a clearer or more masterly manner. The effect of that proposition was to impose a duty equal to 67 per cent *ad valorem* on raw sugar, and 38 per cent on refined. [Hear, hear.]

Hon Mr GALT—The principle laid down is to impose the duty on the pure saccharine element, although this is not consistent with the tariff of 1869, but in the proposition I made in 1862 I maintained precisely the principle of the present tariff.

Hon Mr HOLTON—I must say, Mr Speaker, that the entire effect of the elaborate and interesting speech, which I am endeavouring attentively to follow, of the hon member for Montreal Centre is being destroyed by the frequent interruptions of the hon Minister of Finance.

Hon Mr GALT—I do not think the hon member for Chateauguay is precisely the party to complain in the matter. If my hon friend (Mr Rose) had intimated to me that I was interrupting him, I would certainly have desisted; but as he has not done so, I hardly think the hon member for Chateauguay has a right to complain. (Hear.)

Hon Mr ROSE—I have no desire to object to the interruptions if they do not interfere with the train of my argument. I wish to put my views on the floor of the House in presence of the hon member (Mr Galt), and it will perhaps save time in Committee if I am permitted to do so now, because I shall endeavor to give practical effect to those views in Committee. If my hon friend will convince me that I am wrong in my views, I shall be glad to be put right. Now, Sir, what are the *present* proposals of my hon friend?