

regard to a thing of this kind, and I am anxious not only that there shall be a rebate of duties for Russia and other countries, but also for the people of the North-west Territories and the people of Canada generally. For that reason, with the hon. gentleman's permission, I will just deal with the question of revenue. The budget speech brought down by the Finance Minister shows that that there has been a deficit which he was obliged to make up of two millions of dollars, and in order to do so, what did he do? He commenced placing sugar back again on the dutiable list. Only three or four years he took three cents a pound off raw sugar and released that much from taxation.

Hon. Mr. MacINNES (Burlington)—Are not the people of Canada supplied with the cheapest sugar in the world?

Hon. Mr. BOULTON—I was offered in my home in the North-west Territories 22 pounds of German beet root sugar for \$1, or 18 pounds of Montreal refined sugar. Of course, I took the 22 pounds of German sugar.

Hon. Mr. McMILLAN—The sugar was not as good.

Hon. Mr. BOULTON—That is what the storekeeper told me, but we thought differently—four pounds is quite a difference. In consequence of the beet root sugar coming into the country the result has been, in order to keep the sale of beet root sugar down, the Canadian refiners have made a great effort, and by giving 28, 30 and 35 pounds of sugar for \$1 they have managed to keep out the cheaper sugar. The Finance Minister puts a duty of one-half cent on the raw and increase correspondingly the protection on the refined, so that the duty on refined sugar now is one and one-eighth cents per pound. That half cent on the raw will utterly preclude the German beet root sugar from the market, while they enjoy the benefit of six-tenths of a cent protection on the refining.

Hon. Sir MACKENZIE BOWELL—How do you establish that fact? The relative protection to the refined is precisely the same now as it was before. There is not a mill difference, except the percentage lost on the raw sugar, which is against the refiner.

Hon. Mr. BOULTON—It is not only protection but it is the duty on the raw

which helps to keep out the German sugar as well as the protection. It strikes me if we want to counteract the bounty given by Germany and refuse their cheap sugar, a cent a pound without any protection would effect it. The Germans cannot sell in the Canadian market for the same price as if it was free. Just the same as tea—tea is admitted free.

Hon. Sir MACKENZIE BOWELL—Sugar never was free.

Hon. Mr. BOULTON—Raw sugar was.

Hon. Sir MACKENZIE BOWELL—But you do not buy raw sugar.

Hon. Mr. BOULTON—It was raised from 14 to 16 Dutch standard, and when it was raised to 16 Dutch standard we were then able to purchase brown sugar. I may be wrong and the hon. gentleman may be right in it, but I am inclined to think that the imposition of a half cent on the raw helps with the protection more effectually to keep out the German beet root sugar.

Hon. Sir MACKENZIE BOWELL—The old duty was six-tenths of a cent per lb. on all refined sugar and raw was admitted free. A half cent additional has been placed on the refined, and a half cent on the raw so relatively the two kinds of sugar occupy the same position precisely, except as to the loss in the manufacture of the raw sugar, which, as I have already stated, is against the refiner.

Hon. Mr. BOULTON—I accept the hon. gentleman's correction, and assume that he is correct. But there is the protection at all events. The hon. Finance Minister when he restored the revenue to its proper position and provided for the deficit that was staring him in the face put this duty of a half cent on the raw sugar which is going to add \$1,600,000 a year to the revenue, if I was going to tackle that question of revenue, I would proceed in an entirely different way. I would have left the Canadian homes alone with their cheap sugar—I would have left the taxation on sugar alone. We have in Canada a grand country for growing fruit. That fruit can be manufactured and transported to the markets of the world if we had sugar as cheap as the people