

would be to exclude this low class of refined yellows. It is about equivalent to prohibition.

Mr. BOWELL. This word "refined" sugar is not in the Tariff. There is no separate record kept as to what amount is refined or raw. It may be under 9 and still be refined—that is, the lower qualities; hence it is impossible for us to ascertain what quantities were imported of that particular kind of sugar. I agree that this will, to a certain extent, exclude the low grade of sugar.

Sir RICHARD CARTWRIGHT. I should imagine it would exclude it altogether. We imported, roughly, about 30 millions of sugar between 14 and 9, and that, undoubtedly, would cover all the quantities to which the hon. gentleman referred. Well, it is tolerably clear that we only receive about  $1\frac{3}{4}$  cents on the sugars above 9, and only about  $1\frac{1}{2}$  cents on sugars below 9. If you put on a tax which will range from  $2\frac{1}{2}$  to  $2\frac{3}{4}$  cents, on the average, you will completely destroy any chance of importing this and the other class of sugar; you are putting on so very low a duty I am afraid you will lose revenue on the change.

Mr. STAIRS. I think that, though it is impossible to separate in the Trade Returns the fine sugar from the lower grades, the effect of the change in the duty will not be to decrease the revenue. For this reason: There will be collected 30 per cent. and 1 per cent. on any sugar over No. 14. This is just the same as has heretofore been collected on refined sugars below 14, and on raw sugars. The only way in which the revenue can be affected will be if vessels brought in refined sugar which came in under No. 14 and were very much higher than the prices of the raw. A careful inspection of the duties on sugars imported into the Dominion, taken from the prices current during last year, will show, as was mentioned by the member for South Brant, in the early part of this Session, during a discussion on the sugar question, that a refined sugar has been purchased in Greenock, quite as low as the ordinary price of raw sugar under No. 14. If the whole of the 30,000,000 lbs. which were imported during the last fiscal year had been refined sugar, and it was exchanged for an equal amount of raw, it would not affect the revenue 5 per cent., because the raw sugar taking the place of the refined would have paid as much, as the refined would have paid 30 per cent. and  $\frac{1}{2}$  of a cent. Of course, I do not say it is so. I believe the larger portion of that was raw sugar; but I state a suppositious case to show what the effect would have been if all the sugar had been refined sugar and if its place had been taken by the same amount of raw.

Sir RICHARD CARTWRIGHT. If that is the case, the practical result will be, that the burdens of the people will be considerably increased for the benefit of no human being, except manufacturers of sugar. We are raising the duty very largely indeed on grades of sugar which are proposed to be prohibited, and no doubt the refiners will be equal to the occasion, and raise the price accordingly. As to how it may affect the refiners, I offer no opinion; but the Minister does not pretend that he is going to obtain increased revenue, in which he is undoubtedly right, so that it is safe to draw the conclusion that the increased duty will come out of the pockets of the consumers.

Mr. VAIL. I am sorry the Minister of Custom has not gone a little further and made some re-arrangement in the Tariff generally in regard to sugar, for I can assure him that the mode of collecting duties on sugars is very unsatisfactory. The importers of raw sugar in Nova Scotia have for some time complained of want of uniformity in working the Customs laws, and state that while the Customs officials in Halifax are very strict in their administration of the law, and collect duties to the fullest extent that the Act permits, the same rigorousness is not observed in other portions of the Dominion, and more especially at

Mr. PATERSON (Brant).

Montreal; and if their statement is correct, the importers and refiners of raw sugar in Montreal have a decided advantage over those engaged in the same business at Halifax. The House will remember that early in the present Session an order was made for a return of all cargoes of raw sugar imported into Halifax from Jamaica between 1st January, 1883 and 31st December, 1883; also for a return of all sugars imported into the port of Montreal during the same period, either direct or *via* Halifax, giving the number of pounds in each cargo, the amount of duty per 100 lbs., and the value per 100 lbs. for duty. An examination of this return shows that among other arrivals at Halifax were four vessels from Jamaica. Two of those vessels, *Georgie* and *Annie*, had cargoes for Montreal; the other two vessels were *S. J. Mussen* and *Clifford*; and as the return does not give the dates of the arrival of the vessels or the prices at which their cargoes were entered, in order that the House may be fully informed on the subject, I propose to supply the information. The *Anne* arrived on 23rd April; *S. J. Mussen* on 26th April; *Clifford*, 29th April; *Georgie*, 2nd May. All those arrivals were within a period of one week. It is usual with cargoes that are shipped for Montreal *via* Halifax to be passed through Customs in transit without being entered; but by accident the agent of those two vessels, the *Annie*, and *Georgie* reported their cargoes at the Custom House, when the collector of Customs discovered that the cargoes were invoiced very much below two cargoes of the same kind of sugar arriving from the same port. He immediately called the attention of the agent to the fact, and informed him that those cargoes were invoiced too low; that he could not receive them, except at the same rate as the other two cargoes from the same port were valued. And the case, I presume, was reported to Ottawa. The Customs Act, clause 68, explicitly states that the *ad valorem* duty shall be levied on the fair market value at the time of shipment; and consequently, as I have stated, the collector could do nothing else under the circumstances than require the cargoes for Montreal to be entered at the same rate as the two cargoes for Halifax were entered. The return brought down shows that the sugars were graded below No. 14 and No. 9, and were consequently of the same value and were liable to the same duties. But the return also shows that the duty collected on the two cargoes for Montreal was very much less than was paid by the Halifax merchant, as the following figures taken from the return show:

	Duty.	Value per 100 lbs. for Duty.
<i>Annie</i> , below No. 14,	\$1.59 $\frac{1}{2}$	} ..... \$2 80 $\frac{1}{2}$
" " " "	9, 1.34 $\frac{1}{2}$	
<i>Georgie</i> , " " "	14, 1.60 $\frac{1}{2}$	} ..... 2 85 $\frac{1}{2}$
" " " "	9, 1.35 $\frac{1}{2}$	
<i>S. J. Mussen</i> , " " "	14, 1.81	} ..... 3 54
" " " "	9, 1.56	
<i>Clifford</i> , " " "	14, 1.75	} ..... 3 34 $\frac{1}{2}$
" " " "	9, 1.50	

I have been particular in stating these figures because they have an important bearing on what I intend to say with regard to this matter. On the 16th of December last, there appeared in a Montreal paper the following article, and it is interesting as showing the advantage which the Montreal importers had over the Halifax importers. The article is headed "Sugar Seizures in Montreal," and is as follows:—

" MONTREAL, Dec. 16.—A decision has at length been given in a case between Mr. S. B. Heward and the Customs authorities. Mr. Heward commenced importing sugar from Jamaica about four of five years ago, and after a small cargo had been passed through the Customs, larger consignments were made at the same prices. Through jealousy of Halifax merchants, a seizure was made, but nothing came of it. When navigation opened, the sugar was shipped direct, but the cargo of the first vessel was seized, and a large amount of extra duty had to be paid on it before it was released. As it was under protest a rebate was claimed, and the Department at Ottawa on finding that the prices were similar to the first importation which had been passed; decided that the extra duty ought not to have been charged. But meantime it was found that other firms were importing sugar and paying duty at lower prices.