

against the refiner here, whose product was not in the market by imported molasses—the former having paid a high rate of duty on sugar or molasses, while the latter came in at a lower rate of duty.

Hon. Mr. Tilley said the Government had acted on the principle that they would best benefit the consumer by bringing into the market as many competitions as they could from all quarters. The late scale was really an *ad valorem* scale, and favoured the refiners too much. What the Government aimed at was to secure a healthy competition between importers and refiners here. The English and continental scale they had considered could not be applied in this country. He thought it a good proof of their having steered a proper course in this matter, that both parties grumbled, and each said the other had been too much favoured. In answer to Mr. Holton, he said that the discrimination in the case of molasses was necessary, for without it the refiner would import molasses only at a low rate of duty, and would make all his sugar from molasses, which then would not pay proportionately to the revenue.

Hon. Mr. Holton said his question, as to what the principle was upon which two different rates were levied upon the same article, was not yet answered. There ought to be no difficulty in our adopting the consistent and intelligent principle adopted in Europe, after much research and experiment. Some definite and intelligent basis of principle ought to be acted upon.

Hon. Mr. Rose said that the English scale was practicable for free trade—a scale adjusted so as to leave competition between home and foreign exactly as if there was no duty at all. It was utterly impossible of application here. To insure correct grading under the late Canadian scale had not been found possible at many of the ports of entry. Much less could the English scale be applied here, owing to important differences in the circumstances of the two countries. It would not do to let molasses for refining come in at the same rate as for consumption, as the refiners would then use molasses altogether, and the revenue would suffer largely. It was for the interest of the consumer to be supplied from two sources—by the refiners here and the importers, and the double supply which insured competition was what they wished to secure.

Hon. Mr. Huntington thought it just possible that in making the division of profits to

insure competition between these two classes, the Government might have made a miscalculation. It appeared to him that the interests of the consumer had really coincided with the refiners' side of the question as far as discussion had gone. In apportioning the duties a distinction was made between the lowest brown sugar which was put at $\frac{3}{4}$ of a cent—all sugar above a certain number being charged one cent. On the same principle, he thought a further distinction between the yellow sugar and the white refined was also called for. If we distinguished sugar in a rough, general way into the three leading grades of brown, yellow and white, then he thought that the same principle which had dictated a reduction of one-quarter of a cent on the brown or lowest grade demanded a rise of one-quarter of a cent on the highest grade of all. He did not profess an acquaintance with the technicalities and details of the question, but it did appear to him that the fair principle though adopted to a certain extent had not been fully carried out as it should have been.

Hon. Mr. Howland said that the great desideratum was to obtain the greatest amount of revenue with the least burden on the people. The Government had statistics showing actual results, and had not proceeded without full and accurate information. The honourable gentleman here entered into a comparison between the late tariff and that now proposed, giving the rates which the various grades paid under each. There were five grades of sugar under the late scale, the sixth grade being simply concentrated cane juice or "melado", as it was called. Under the old scale no. one paid \$3; under the new scale what corresponded with it would pay on loaf \$2.80, and crushed \$2.51. The different values of these two kinds gave different rates of duty—No. 2, old scale, two sixty—new scale, two thirty-three; No. 3, old scale, two twenty-five—new scale, two eighteen; No. 4, old scale, one ninety—new scale, one ninety-nine; No. 5, old scale, one sixty-eight—new scale, one sixty; Melado, old scale, 137—new scale, 119. These changes, he thought, would commend themselves as fair to all interests and favourable to the consumers. The English and Continental Tariff had been frequently referred to, but it had been considered impossible of adoption here, as was very generally agreed.

Mr. Jones (Halifax) wished to ask the Minister of Customs what regulations were to be observed in determining the quantity in packages interred for payment of duty.