

## Wyld & Darling Bros.

CRICKET FLANNELS,  
BLUE & BLACK SERGES,  
RUSSELL & QUEEN'S CORDS,  
COLLEGE CLOTHS,  
MARSEILLES VESTINGS,  
LACROSSE UNDERCLOTHING.

## Wyld & Darling Bros.,

Importers, 13 Front-st. West,  
TORONTO.

## THE MONETARY TIMES, AND TRADE REVIEW.

TORONTO, CAN., FRIDAY MAY 11, 1877

### THE SUGAR DUTIES.

The low percentage to population of sugar consumed in Canada is proof sufficient that the consumer is not getting his sugar on favourable terms, notwithstanding the bounty of which the Americans are supposed to make us a present. In a letter to the President of the Board of Trade, written the beginning of this year, Mr. Dustan stated the consumption of Canada in 1875 to have been "not over 26 lbs. per head," while in England it was 65 and in the United States 48 lbs. If to this, for the purpose of supplying any possible omission, we add to the Canadian consumption 3,000,000 lbs. of maple sugar, the relative figures will not be materially altered; and the United States produces maple sugar as well as Canada. Excessively high duties are, in Canada, the cause of the restricted consumption. The same result was observed in England, so long as the discriminating duties, in favor of colonial grown sugar, were kept up. The theory that free labour could not compete with slave labour was accepted and acted upon by British statesmen down to 1846; and while sugar from Brazil paid a duty of 60s. per cwt., that of the West Indies was admitted at a little over 25s. In that year this discrimination in favor of the colonies cost Great Britain over £5,000,000 stg., in the overcharge which she paid on her own sugar compared with what she could have bought it for in the open market.

During a period of thirty-five years there has been scarcely any increase in the consumption of sugar in England: in 1810, the amount was 196,000 tons, and in 1840 it was only a little more than 206,000. The excessive price was responsible for this result, as the high import duties are responsible for the extremely low consumption of sugar in Canada.

In thirty-two years, the consumption of sugar, in England, has gone up from 206,000 to nearly (so Messrs. Inzel & Sons, of Bristol, say) a million of tons per annum. In the meantime, not only had the discriminating duty been abolished, but the whole of the sugar duties had been swept away.

The enormous increase in the consumption of sugar in England may fairly be taken as proof that the Canadian sugar duties greatly restrict consumption and are probably considerably above the true revenue limit. We can understand that no Minister of Finance likes to experiment with duties which are so productive as those on sugar, but the extremely low consumption of sugar in Canada should give him courage to face the question. Lower duties would certainly increase consumption, and they might, if judiciously arranged, produce more revenue.

The adjustment of the duties has been a subject of loud complaint among sugar refiners; but persons known to have an interest in the statements they make, on matters of legislation and public policy, do not readily obtain a hearing, much less excite sympathy in their favor. But there is no reason why we should not look the facts in the face. Mr. Dustan, in the letter already referred to, complains of the "incidence of a greater percentage upon the raw than upon the manufactured article." If this be indisputable there can be no question that it is contrary to sound policy. Free trade, in England, means more than any thing else, free trade in raw products, including food. This discrimination is one which Canada has, in her general tariff policy, accepted as sound; and if the sugar duties discriminate the other way they are not only in contravention of free trade, as practically applied in England, but are in contrast with the general principles of our own tariff policy. It is, of course, difficult to say what is strictly raw material for purposes of sugar refining. The juice of the cane is the crudest form; above this crude form rises a long ascending scale of sugars which have undergone a greater or less degree of manufacture. That which can enter into consumption without further manipulation, is, when it does so enter, a completed, though it may be a rude, manufacture; when it undergoes further refine-

ment it is a crude manufacture passing into one that has received the last stage of perfection. The question of duties receives much of its complexity from the varying stages of manufacture in which sugar becomes an article of commerce. But one principle is clear: the lower the grade the less should be the duty. And our tariff is apparently formed with some distant regard for this principle. First, there is an uniform *ad valorem* duty of twenty-five per cent. on all kinds, added to which are various fractional parts of a cent up to a cent a lb., adjusted to the grades of sugar or sugar-making materials. But if the waste in the inferior kinds is greater than the additional fraction the duty represents it is clear that the discrimination is the wrong way. This must, of course, be what Mr. Dustan means when he complains of "the incidence of a greater percentage of duty upon the raw than upon the manufactured article." Apologies for discrimination in favor of raw material have, in England, been popularly called advocacy of free trade; here the advocacy of the same thing has, by some perversion of language, got the name of protection.

Mr. Dustan attempts to cut the knot of the difficulty arising out of the various grades of sugar, in a somewhat arbitrary manner. We admit that the distinction between raw and refined sugar should, for purposes of duty, be kept up; but, if we understand him aright, he would treat as raw material all grades of raw sugar, on the ground that "the highest grocery sugar produced in the West Indies is simply raw sugar of a high grade." But if some kinds are fit for use and others are not, there is a clear distinction between them, and one which an *ad valorem* duty would signalize. There is in fact a triple duty on sugar; the third being imposed on the packages which Mr. Dustan states as being equal to "10 cents per 100 lbs. on the refiners' raw material."

Unless we import largely of West India sugar, our trade with those islands will continue to be of insignificant dimensions: Exports would run parallel with the imports. If we are to import largely of West India sugar, we must discriminate judiciously in favor of the raw material. We quite agree with Mr. Dustan that the freer importation of raw material would be in the general interest, though we might not allow him the extensive classification which he demands under that head. Whether the sugar grower can be persuaded that his true interest is to send the sugar to be refined where it is consumed, depends on circumstances; but we cannot admit that the question is to be settled, once for all, as Mr. Dunstan