

March next. The people of Jamaica, Barbadoes and other West Indian Colonies found themselves not only exposed to competition with the slave labour of Cuba and Brazil, but also with the bounty protected sugar of France and they claimed that the trade should be placed on a fair and equal basis, and he thought the sugar interest of this country had reason to complain, that the admission into this country of sugar having bounties on exportation from foreign countries causes severe injury and loss to the Home and Colonial trade, and, in fact, threatens to exterminate it. In conclusion, the noble lord begged to express a hope that the Government would take some steps to relieve the sugar trade from the difficulties under which it laboured, and at the same time consider, in case the present extraordinary circumstances were allowed to continue, whether the bounty-protected sugar of France and other countries should not be excluded from the British markets until the inequality was removed.

The suggestion by our Government of such a measure as this for the purpose of restoring the trade to its normal and natural condition would lead to the adoption of the necessary reform in France without a moment's further delay. He asked what was the present state of negotiations on the subject.

The Earl of Derby—I think my noble friend has done good service by bringing this question under the notice of the House. It is in itself a question of considerable importance and one which deeply and vitally affects the interests of a very useful and not unimportant section of the community. The way in which such unfair advantage is secured by the French sugar refiner is this:—The duty levied on sugar is measured by the estimated yield of refined sugar from a certain quantity of raw material. If this yield is under-estimated, as has been the case, then the drawback granted on exportation operates as a bounty. That is to say, suppose a refiner has paid duty on an estimated yield of 90 lbs., and he really obtains 95 lbs., he gets the drawback on 95 lbs., a sum is, thereby, refunded to him which he has never paid, and which is clear gain into his pocket. It is owned that the French Government are paying in this way a bounty of £800,000 a year. It was in order to do away with the possibility of that abuse that a Convention was signed in 1864 establishing a system of determining the saccharine quality of sugar. That system did not work well. The British Government in 1874 proposed the substitution of refining in bond for the system of classification. I need not explain that the system of refining in bond is an effectual remedy for the abuse complained of, because where the refiner pays only on the actual amount of refined sugar produced under supervision he can claim no drawback beyond what he is fairly entitled to on the amount of the actual yield. At first the system of refining in bond was opposed by other countries, but in March 1874, the French Assembly passed a law to the effect that refining in bond should come into force on the 1st of July, 1875. That law, it was understood, was to come into operation in the course of the present month—we have had repeated assurances from the French Government that it should be brought into operation without delay, and it is therefore with regret and disappointment that we have learnt that a Bill has been brought into the Assembly postponing its operation until the 1st of March next. We have remonstrated against this delay as unjust and injurious to the English sugar trade, and have withheld our signature from the Convention until the matter is cleared up. That is the present position of affairs and I shall be ready to lay papers on the table before the Session closes, containing a fuller statement of what has passed. Before I sit down I would just remark that I think my noble friend put this question a little too much

as if it affected exclusively the interests of the colonial producer and the sugar refiner. From our point of view, it is also a question affecting the general interests of the public. *We are convinced that any advantage of cheapness to the consumer which can be obtained by means of the bounty on foreign refined sugar will be temporary only, because if the bounty were continued long enough and raised high enough to drive the English sugar refiner and colonial producer out of the market, then it follows that the foreign producer would get the monopoly of the market, in which case the price would not long remain at a low rate.* (Hear, hear.)

Earl Granville entirely concurred in thinking that the noble lord had done good service by bringing that question forward and by making the statement which he had done, confirmed and strengthened as it had been by the speech of his noble friend the Foreign Secretary. However cosmopolitan in their sentiments the French sugar refiners and beet root growers might be, he was afraid they could hear with considerable complacency what they were told about the destruction of the British refiner and the ruin of our Colonial producer from the effects of exceptional duties or special bounties. He believed the conduct of our Foreign Office under successive Governments had been perfectly consistent on that subject, and that it had been actuated by an honest desire to settle the question on a fair basis for all parties. It was impossible to believe that men like M. Leon Say and others could think it advantageous to France to add to her present taxation by giving a sum, whither of £800,000 or a million sterling a year, for the interest of her sugar refiners, thereby raising the prices paid by the whole of the consumers in France. That discussion would, he hoped, strengthen the hands of the Secretary of State for Foreign affairs, and also call the attention of the French Chamber to that subject, independently of particular class interest. He did not wish them to take our word on the matter, he was quite certain they would not do so. But if in France it was considered how great an increase of taxation, and how serious an injury to the public, was caused by the course they were pursuing, he thought that must at no distant day produce a satisfactory result. (Hear, hear.)

