

## CANADIAN EXPORTS OF RAW SUGAR.

As will be seen by reference to Table III there has been a great falling off in recent years in Canadian sugar exports. In the fiscal year ending March 1926 our exports amounted to 3,261,806 cwt. whereas in the fiscal year 1931 they amounted to only 187,754 cwt. The chief decline was in exports to the United Kingdom which were 2,642,642 cwt. in 1926, 127,609 cwt. in 1929 and none thereafter. Various factors have combined to bring about this change among which may be mentioned tariff changes in some countries and the competition of low-priced sugars produced in others. Since the United Kingdom was Canada's chief market for refined sugars the reasons for its loss may be dealt with more fully. A full account of developments in the British Sugar Industry is given in the "Report on the Sugar Beet Industry at Home and Abroad" issued by the Ministry of Agriculture and Fisheries which has already been cited. The following paragraphs are extracted from this work:

Page 16, Paragraph 38. "One of the most striking features of the history of sugar in this country is the fact that Great Britain remained so long without a home-grown sugar industry. The sugar beet industries in Europe were all heavily subsidized and found an outlet for their surplus in the open market offered by the United Kingdom, which thus had abundant supplies of cheap sugar. The severity of this competition rendered nugatory the numerous attempts to start the sugar beet industry in this country. The almost complete disappearance of European sugar supplies during the War forced this country to rely on the cane sugar countries for its supplies and directed the attention of the Government to the importance of a home sugar beet industry. Policy since the War has been directed to the establishment of this home industry."

Assistance was rendered the British Beet Growers by various methods until finally a subsidy was granted.

Page 209, Paragraph 558. "A subsidy was granted on home-produced sugar by the British Sugar (Subsidy) Act, 1925 for ten years at the rate of nineteen shillings six pence per cwt. for the first 4 years, thirteen shillings for the following 3 years, and six shillings sixpence for the last 3 years."

Page 210, Paragraph 564. "The passing of the Subsidy Act soon brought a difficulty in the form of the potential danger to the home refining industry of a large home sugar beet industry. The refiners opposed the Act from the first on the ground that it provided for payment on the highest grades of white sugar. This created a directly competitive industry and they claimed that the subsidy should have been paid only on raw beet sugar, to be sold to them for refining. In this way, they contended, no damage would have been done to existing interests. The modern tendency—e.g., in the United States—however, with beet sugar factories, as has been shown, is to produce white sugar, and it was thought unwise to handicap a new industry by confining it to methods which might become obsolete."

Page 211, Paragraph 565. "Apart from the new home-grown sugar industry, a serious difficulty of the refiners was the increasing competition of foreign white sugar. This had become so intense that several of the smaller and less up-to-date refineries at Greenock had been forced to close down. The total quantity of raw sugar melted by the refiners was, however, higher than before the war. Their refining capacity was greatly increased during the war in order to cope with the increased volume of raw cane sugar imported as a result of the virtual cutting off of supplies of continental white sugar."

Page 211, Paragraph 566. "British refiners thus contended that they were unfairly handicapped on the following grounds—viz., by unfair competition from continental refined sugar, which was in many cases alleged to be 'dumped' and to a less degree from Empire-grown refined sugar imported under a preferen-