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gallon. In a communication received from the principle manufacturers the necessity of an increased duty of from ten to twenty-five cents per gallon on the imported vinegar, is strongly recommended.

7. The Committee regret to learn that the business of sugar refining, which in time past gave employment to a large number of persons, and in which a large amount of capital has been invested, is now almost totally abandoned. The remedy proposed is, that a cheap raw material, such as melade and low sugars, unfit for consumption, should be admitted at a low rate of duty. The duty on sugar of a low grade is now from ten to twelve per cent. *ad valorem* higher than on refined loaf sugar, the effect of which is, as alleged, to restrict supplies of raw material and discourage the refining interest.

8. The Committee would also direct attention to the vast deposits of iron ore in this Dominion, and are of opinion that some proper means should be adopted for utilizing that immense source of wealth.

9. Upon a review of the whole subject your Committee are of opinion that the policy initiated in this country, in 1859, and generally known as that of incidental protection, has been highly successful as regards the establishment and encouragement of our manufacturing interests as well as conducive to the prosperity of the country at large, and not only is a continuation of that policy desirable, but the consideration of an extension of the same principle by Parliament may become advisable.

All which is respectfully submitted.

CHARLES MAGILL,  
Chairman.

COMMITTEE ROOM,  
Friday, 7th June, 1872.