I have a cablegram informing me that the Convention between England, France, Holland and Belgium has been ratified—all sugar to be refined in bond after the 1st of March next—this will place these countries on an equal competing basis. This is the way that Free Trade England thoroughly protects her Trade and Manufacturers. Will Canada on the face of England's action in this matter permit the United States to control and destroy several of our chief industries by means of her aggressive protection? The protection of the United States being both defensive and aggressive nothing but a perfect equality in respect to Duties and Drawbacks between similar industries of the United States and Canada will be just to either country—certainly this alone can be safe or satisfactory to the sugar refining interest, or the West India Trade of the Dominion.

I am well aware of the volume of the exports and imports of the West Indies to and from all countries, and I repeat that raw sugar is the staple export of the West Indies and will continue to be so for reasons well known to me. It does not pay to manufacture a large quantity of fine grade grocery sugars in the West Indies. "Central Factories" and "Euximies" in the sugar growing countries working for a few months in the year have no chance against the refiners working all the year round, for this, and other important reasons, the great bulk of the sugar produced by the planters will always be exported in its raw state. "Vacuum Pans" and "Centrifugals" have been used in the West Indies for upwards of twenty (20) years. It will

be found that the "Canada and West India Company" cannot prosper until such time as our sugar tariff is suitably altered and the aggression of the United States met with the firmness and ability that indicate statesmanship.

I remain

Very respectfully,

GEORGE GORDON DUSTAN.

Woodside House, Halifax,
Nova Scotia, 9th Sept. 1875.

THAT MUTUAL BENEFIT.

To the Editor of the Monetary Times.

DEAR SIR,—Would you please inform me if the Mutual Benefit Association of Hartford Conn., is in existence. Wingfield & Barker are their Agents in Toronto. I am a member of it and what puzzles me is that the members are so much healthier than they are in other Co's., there only being a call once a year. I have been informed the thing is a fraud, please let me know.

Yours truly

A. F. DULMAGE.

We have several times expressed our opinion of this concern, and refer our correspondent to the files of the MONETARY TIMES. Meantime we give for his information and for the benefit of all concerned the following letter which appears in the New York Insurance Chronicle of Sept. 16th from Mr. S. Paddock of East Berlin, Conn: "I desire to publish the amount of money received by the widow of N. C. North, of East Berlin. Mr. North was insured in Class A of the above company. They report 1,206 members in that division in their July report, each of whom should pay \$1.10, one dollar of which goes to the heirs, and ten cents for expenses. This would of course give the widow \$1,206. Did she get it? Not much; she got just \$198. If any one can figure this thing out and show that the company is treating its policy-holders in a fair and honest manner, I should like to have it done." What surprises us is that the widow got anything at all! Ed. M. T.

BRITISH METAL MARKET.

Iron.—A better tone prevailed the iron trade of Scotland during a part of the month. Makers were in receipt of more orders, and prices strengthened. But the improvement is much less conspicuous as the month closes, and prices are again receding. Quotations are moderately firm. From the North of England we learn that very few new orders for rails have lately been distributed, but that certain firms have enough orders on their books to keep their works going for some time to come. At the date of writing, quotations varied from 7l. 2s. 6d. for ordinary kinds. Plates and bars were in better demand, and puddled bars fetched 5l. to 5l. 2s. 6d. The South Yorkshire iron trade maintains a healthy steadiness. In North Staffordshire there is a shade of improvement in the general condition, but certain mills can hardly be kept going for want of orders. The pig iron trade is quiet. Fair qualities, have been sold at 62s. 6d. to 67s. 6d. at the furnaces.

Steel.—The condition of the steel trade has for some time been fairly healthy. It is a satisfactory fact that the business in the Sheffield district has improved, and that the excellent demand which has prevailed in South Yorkshire for some time past continues without abatement. On the month prices are unaltered; but it is