growing countries, and give the entire control of our markets to the United States.

Even assuming that the tariff of 1868 was strictly neutral when it was framed—an assumption, however, which has been proved to be unfounded—the position of things was changed by the United States Government, which, in 1872 and again in 1875, to meet the wishes of their refiners, increased the drawback on refined sugar exported, and no corresponding change being granted by our Government, these measures gave the United States refiner a complete monopoly of our markets, closed our refineries and destroyed our West India Trade.

The present sugar tariff is unjust and impolitic. It is a public scandal.

Referring to Mr. Patterson's opinion regarding the change required in our tariff to restore our dead and dying industries, "that the most satisfactory and equitable method would be to levy on the *value* of the article at the place of shipment, making a sharp distinction between raw and refined," you remark: "We are not clear that we understand the meaning which Mr. Patterson attaches to the word 'refined,' but most assuredly the sugars manufactured in the British Colonies by the vacuum pan process is not 'raw' sugars, and those who manufacture them will not concur with Mr. Patterson in his opinion as to the mode of levying duties."

The sugars you refer to are most assuredly and in every respect *raw* sugars, and would of course come in as such—paying duty on their value and cost at place of shipment, same as the lowest class of refining grades of sugar.

Let me here explain that "raw" sugar includes every grade of original sugar produced in the sugar growing countries, from Cuba box sugar (which is nearly pure white in color) to the darkest brown sugar in bags from the East Indies (which is almost black in color, with sometimes 20 per cent. of sand and other dirt in it), and that "refined" sugar includes the purest white sugar from New York and Liverpool, down to the darkest yellow sugars from Greenock.

Such a tariff, therefore, as proposed by Mr. Patterson would be fair alike to the West India planters, importers, merchants, sugar refiners, consumers and revenue.

Regarding Mr. Patterson's assertion that the repeal of the sugar duties in Great Britain was a "concession to a very extensive manufacturing interest in England and Scotland, that of sugar refining." you say: "The fact is, though Mr. Patterson seems to be unaware of it, that the abolition of the sugar duties was a measure in opposition to the interests of the sugar refiners."

Nothing could be more inaccurate than such a statement; for proof, look at English practice. The late English Tariff was 2s and 3s, the difference being 1s. The one before was 4s. and 6s., the difference being 2s. Again its predecessor was 8s. and 12s, the difference being 4s.

In all these changes, no alteration of principle was made, the English refiner was not intended to be made either better or worse off by them, and when the duty was reduced, and the difference also reduced from 4s. to 1s., he was not worse off than before, and now that the duty is abolished altogether and no difference at all exists, his position remains unchanged.

For many years the refiners of Great Britain pressed the Government to abolish the duty on sugar, believing that they would then be able not only to supply and command the home market, but would refine for the rest of the world. Naturally they could do so if trade was free the world over. (There can be no half-measures with regard to free trade. Free trade to be effective must be universal) The other nations, however, as well as England, look upon sugar refining as the most prized of their industries,(except poor, unfortunate, misgoverned Canada, who alone among the nations permits her manufactures to be ruthlessly slaughtered and the country made the receptacle for the refuse of foreign manufactures), took measures which not only prevented this consummation and, by protecting their refiners by both defensive and aggressive measures, turned the tables on England, and at this moment France and the United States are flooding the English market with their refined sugars, as well as supplying the other markets of the world. (The United States supply the West India Islands with refined sugar.)

So much for the working of one-sided free trade and full and perfect protection.

You state that "there is really no obstacle to trade with the British West Indies at the present time."

Why then is our West India trade paralyzed and our sugar refineries closed? Certainly without refineries there can be no direct trade worthy of the name with these Islands Let me remind you that trade is the exchange of commodities, and that the West Indian staple is *raw* sugar, which the present *tariff practically* excludes So long as this state of affairs lasts, the West Indies will not, and cannot, cultivate a trade with Canada, and there will be no sugar refined in Canada, which will be so much the worse for the Canadian consumer, Canadian industry and Canadian shipping.

Concluding your remarks on the sugar branch of the question you say, that "the matter of the sugar duties are even more formidable than Mr. Patterson seems to imagine."

Ignorance and prejudice can and have made them formidable, but practical knowledge of the subject and a grain of common sense can and will make them easily understood and make the "spectre" vanish.

I am,

Very respectfully,

GEORGE GORDON DUNSTAN.

Woodside House,
Halifax, Nova Scotia, 28th Nov., 1876.

Commercial.

MONTREAL GENERAL MARKETS.

Montreal, Dec. 7th, 1876.

The fall trade activity being entirely at an end and the weather more like summer than winter, business shows the same character as usual at the season. There is some activity noticeable in preparing and shipping holiday goods, but not to the extent of former years, although somewhat better than for the corresponding period of 1875. The want of sleighing is felt in the country, and, if the present state of the weather lasts any time, lumbering operations must suffer. The railroad freight question is attracting considerable attention, as the present rates discriminate very unfavorably against this city. Money market unchanged; the stock market is steady and likely to remain so owing to the failure of the principal operators on Change.

Ashes.—The receipts of Pots are rather in excess of December of last year. There has been a fair demand though very few buyers. Sales range from \$4.15 to \$4.30 during the week, closing at \$4.25 to \$4.30 according to tares, latest sales from first hands of Seconds \$3.10; Thirds, \$2.30. Very few inferior coming in. Pearls have been dull but there is a rather stronger feeling, the latest sale being a small parcel at about \$5.50 for Firsts, nothing doing in Seconds. The receipts of ashes from 1st January to date are 13270 brls. Pots and 1345 brls. Pearls. The deliveries, 12639 brls. Pots and 1623 brls. Pearls and the stock in store at six o'clock this evening was 2712 brls. Pots and 727 brls. Pearls.

Boots and Shoes.—No change to note since last reports. Business is now quiet, and dealers generally are engaged in stock taking and closing up their operations for the year.

Drugs and Chemicals.—Business continues dull and without particular movement in any direction and prices are nominal.—*See Prices Current.*

Dry Goods.—Trade has been remarkably dull during the week, and there is no animation in this department to note. We are glad to hear that the cash receipts continue to be quite up to expectations, considering the trade is so quiet. Owing to the absence of rain or snow, dry goods continue *very* dry, and when doors are left open the stock may be regarded as *dusty*.

Fish.—Salmon, No. 1, 2 and 3, \$13, \$12 and \$10. Draft Fish, No. 1 in hhds, \$3.00. Bay Island Catch Herrings, a failure. Cod Fish in brls, No. 1 \$5.50; No. 2, \$5.25; No. 1 Labrador Herring, \$5.00. Fish firm and with moderate demand. Dry Cod Fish more enquiry \$5.25 to \$5 50 according to quality.

Flour.—Since the close of navigation the demand for Flour has been very light, but in consequence of the continued advance in Wheat both in Britain and the Western States, and also in Ontario, the market has been strengthening daily, and holders are constantly advancing their prices, though without leading to much business. Sales are making at the following prices:—Spring Extra, \$5.35 to 5.40; Fancy, \$5.70 to 5.75; Extra \$5.90 to \$6; Superior Extra \$6 30 to 6.50. Oatmeal \$5.40. Wheat—No transactions.

Furs and Skins.—The report of the Hudson Bay Company states that as the accounts from the various departments have not yet arrived it is not possible to even approximately state the result of the year's operations. The returns of the western section were sold in September, and the realized prices compare unfavorably with those of the corresponding time last year. The Company's vessels have delivered their respective cargoes from Hudson's Bay in good order, but they are smaller than usual. The committee state that the

Insurance.