

Mr. WHITE: No, we have not imposed any excise duty on sugar. My hon. friend is aware that the sugar refiner gets the raw sugar and manufactures it into the refined sugar. Duties have been placed on raw sugar imported into Canada, so as to equalize the increase in the duty upon refined sugar. The beet-root sugar manufacturer manufactures from the Canadian product, and often imports a certain amount under a provision in the tariff. We gave the matter some consideration and reached the conclusion that it is not expedient to impose an excise duty on sugar. The matter will equalize itself in time. No tariff change can be made of an important character that does not work an advantage to some and impose a disadvantage upon others. What should happen is that the price of the beets should go up.

Mr. A. K. MACLEAN: When is the European beet crop harvested?

Mr. WHITE: I am unable to answer my hon. friend. I do not know that it is all harvested at the same time.

25. Chicory, kiln-dried, roasted or ground, per pound—British preferential tariff, 2 cents; intermediate tariff, 3 cents; general tariff, 3 cents.

Mr. WHITE: There is no change in that except that the intermediate is equalized with the general tariff.

Mr. MACDONALD: Where is it imported from, mostly?

Sir ROBERT BORDEN: The United Kingdom, Belgium and the United States.

25a. Coffee, extract of, n.o.p., and substitutes therefor of all kinds, per pound—British preferential tariff, 5 cents; intermediate tariff, 6 cents; general tariff, 6 cents.

Mr. MICHAEL CLARK: Would it not be more equitable to impose a percentage tax here instead of a specific tax per pound?

Mr. WHITE: In the case of coffee, the matter is not as important as it would be in the case of tea. We have made no change in the duties upon tea. We had that under consideration, but for the reasons that have been advanced here to-night—that tea is a commodity in universal use, and that an additional tax upon it would bear heavily on the community as a whole, and upon the poor as well as the rich—we came to the conclusion that we would not make any change with regard to tea. I may say that when you are considering the question of revenue, you find that there are very few sources that

give you a large revenue. One of the sources that give you a large revenue is tea; another, coffee; another, sugar; another, liquors and tobacco. If you go outside of these, the revenue you can raise is comparatively limited unless you increase the tariff as a whole, which at this time is not desirable. With regard to coffee, the price does not fluctuate so much that the objection to the specific duty is as weighty as it is in the case of most commodities. In the case of most commodities, where the price fluctuates very much according to quality, the specific duty bears more heavily upon those who buy the cheaper articles, because the ad valorem percentage is greater. I raised this question in connection with the tea tax which we had under consideration, because the price of tea does vary very greatly from a comparatively small amount, say 15 cents per lb., up to a dollar or more per lb. In practically all the countries of the world the tax upon tea is specific, not ad valorem, the reason being that, on account of the conditions under which tea is bought, an ad valorem tax lends itself easily to fraud. Then there is the question of convenience of collecting. In the case of coffee, there seems to be no weighty objection, so far as I can see, to a specific duty.

Mr. CARVÉLL: Only last evening I was discussing this question with a large coffee wholesale merchant, and the objection he was making was that in some cases you would be charging about 10 per cent ad valorem and in many other cases 20 per cent ad valorem. I was surprised to find that some kinds of coffee cost more than twice as much as other kinds which the ordinary people are using.

Mr. A. K. MACLEAN: How much revenue does the minister expect to raise from this new tariff on coffee?

Mr. WHITE: I expect to derive from the coffee tax about \$500,000.

Mr. MACLEAN: What is the extent of the importations into Canada?

Mr. WHITE: The importations of extract of coffee amount to about 200,000 lb., and of coffee roasted or ground about 430,000 lb. That is under the n.o.p. item. Then, coffee roasted or ground, when not imported direct from the country of growth and production, over 500,000 lb. Coffee, green, imported direct from the country of growth and production, and green coffee purchased in bond in the United Kingdom, 15,400,000 lb. That