

are nearest to us, and one that produces exactly what we want while we produce exactly what will supply them. This cold storage I am very pleased to acknowledge is one of the methods by which we can improve that trade. The standpoint, however, that I always take in regard to our trade relations is that if we restrict the trade by imposing duties we are bound to have a depreciation of trade. The falling off of our trade in sugar is largely due to the fact that it was necessary to impose the tax on raw sugar in May, 1895, by half a cent a pound, to keep up the revenue tariff under protective taxation. But I take the liberty of drawing the attention of the hon. gentleman from Charlottetown to the state of our trade with the West Indies to show that since confederation was established, 30 years ago, that the present year is the lowest that it has ever been known to fall to, and that unless we can revive that trade, a direct line to the West Indies is not within reach of Prince Edward Island.

Hon. Mr O'DONOHUE—Has not the disturbance in Cuba had an effect upon that trade?

Hon. Mr. BOULTON—It should have a reverse effect. If the disturbance with Cuba stops our trade then our trade should have increased with the West Indies. I will read you imports by countries which show, that while our sugar trade dropped with the Spanish West Indies, it was not transferred to the British West Indies, but mainly to Germany. The imports for 1897 are as follows for sugar not above No. 16 Dutch standard, that is what I term raw sugar:

	Pounds.
Great Britain.....	551,034
British Guiana.....	3,283,382
British West Indies.....	20,317,636
Austria.....	13,303,140
Belgium.....	13,351,506
Brazil.....	2,158,154
China.....	6,932
Egypt.....	32,777
Dutch East Indies.....	29,687,166
Germany.....	98,084,985
Peru.....	4,534,225
Spanish West Indies.....	5,964,579
Spanish possessions, other.....	43,415,435
United States.....	42,033,125
Total.....	276,724,076
Refined sugar.....	7,237,910
Duty collected.....	\$1,645,581

Four years ago the imports of sugar from Cuba were 130,000,000, showing the dire

effects of the troubles the island is passing through, so far as Canada is concerned.

Hon. Mr. MILLS—There was a fall in the price of bounty sugar in Germany.

Hon. Mr. BOULTON—That could not affect it. As a matter of fact there was an increase in the export bounty of Germany eighteen months ago which lowered the world's price, but that should have the effect of increasing our imports. In 1894 the quantity of our import of sugar was 309,000,000 lbs., and in 1895 it was 303,000,000; in 1897 it had fallen to 276,000,000 lbs., under the tax of one-half a cent per pound.

Hon. Mr. SCOTT—There is no change in the tariff on raw sugar.

Hon. Mr. BOULTON—There was in May, 1895. I do not think the fall in the price of bounty sugar had anything to do with it. That bounty had been on for a number of years. It is the restrictive power we put upon our trade in consequence of the protective taxation of the necessaries of life that we continue to impose contrary to the pledges of the present government. That is the ground I put it upon, and the evidence of that is that it fell off immediately that tariff was put on.

Hon. Mr. MILLS—That was not put on last year.

Hon. Mr. BOULTON—It was put on in the session of 1895—two years ago. The imports of 1894 when there was no tax upon sugar were \$4,790,000 from the British West Indies.

Hon. Mr. SCOTT—There was no tax on sugar in 1895.

Hon. Mr. BOULTON—Not on the raw under 16 Dutch Standard, but on the refined. Then in 1896 when a tax of half a cent a pound was put upon our raw sugar our import trade fell at once to \$1,896,000 in that year. That shows the direct effect it has upon reducing the necessaries and comforts of the population. To the extent that you tax those necessaries and reduce the industrial power of those industries in which sugar is used, you restrict trade and hamper industry. The British West Indies are fifth on the list in their export of sugar to the